

# What Would Strengthen Medicaid Long-Term Services and Supports (LTSS)?

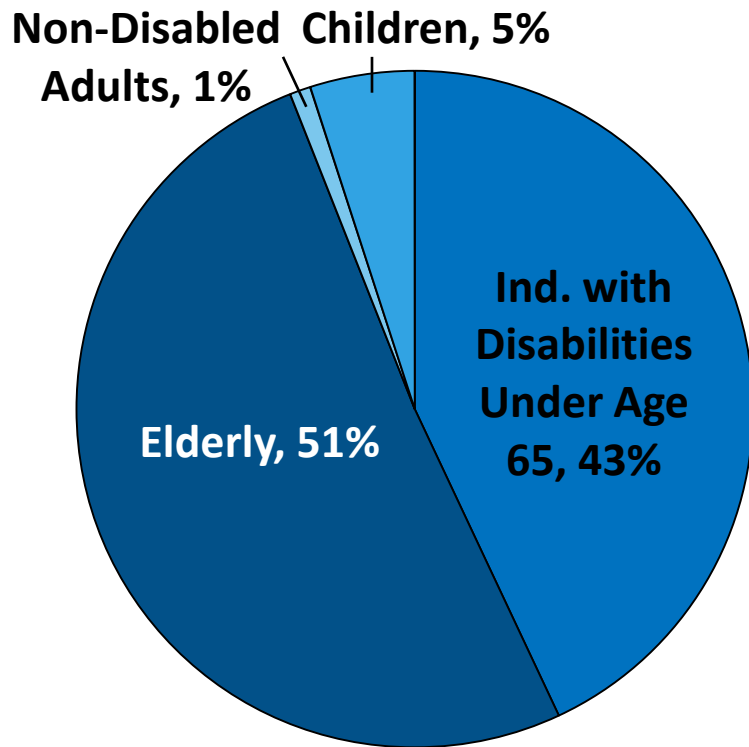
Federal Commission on Long-Term Care Public Hearing  
Thursday, August 1, 2013

Diane Rowland, Sc.D.  
Executive Vice President, Kaiser Family Foundation  
Executive Director, Kaiser Commission on Medicaid and the Uninsured

Figure 1

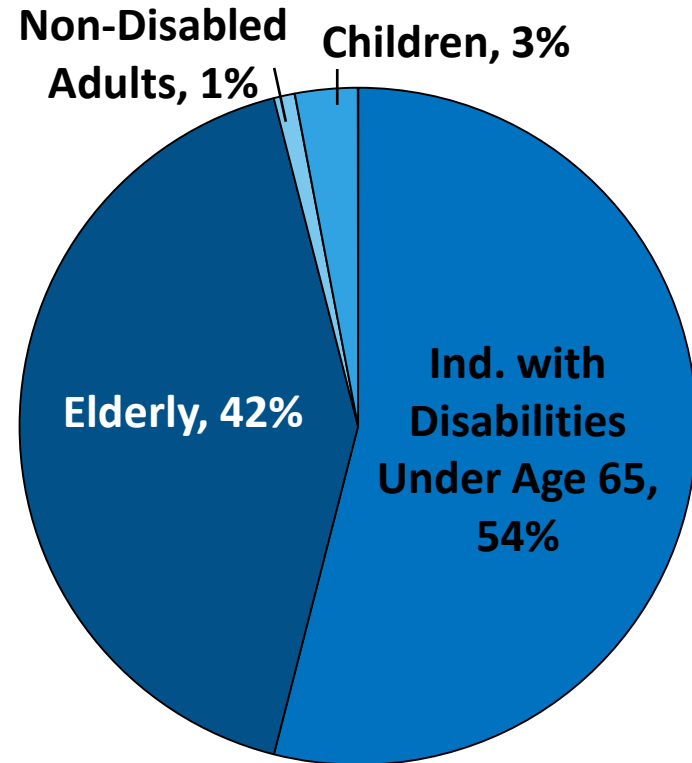
# Medicaid Enrollees Who Used LTSS, 2010

## Enrollment



**Total = 3.8 million**

## Expenditures



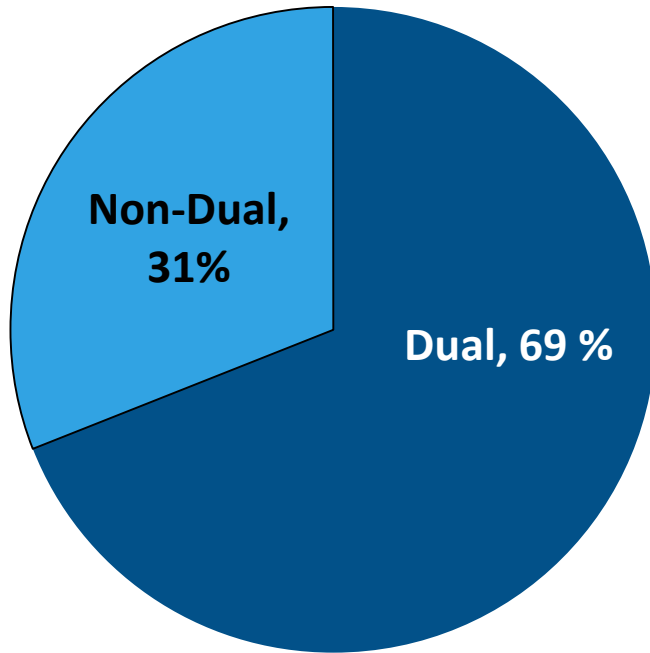
**Total = \$159 billion**

SOURCE: KCMU and Urban Institute estimates based on data from FY 2010 Medicaid Statistical Information System (MSIS). Because 2010 data was unavailable, 2009 data was used for Colorado, Idaho, Missouri, and West Virginia.

Figure 2

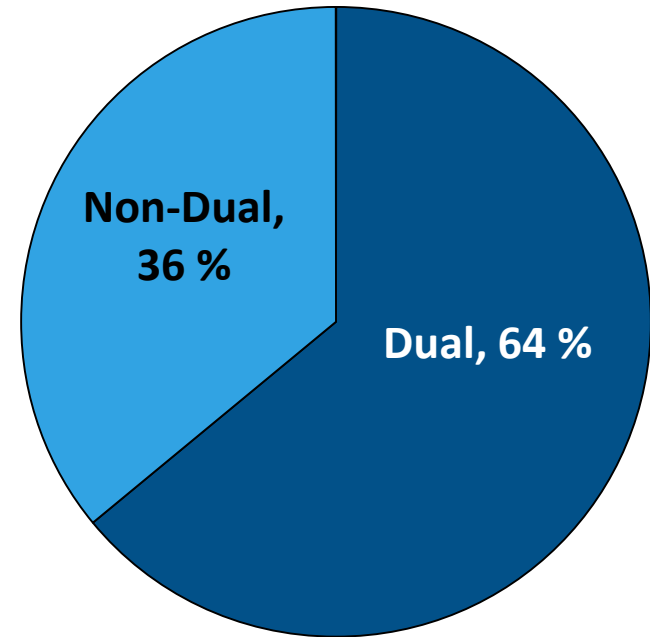
# Distribution of Medicaid Beneficiaries Who Use LTSS, by Dual Eligibility Status, 2010

Enrollment



Total = 3.8 million

Expenditures

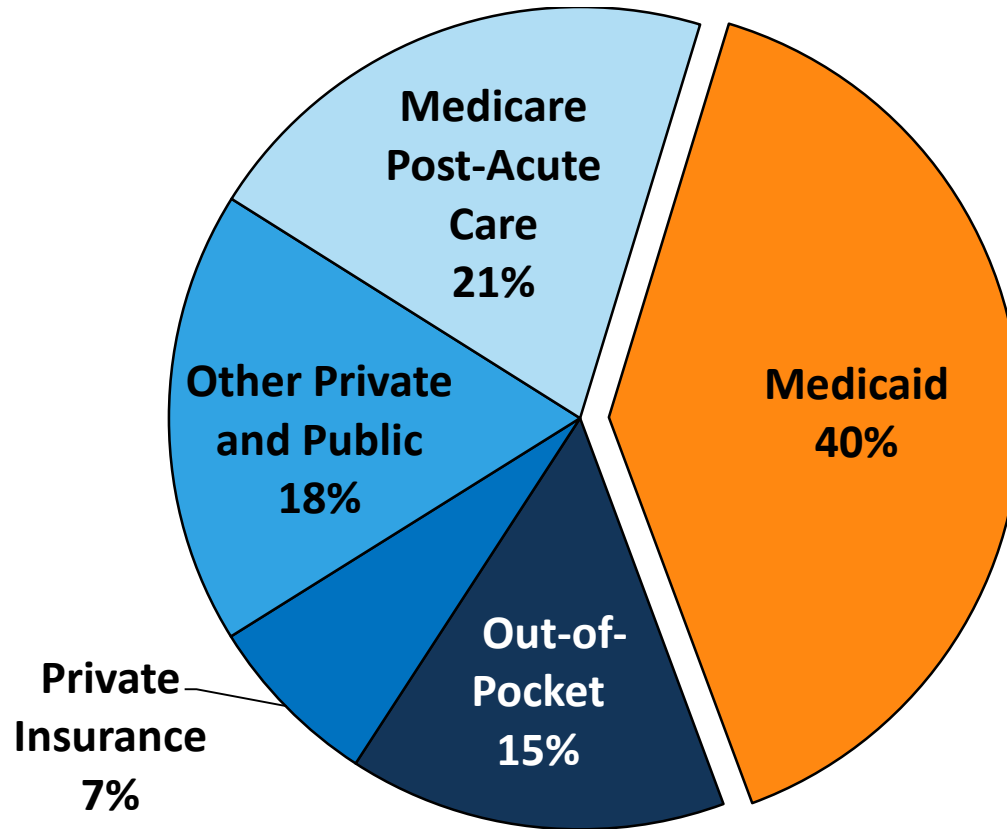


Total = \$159 billion

SOURCE: KCMU and Urban Institute estimates based on data from FY 2010 MSIS. Because 2010 data was unavailable, 2009 data was used for Colorado, Idaho, Missouri, and West Virginia.

Figure 3

# Medicaid is the Primary Payer for LTSS

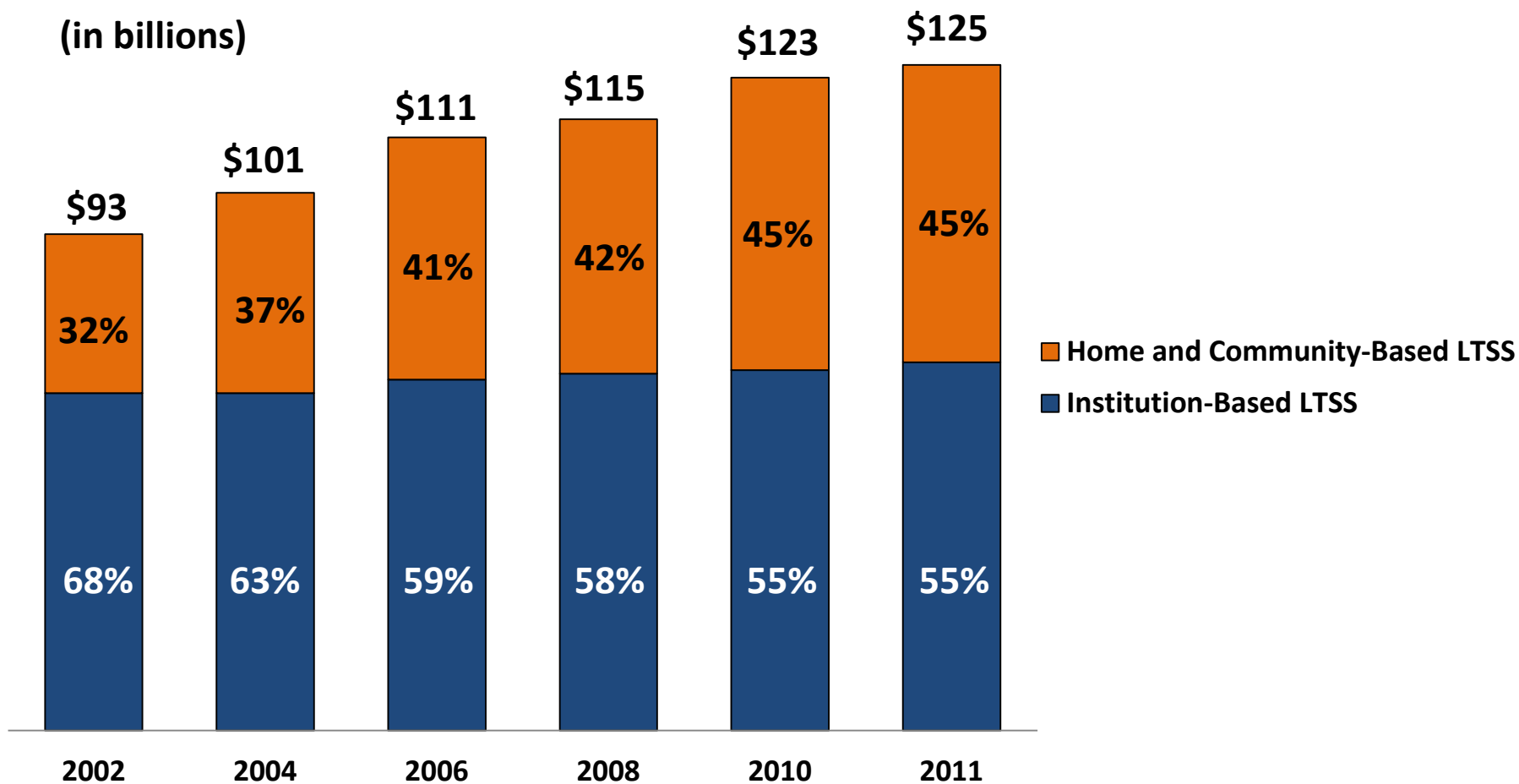


**Total National LTSS Spending, 2011 = \$357 billion**

NOTE: Total LTSS expenditures include spending on residential care facilities, nursing homes, home health services, and home and community-based waiver services. Expenditures also include spending on ambulance providers. All home and community-based waiver services are attributed to Medicaid. SOURCE: KCMU estimates based on CMS National Health Expenditure Accounts data for 2011.

Figure 4

# Growth in Medicaid LTSS Expenditures, 2002 - 2011

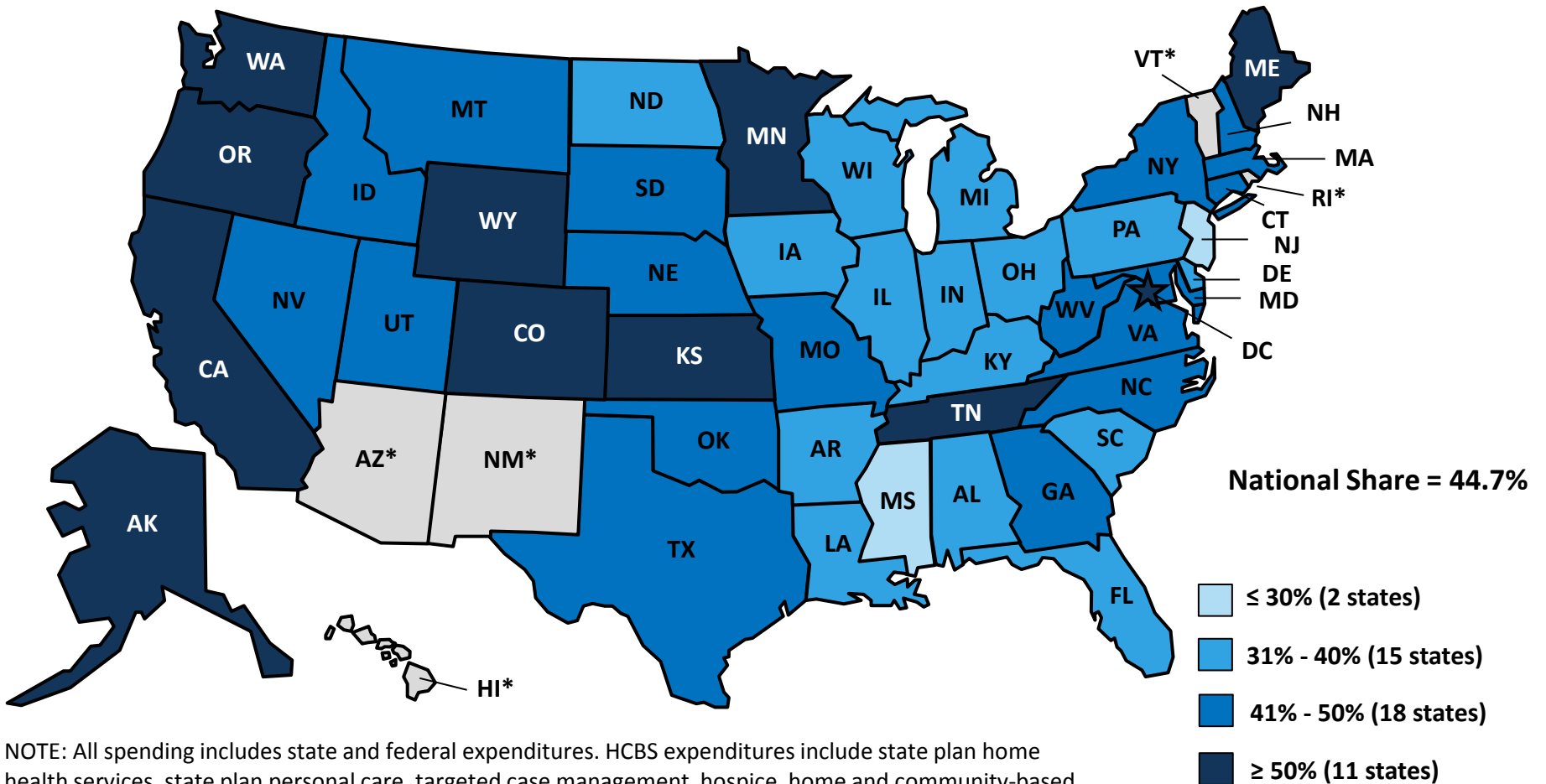


NOTE: Home and community-based care includes state plan home health, state plan personal care services and § 1915(c) HCBS waivers. Institutional care includes intermediate care facilities for individuals with intellectual/developmental disabilities, nursing facilities, and mental health facilities.

SOURCE: KCMU and Urban Institute analysis of CMS-64 data.

Figure 5

# Distribution of Medicaid HCBS Expenditures as a Share of Total Medicaid LTSS Spending



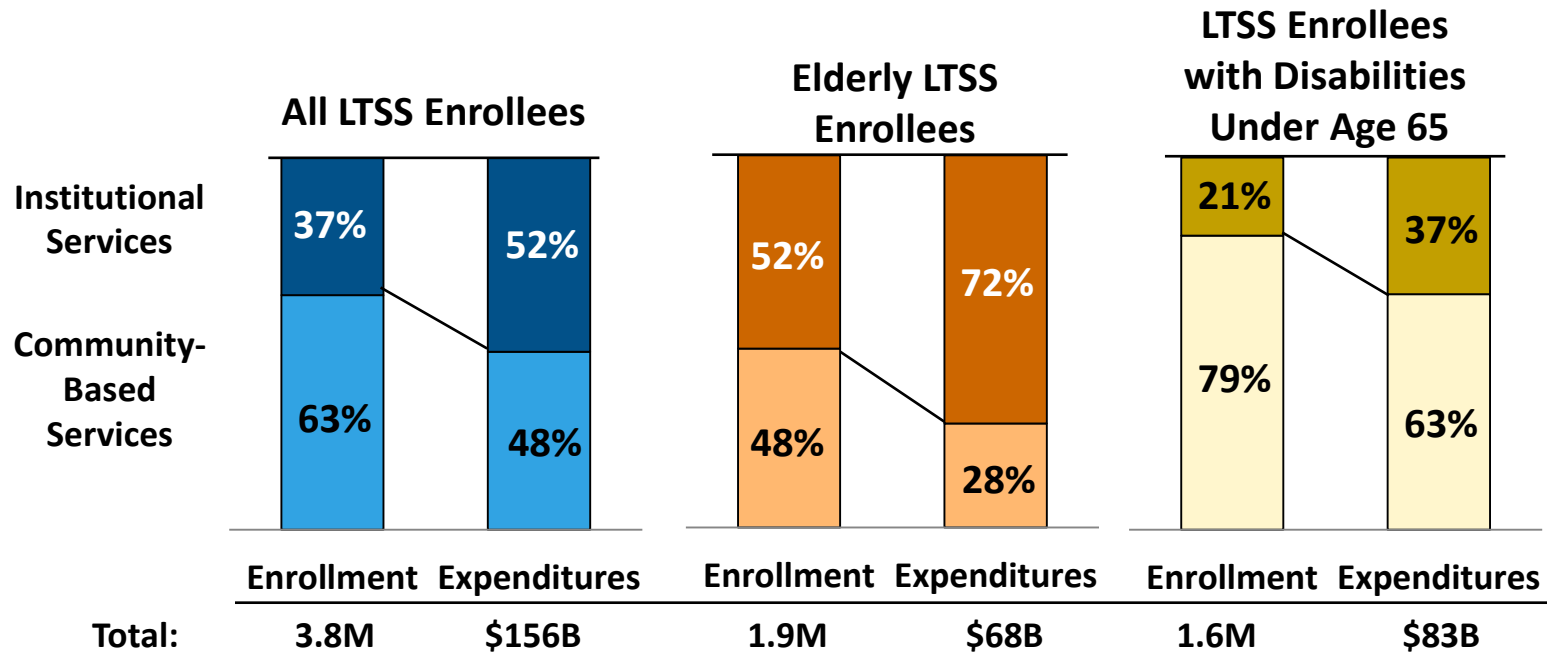
NOTE: All spending includes state and federal expenditures. HCBS expenditures include state plan home health services, state plan personal care, targeted case management, hospice, home and community-based care for the functionally-disabled elderly, and services provided under HCBS waivers. Expenditures do not include administrative costs, accounting adjustments, or expenditures in the U.S. territories.

\*Spending for AZ, HI, NM, RI, and VT is not shown due to their funding authority for HCBS and/or the way spending is reported.

SOURCE: Urban Institute estimates based on data from CMS-64, FY 2011.

Figure 6

# Distribution of Enrollment and Spending Among Medicaid LTSS Beneficiaries, by Population, 2009



NOTE: Note: Individuals who used both institutional and community-based services in the same year are classified as using institutional services in these tables.

SOURCE: KCMU and Urban Institute estimates based on data from FY 2009 MSIS. Because 2009 data was unavailable, 2008 data was used for Pennsylvania, Utah, and Wisconsin.

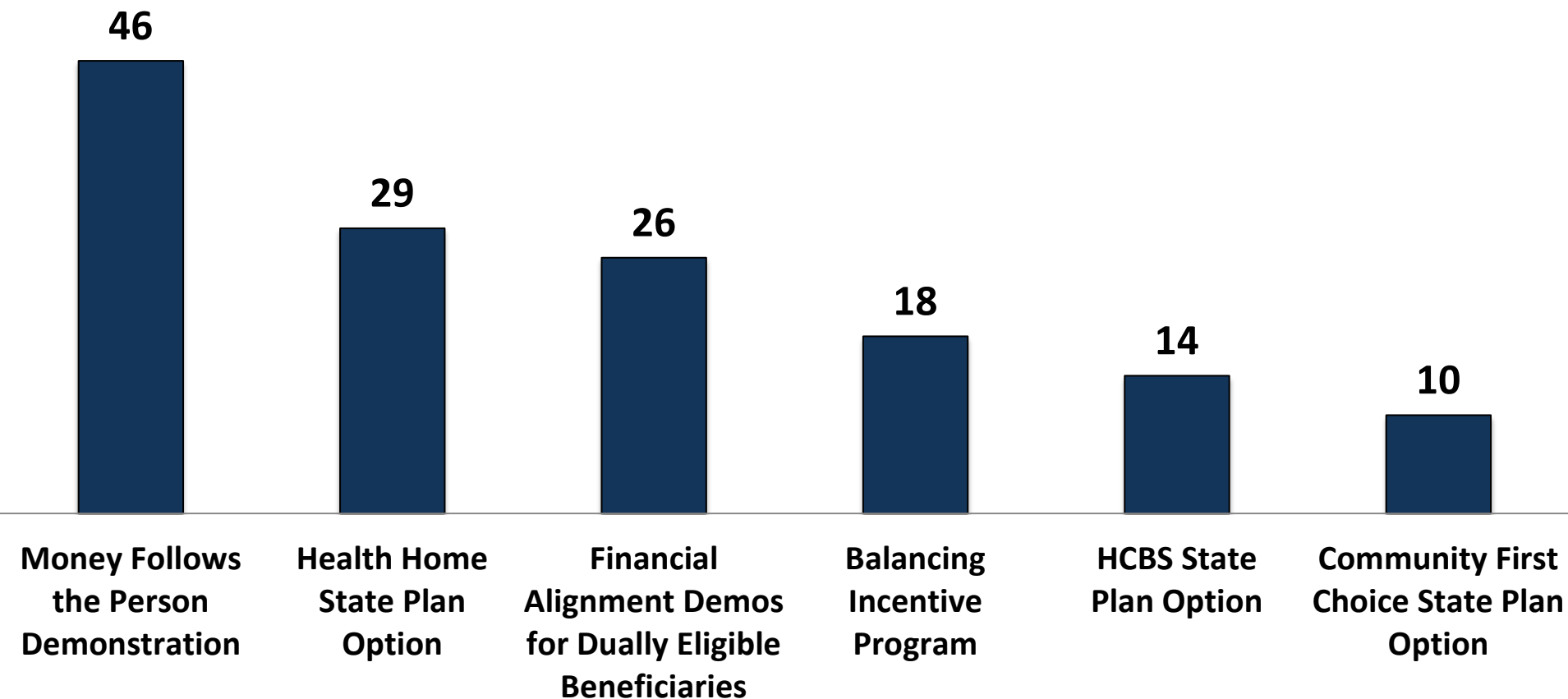
# The National LTSS Landscape, 2013 and Beyond

- **Aging of America and Growth in Demand for Person-Centered LTSS :** The 85 and over age cohort is at highest risk for needing LTSS, and the number of individuals in this age cohort is expected to increase by almost 70 percent over the next two decades.
- **Widespread Use of Informal Supports and Limited Access to Adequate, Affordable Housing:** Family caregivers play a significant role in reducing unmet need among individuals who desire to remain in the community. Access to suitable community-based housing is limited.
- **Few Can Afford LTSS Expenses:** In the absence of affordable options to finance current and/or future care needs, low-income people with LTSS needs will continue to rely on Medicaid to cover their expenses for institutional and home and community-based LTSS.



Figure 8

# States' Participation in Six Key Medicaid LTSS Options Provided or Enhanced by the Affordable Care Act



NOTE: Number of states that are participating, used to participate, or have plans to participate in FY 2013 or FY 2014 as of July 2013.

SOURCE: M. O'Malley Watts, M. Musumeci, and E. Reaves, *How is the Affordable Care Act Leading to Changes in Medicaid Long-Term Services and Supports (LTSS) Today? State Adoption of Six LTSS Options*, The Henry J. Kaiser Family Foundation, April 2013, available at: <http://www.kff.org/medicaid/issue-brief/how-is-the-affordable-care-act-leading-to-changes-in-medicaid-long-term-services-and-supports-ltss-today-state-adoption-of-six-ltss-options/>; updated July 2013.

## *Kelli, Age 64, Oklahoma*



Kelli does not have any family or friends that she can turn to for help and support. Kelli says that her mental illness makes it difficult for her to make friends and trust people, yet she was able to establish a close relationship with her Medicaid caseworker. Having her caseworker's assistance has made such a positive difference for Kelli because, as she says, in regard to managing her care, "It can be very complicated because my mind just doesn't function like it used to anymore." With assistance, Kelli is about to live independently in the community and feels in control of her life.

## Don, Age 41, Michigan



Don was born with developmental disabilities. With help of his legal guardian, Don qualified for self-directed Medicaid in-home services; he enjoys having the freedom to allocate his Medicaid dollars for approved services. Don uses most of these dollars to hire his own caregivers. Having caregivers who he trusts greatly improves Don's quality of life. He wishes to remain in the community and live independently.

## *Edward, Age 64, Georgia*



Edward lives independently now, following three years in nursing homes after he lost both legs to an infection. Edward's goal was always to live again on his own, and he was able to make this transition through Georgia Medicaid's Money Follows the Person program. MFP helped Edward find affordable housing and

connected him with health care providers in the community. Medicaid also covers homemaker and meal services a few hours each day and pays for the power wheelchair that enables Edward to grocery-shop and get around town. Edward shared, "I really wanted to leave the nursing home, but was told there were no funds to help me. Then a social worker came and told me about MFP."



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