THE AFFORDABILITY OF LONG-TERM CARE

HOSTED BY COUNCILMEMBER SALLY BAGSHAW

September 4, 2019
Seattle City Council Chamber
What is long-term care?

• A variety of services designed to meet an adult’s health or personal care needs so they can continue to live independently and safely

• Examples:
  • Home care aide
  • Volunteer chore services
  • Home health care
  • Home-delivered meals
  • Adult day health
  • Respite care
Who needs long-term care?

• Well over half of people turning age 65 will need some type of LTC services during their lifetimes
• 14% of people will need LTC for 5+ years
• 15% of U.S. residents will spend in excess of $266,000 on long-term care during their lifetimes
The cost of care

• Among people age 85 and older, **one in three** will develop Alzheimer’s or another form of dementia

• Estimated lifetime cost of care for someone with dementia: **$341,840**

• The median average cost of care in 2018 (annual):
  • **$18,200** for adult day care (five days/week)
  • **$45,000** in an assisted-living facility
  • **$85,775** in a semi-private nursing home room
  • **$97,455** in a private nursing home room
Today’s objectives:

• Hear what long-term care services and supports are available
• Learn how services are funded
• Discuss the challenges and opportunities
• Know where to go for help
Presenters

• Audrey Buehring, Deputy Director, Seattle Human Services Department

• Cathy Knight, Aging and Disability Services Director, Seattle Human Services Department

• Cathy McCaul, Advocacy Director, AARP Washington

• G De Castro, Aging and Adult Services Director, Asian Counseling & Referral Services
Area Agency on Aging for Seattle-King County
Aging and Disability Services: Scope (2018)

• Budget: $48 million (primarily Medicaid Title XIX, federal & state funds)
• 154 contracts with 75 community-based agencies
• Served 46,227 King County residents in 2018 (unduplicated)
• Case management (social workers, nurses, social service aides) provided support to 15,028 clients (unduplicated)
Where health happens

- Socioeconomic Factors (40%)
  - Education
  - Employment
  - Income
  - Family/Social Support
  - Safety
- Physical Environment (10%)
- Health Behaviors (30%)
  - Tobacco Use
  - Alcohol use
  - Diet and exercise
- Health Care (20%)
- Access Quality

9/4/19 The Affordability of Long-Term Care
Continuum of care: Promoting healthy aging

- Age- and dementia-friendly communities
- Aging Mastery Program
- Chronic disease self-management workshops
- Falls prevention
- Nutrition—access to healthy food in community settings
- Oral health promotion
- PEARLS counseling (in-home, evidence-based)
Community Living Connections

- Serves Seattle and King County
- Helps older people, adults with disabilities, caregivers access services
- Free consultations
- Individual consultation, support
- Professional and confidential
- No wrong door

Have aging or disability issues?

Call toll free 1-844-348-5464
communitylivingconnections.org
No wrong door

- Telephonic services: 1-844-348-5464
- 22 agencies in countywide network
- Language capacity
- Specific populations
- Collaboration for equity and person-centered support
The Path to Medicaid LTSS: Common and Predictable

You have a need for care

Your family caregivers become exhausted

Your out-of-pocket expenses exhaust your financial resources

You turn to Medicaid for long-term services and supports

Average retirement savings = $148,000

Average life cost of LTSS = $260,000
Continuum of care: Long-term services & supports

- Case management services (Medicaid Title XIX)
- Caregiver support
- Medicaid Transformation Waiver
State Scorecard:
Washington is best in the nation

“The new #1 ranked state is Washington … Washington and Minnesota have ranked as the top 2 states in every Scorecard. … Ranks are not directly comparable between years, but the results across the three editions of the Scorecard indicate that Washington and Minnesota are consistently leading the pack.”

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<th>STATE RANK</th>
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<th>Choice of Setting and Provider</th>
<th>Quality of Life and Quality of Care</th>
<th>Support for Family Caregivers</th>
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Challenges and Opportunities

Cathy MacCaul
Advocacy Director
AARP Washington
cmaccaul@aarp.org
Challenges

• The median retirement savings for people over 65 is just **$148,000**.

• **90%** of adults are uninsured for long-term services and supports.

• Plans are expensive and availability is increasingly limited.

• Many mistakenly believe Medicare or private insurance will be there with the onset of a chronic illness or injury.
Caregiving: Impacts on Family

Approx. 80% of care is provided by family and friends. Unpaid caregiving has economic impact on families:

• Lost wages and benefits
• Decreased retirement savings
• Impacts ability to provide for other family needs
• Increased health care costs due to stress and burden
• Out-of-pocket expenses: Over 75% of family caregivers contribute an average of $580 per month ($6,954 per year)
Families are the backbone of Washington’s care system

• At some point, each of us will likely take care of somebody we are close to who needs help.
• Over 800,000 Washington residents help their aging parents, spouses, and other loved ones.
• Their time is equivalent of $10.7 billion in unpaid care—five times what Medicaid spends on LTSS each year.
• Fewer than 10% have private LTC insurance.
What do families do?

Currently, family and friends:

• “Soldier on”—do as much as they can for as long as they can, adapting daily routines and expectations.
• Pay privately for help.
• When physical and financial resources are exhausted, turn to Medicaid.
Washington State
Long-Term Care Trust Act

• Creates a $36,500 lifetime long-term care benefit
• The benefit amount is adjusted annually
• Eligible beneficiaries qualify if:
  ➢ Paid the premium for either:
    ✓ Three of the last six years
    ✓ Or a total of ten years with five uninterrupted
  ➢ At least age 18, state resident
  ➢ Need help with at least three activities of daily living

• 0.58% premium on wages—$290 on a $50K annual income deposited in global trust account
• Contributions start in 2022, first benefits paid in 2025
What does the Trust Act add?

Under the new Long-Term Care Trust Act:

• With a 5-hour safety class and background check, any family caregiver can get paid by the benefit for the first 120 days.

• Beyond 120 days, spouses are required to take an additional 20 hours of training (adult children, 35 hours).
Broad list of “approved services”

- Adult day care, care transitions, memory care
- Adaptive equipment and technology
- Home modification, emergency response systems
- Home safety evaluation, respite, home meals
- Transportation, dementia supports
- Education and consultation, nursing
- Professional health services, in-home personal care
- Adult family home, nursing home care
- Others can be added
$36,500 doesn’t seem like much. What difference will that make?

That's enough for:

- **25** hours per week of in-home care for a year
- **9–18** months in a residential care such as an adult family home or assisted living
- **5–6** months in a nursing home
- **5** years of family caregiver support that includes respite, caregiver counseling and education, home modification, adaptive equipment
Dementia Action Collaborative & Dementia-Friendly Services

Public-private partners committed to preparing WA state for growth of the dementia population

• Educate to eliminate stigma
• Provide information for early detection
• Support families affected by dementia
Accessing Long-Term Services and Supports

G De Castro
Director, Aging and Adult Services
Asian Counseling and Referral Service

GDC@acrs.org
Asian Counseling and Referral Service (ACRS)

- Aging services for older people
- Behavioral health and wellness
- Child and youth development
- Employment and training services
- Citizenship and immigration services
- Recovery services
- Basic needs
- Legal clinic
ACRS Aging Services

• Congregate meals—multiple community sites
• Senior center—Club Bamboo
• Case management services
• Community Living Connections
Are you facing aging or disability issues?

Community Living Connections
1-844-348-5464
www.communitylivingconnections.org