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

www.TheSCANFoundation.org
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 spending\(^2\)

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

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\(^1\) 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.
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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