

# **The Future of Long-Term Care and the Aging Network**

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# A National Perspective on Long-Term Care Policies and Programs

A Context for  
Addressing Current and  
Future Long-Term Care  
Issues in Florida

Demographic Trends:  
Need, Individual  
Resources and Public  
Responsibility

# Policy and Funding Trends

- Fifteen states spending 20%+ on HCBS (6 of these 40%+)
- The DD experience
- Continuing nursing home dominance (Florida, but for some unique reasons)
- Nursing home staffing

# Favorable Conditions for Qualitative Change (Rebalancing)

- Extensive aging network/AOA (Josefina) focus
- HCBS cost-effectiveness
- Assistive technology
- Increasing cost of nursing home care
- Powerful preferences of elderly
- New Freedom—Real System Change Grant Program (CMS)

# Maximizing These Conditions (Resources for Change)

- Create a better balanced, more consumer-friendly and cost-effective LTC system by integrating LTC services and resources.
  - consolidated administrative/organizational structures
  - single administrative authority for all LTC policy, funding and program arrangement
  - Oregon, Washington (for 15 years), Massachusetts (now)
  - focus on control of the Medicaid nursing home budget by aging units—departments
  - creates opportunity to shift resources over time. 7

## Maximizing These Conditions (Cont'd)

- Managed care approach based on single capitation rate covering *all* LTC services
  - PACE—includes Medicare
  - ALTCS (1991)—50% of dollars in HCBS/Medicaid controlled
  - Family Care (2000)—ARC and CMO (\$1,850 PMPM capitation), aging-network based
  - Florida Diversion Program (1999)—now largest HCBS program, \$2,000 PMPM and 6,000 slots by 2005

## Maximizing These Conditions (Cont'd)

- Integrate LTC first and Medicare (acute care later)
- New aging network managed care initiative (SB 1226)
- demo projects—implementation plan by October 2004
- capitation model—flexible approach with option to incorporate nursing home responsibility, DOEA/AHCA may share risk with demo projects as with Family Care . . . .
- 1226 also establishes ARCs operated by AAAs—good idea

# Managed Care and Barriers to Expanding HCBS (Weiner)

- HCBS and state fiscal crises—access to resources (NH) through single capitation
- Overcoming fragmentation of LTC policy, funding and service delivery and achieving greater efficiency and accountability.
- Managed care alternatives to administrative consolidation á la Oregon and Washington
- Making services more flexible and consumer responsive
  - Freeing resources from their silos/varying eligibility criteria and service levels
  - Cost containment needs
  - Quality assurance

# Next Steps

## **AOA/RTI Case Studies—Conclusions**

- Clear legislative commitment to LTC rebalancing
- Contain systematic planning and research
- Involve all essential stakeholders
- Reorganizing/responding to fiscal realities
- Create more efficient administrative/  
organizational structure (ARCs and MLTC)

# Center for Home Care Policy and Research

## Policy Recommendations from Synthesis of Research Literature and Center Research Projects

- Consolidation of state LTC policy and budget authority
- Pool financial resources across settings, payers and programs (consolidation or MLTC)
- Better targeting of services to right people at the right time—Weissert, *titration* of resources
- Consumer empowerment—control of resources (CDC)
- Plus, provide more community residential alternatives—the ALE waiver