



*Alameda County Board of Supervisors
Health Committee Meeting - January 30, 2012*

Linking Medical Care and Long-Term Services and Supports: Issues, Implications, & Opportunities

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Our Mission & Vision

Mission: To advance the development of a sustainable continuum of quality care for seniors.

Vision: A society where seniors receive medical treatment and human services that are integrated in the setting most appropriate to their needs and with the greatest likelihood of a healthy, independent life.



Presentation Overview

- Setting the Context: Health Care Reform and System Fragmentation
- Overview: Long-Term Services and Supports (LTSS)
- Understanding “Dual Eligibles”
- Chronic Conditions & LTSS
- Integration Pilot Efforts in California
- Opportunities & Considerations for Alameda County

Policy Opportunities: The Affordable Care Act

The Affordable Care Act:

- Authorizes several initiatives to improve care coordination across medical and supportive services
- Provides opportunities for payment and delivery reforms to improve care and slow cost growth
 - Medicare Shared Savings Program (ACOs)
 - Center for Medicare/Medicaid Innovations
 - Medicare/Medicaid Coordination Office
 - Other Programs and Demonstrations

What are Long-Term Services & Supports (LTSS)?

- Broad range of non-medical services and supports needed for an extended period of time
- Provided by paid or unpaid caregivers
- Need arises due to physical, cognitive, or chronic health condition

Over 12 million Americans need long-term care to assist with daily activities; 58% are age 65 or older. *(Kaiser Family Foundation, 2009)*

Medical Care and LTSS: Who Pays?

Medical Care:

- Medicare
- Medi-Cal
- Out-of-pocket payments

LTSS:

- Medi-Cal
- Out-of-pocket payments
- In-kind support from informal (family) caregivers
- Private Long-Term Care Insurance

FY 2009 Medicaid long-term care expenditures totaled \$114 billion, 32% of Medicaid spending

— Eiken S, Sredl K, Burwell B, Gold L., 2010



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Who are “Dual Eligibles”?

- Low-income individuals who qualify for Medicare & Medi-Cal
- Dual eligibles are among the poorest and sickest in the U.S.
 - 37% have both chronic conditions & functional limitations (vs. 9% of Medicare-only beneficiaries)¹
 - Utilize more Medicare dollars than non-duals
 - High utilizers of Medicaid services: 18% of Medicaid population, 46% of Medicaid spending²

33% of dual eligibles suffer from diabetes, stroke, dementia, and/or COPD

-TSF DataBrief Number 1. 2010

¹ TSF DataBrief Number 21

² Center for Health Care Strategies, Inc. citation of Urban Institute analysis, 2008

Chronic Conditions & LTSS

People with chronic conditions often have functional impairment that creates need for LTSS

Examples:

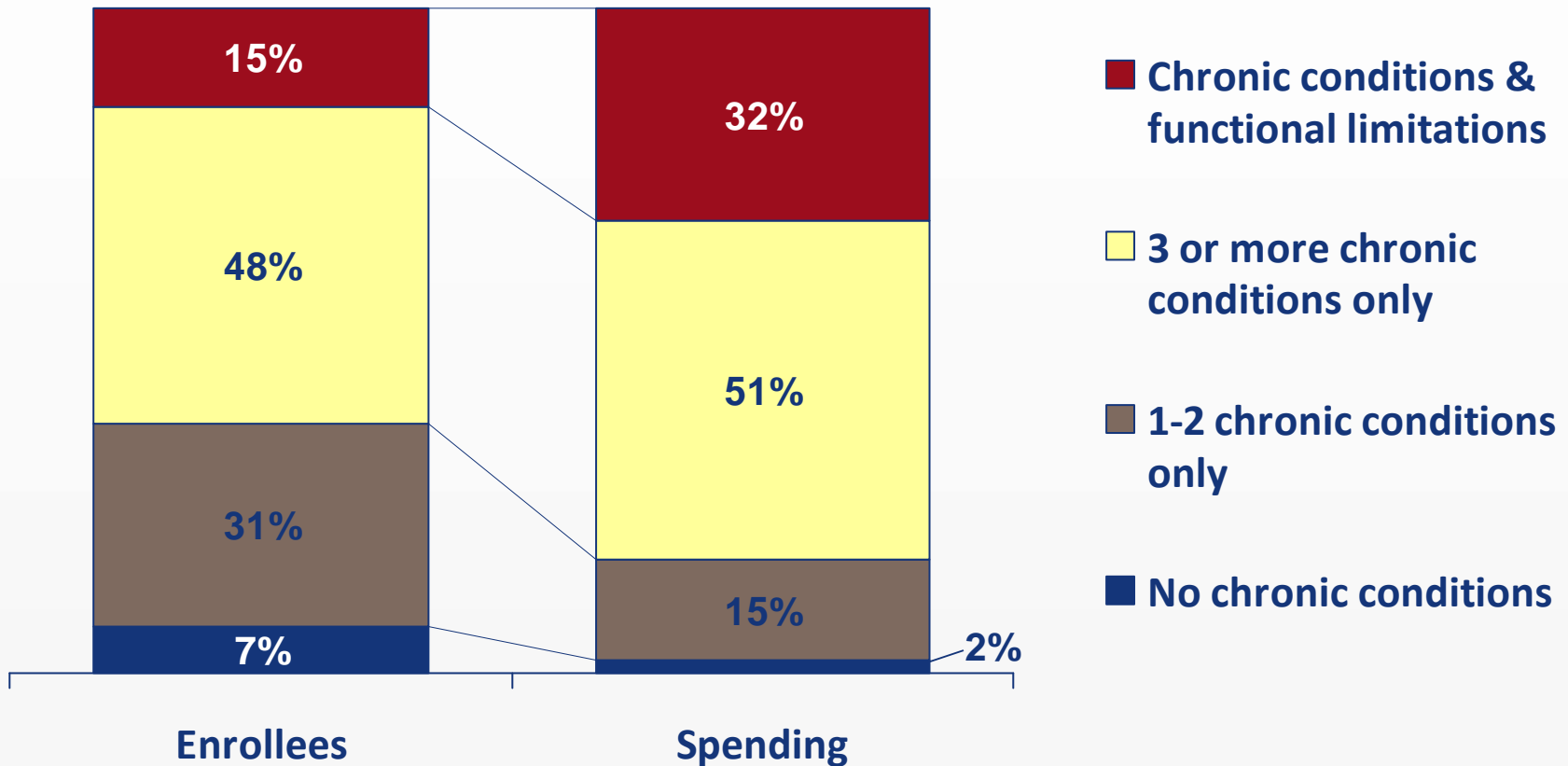
- Needs help managing multiple medications
- Difficulty eating, bathing, walking due to a chronic condition

What happens when these needs aren't met?

~15% of Medicare beneficiaries age 65+ with chronic conditions also had functional impairment

-TSF DataBrief Number 22. 2011

Chronic Conditions & Functional Limitations Together Explain High Per-Person Medicare Spending



Source: H. Komisar & J. Feder, *Transforming Care for Medicare Beneficiaries with Chronic Conditions and Long-Term Care Needs: Coordinating Care Across All Services*, The SCAN Foundation, October 2011.



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System Challenges

System Fragmentation:

- Lack of coordination between medical care & LTSS systems
- Poorly-managed care
- Difficult for individuals to access necessary services
- Individuals more prone to hospitalizations and nursing home placement

Better coordinating care across the medical and LTSS spectrum offers potential for improved outcomes and cost savings.

Exploring Opportunities: Linking Medical Care and LTSS

- **Address fragmentation through system coordination**
 - Responsibility for range of medical care and LTSS provided by a risk-bearing entity
- **Goals**
 - Improve system efficiency
 - Avoid institutional care, such as avoidable ED visits, hospitalization, nursing home placement

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Action Steps in California

- **Dual Eligible Pilot Project**

SB 208 (statutes of 2010) authorizing legislation

- 4 counties to be selected as pilots in 2012
- Integrate Medi-Cal/Medicare medical and LTSS benefits

- **Goals**

- Improve beneficiary outcomes and experience
- Use resources more effectively and drive down costs

- **Key elements in Governor's proposal**

Considerations for Alameda County

- Address LTSS needs in conjunction with medical care needs
- Take time to build & maintain infrastructure
- Stakeholder engagement is critical
- Importance of home and community-based organizations
- Importance of family caregivers
- Identify & create solutions for transportation & housing needs

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