

California's Long-Term Care System: Understanding the Basics

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Our Vision & Mission

Our Vision: A society where older adults can access health and supportive services of their choosing to meet their needs.

Our Mission: To advance a coordinated and easily navigated system of high-quality services for older adults that preserve dignity and independence.



Three Main Points

1. Long-Term Care affects all of us

2. The system is changing

3. Your role is critical



What is Long-Term Care? (a.k.a. Long-Term Services and Supports)

Help with Routine
Activities

(e.g., bathing, dressing,
eating, walking)

Received in a
Home or
institutional setting

Provided by paid
&/or unpaid
caregivers

Why LTC Matters: Ms. Jimenez

- 83 year-old widow
- Lives alone in two-story home
- Multiple chronic conditions
- Beginning to show signs of dementia
- Wants to remain at home



Why LTC Matters: The Policy Storm

- **Population Aging**
- **Limited Resources to Finance LTC**
- **Need for Planning from Policymakers**

Main Point #1

LTC Affects *ALL* of Us.

Pop Quiz

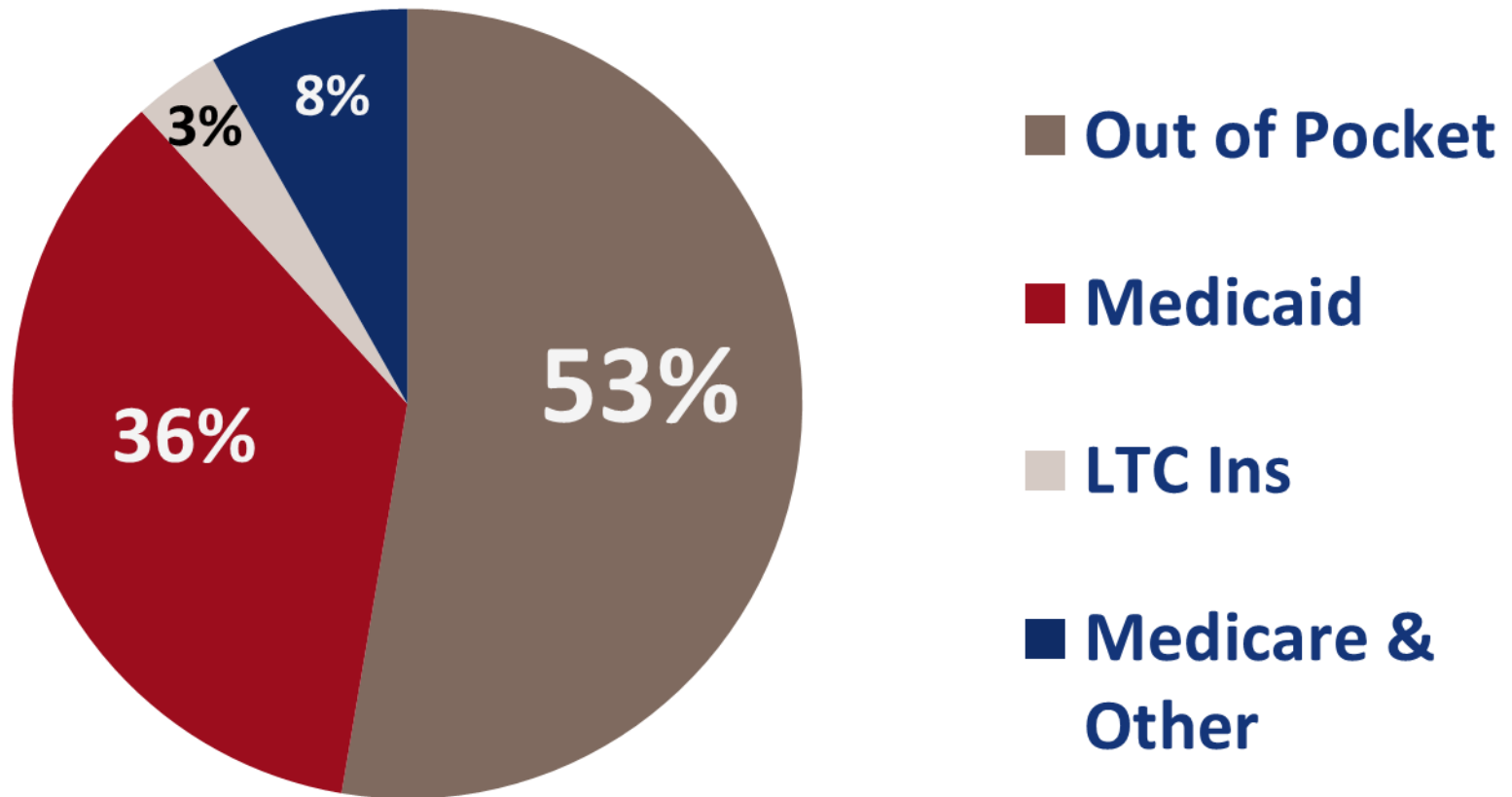
What percentage of adults who reach age 65 will have a severe LTC need at some point in their lives?

- a. 10%**
- b. 27%**
- c. 33%**
- d. 52%**



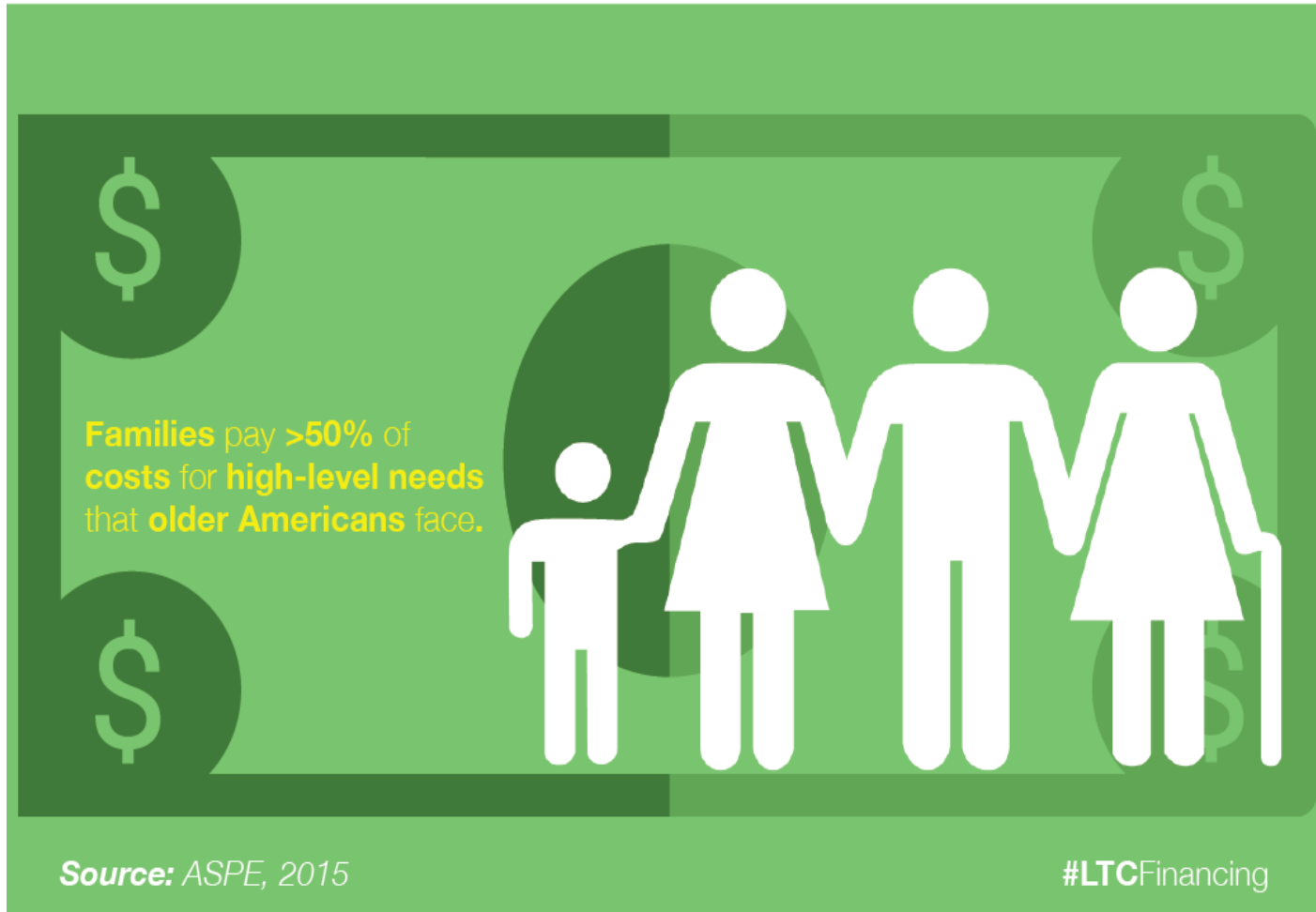
Testing...
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123...

Who Pays: Average LTC Lifetime Expenditures



Source: ASPE, 2015

Most Americans Unprepared for Costs



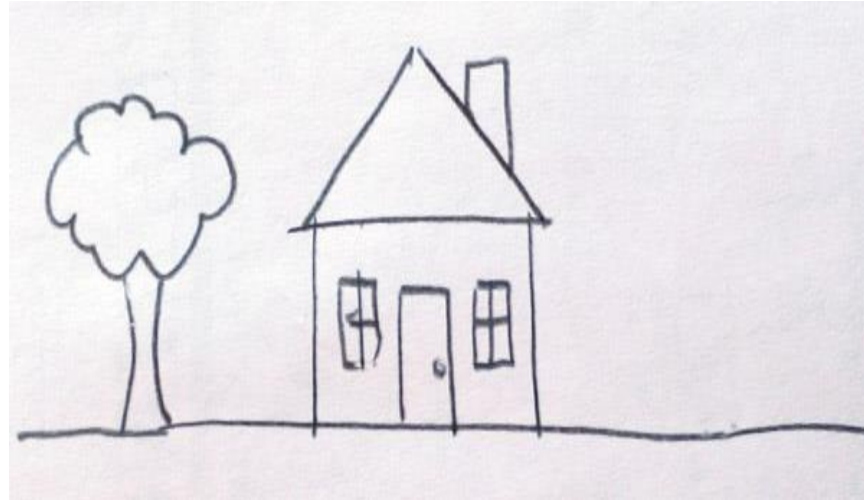
Families pay **>50%** of **costs** for **high-level needs** that **older Americans** face.

Source: ASPE, 2015 #LTCFinancing

LTC Financing Crisis Means...

- Families are facing bankruptcy
- Unpaid caregivers losing wages from missed work, experiencing physical and emotional strain
- Federal and state budgets are impacted, as individuals and families turn to Medicaid
- Individuals are not getting the care they need

Where is LTC Provided?



Who Provides LTC?

Unpaid Caregivers

- Family members
- CA: 6 million/ \$47 billion
- Majority of LTC workforce

Paid Caregivers

- Personal Care Assistants
- Home Health Aides
- Certified Nursing Assistants



LTC is a Big Piece of CA's Budget

2013: \$7.5 billion General Fund

\$2.8 billion: Institutional Care

\$4.7 billion: Home and Community-Based Services



Why LTC Matters



- Constituents Care
- Costs \$\$\$\$
 - Individuals/Families → Not Prepared to Pay
 - State → \$\$\$ Budget/General Fund
 - Caregiver → Unpaid Leave ↓ Workforce Capacity

Californians are Concerned

Polling of California voters 40+ in 2014

- 2/3 of those polled believe they will need assistance someday, but the majority have done little or no planning
- A majority of those polled support policies to help Americans pay for LTC



System Overview

Medicare (Federal)

Medi-Cal (Federal and State)

Dual Eligibles (Medicare/Medi-Cal)

Medicare



Federal health care program for:

- Individuals 65+
- Individuals under 65 with disabilities (specified requirements)
- Individuals with End Stage Renal Disease (ESRD)

Medicare covers hospital, physician visits, labs, post-acute care, and prescription drugs

Medicare Doesn't Cover Long-Term Care

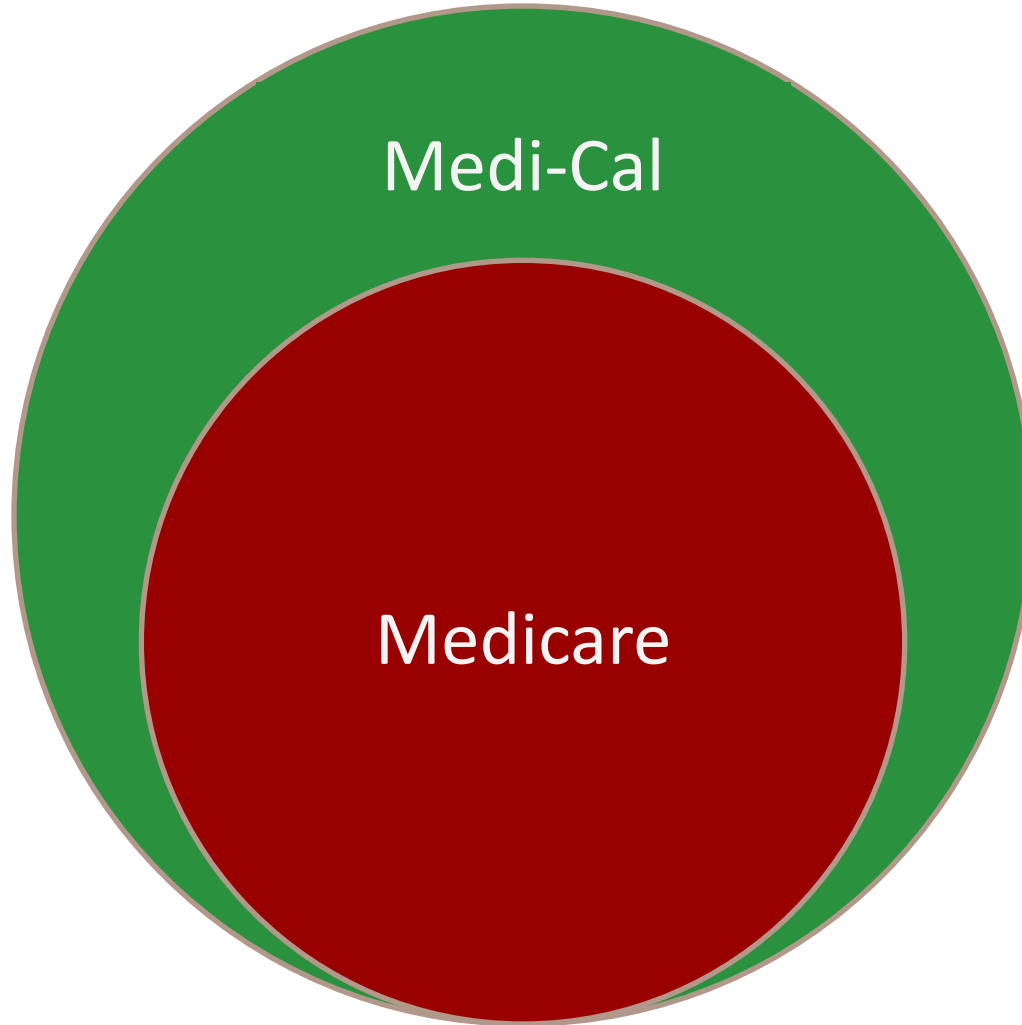
Medi-Cal



California's Medicaid Program

- Low-income individuals (families with children, seniors, people with disabilities)
- Required services: hospital inpatient, outpatient, LTC (institutional)
- Optional Medi-Cal services:
 - Prescription drugs
 - Durable Medical Equipment
 - Home and Community-Based Services (HCBS)

Dual Eligibles: Medi-Cal “Wrap-Around” of Medicare



Home and Community-Based Services Funding and Oversight

Medi-Cal

- In-Home Supportive Services (IHSS) – DSS
- Adult Day Health Care/Community-Based Adult Services (CBAS)- DHCS/CDA
- Multipurpose Senior Services Program (MSSP)- DHCS/CDA
- HCBS Waivers- DHCS

Other

- Area Agencies on Aging-CDA
 - Home-Delivered Meals
 - Information/Referral
- Caregiver Resource Centers- DHCS
- Independent Living Centers – DOR
- Other

These are examples of existing HCBS programs, but do not reflect all operating in CA

Departments Providing Long-Term Care

CA Health/Human Services Agency

Dept of
Social
Services

Dept of
Health
Care
Services

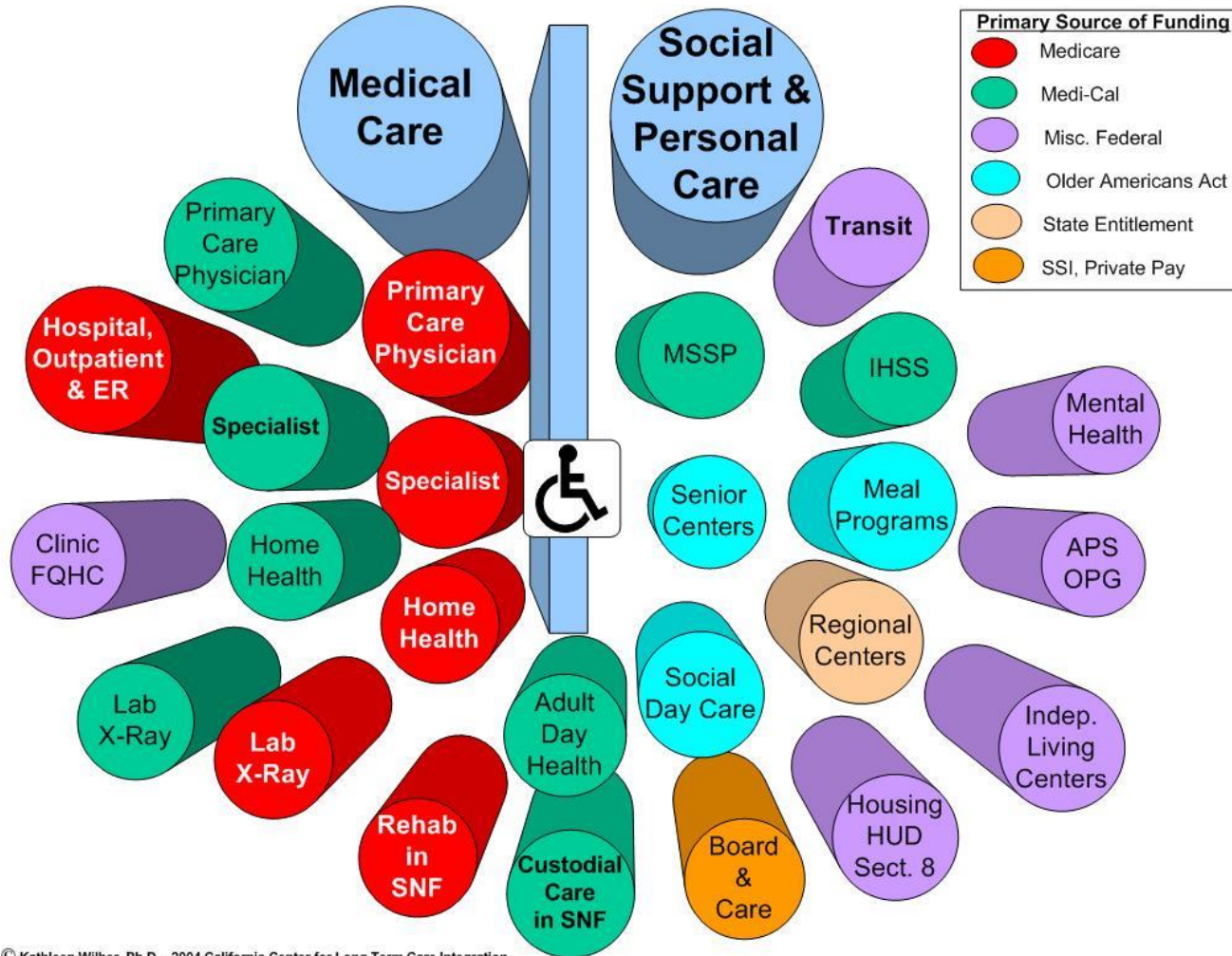
Dept of
Aging

Dept of
Dev't'l
Services

Dept of
Rehab

Dept of
Public
Health

What the System Looks Like to the Consumer



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Mrs. Jimenez

Complex Medical Care

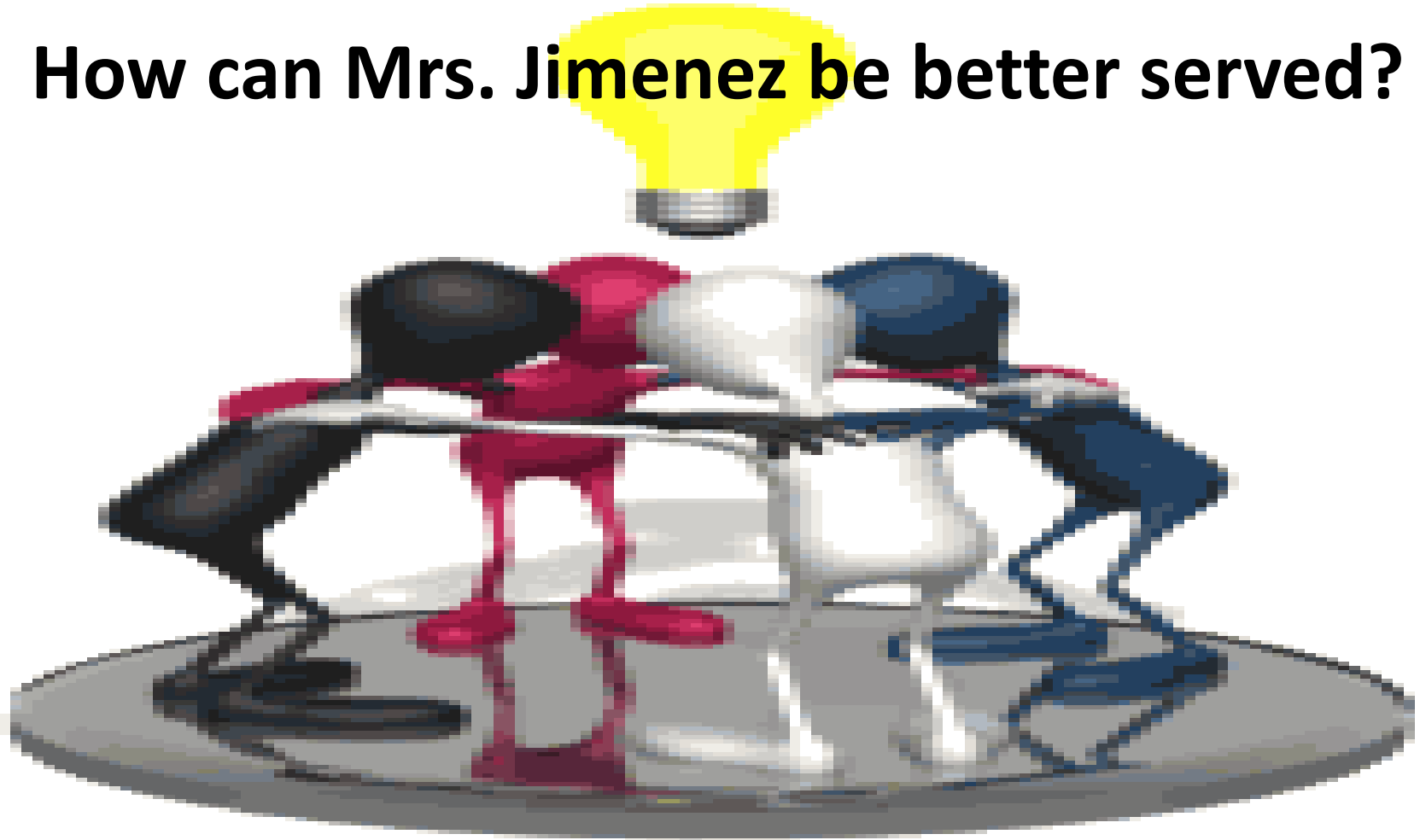


...and Long-Term Care



Addressing Unmet Needs

How can Mrs. Jimenez be better served?



What Ms. Jimenez Needs

- Assessment – needs, goals, & preferences
- Access to coordinated services (personal care, transport, other)
- Focus on the whole person



In the Ideal: Person is at the Center

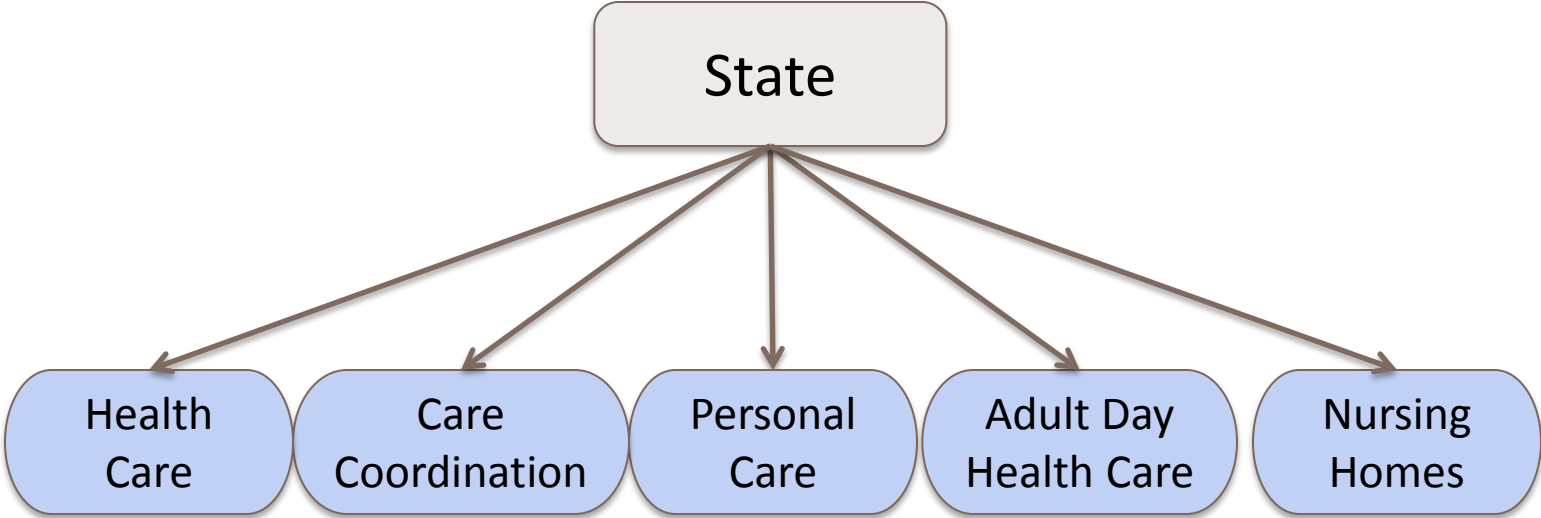


System Challenges

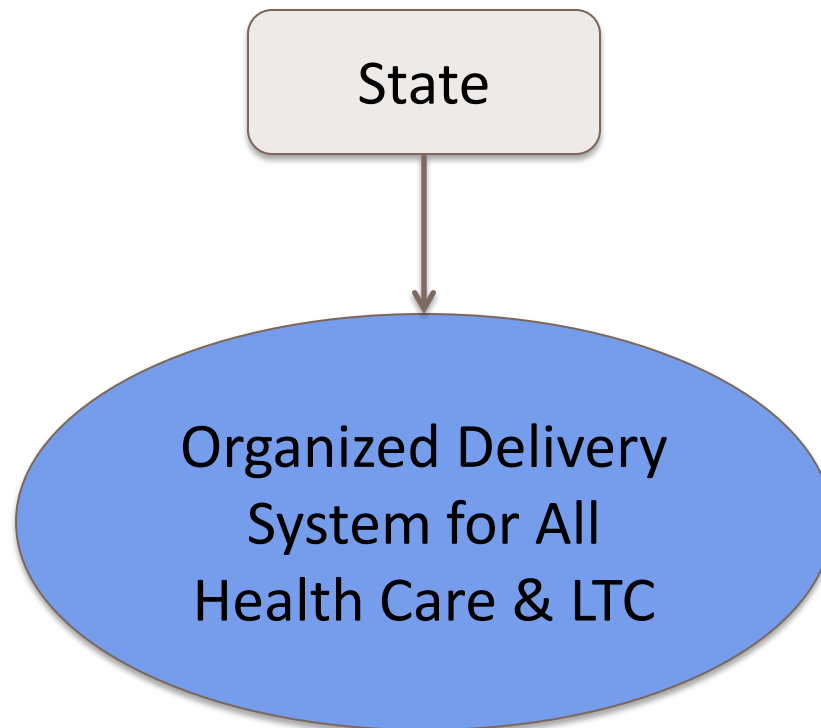
- Fragmentation
- Lack of Access to Services
- System Inefficiencies



Where California Has Been...

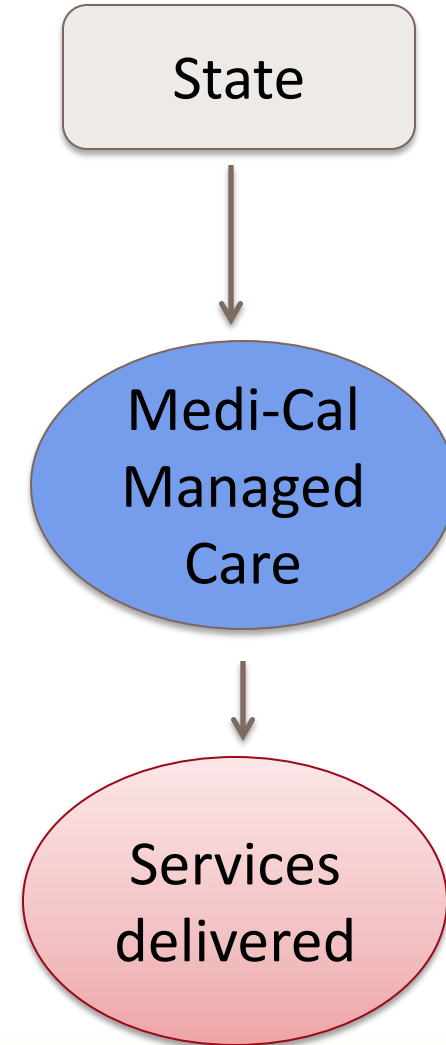


Where California is Going...



Medi-Cal Managed Care: Organized Service Delivery

- Managed Care:
Contract with state
for delivery of
health care services
- All 58 counties
operate through
Medi-Cal managed
care



Medi-Cal Managed Care

- LTC, other services are NOT currently part of managed care delivery system
- Fragmentation in service delivery between Medi-Cal managed care and other services



TAKE NOTE!

Main Point #2

The System is Changing

Overview: Coordinated Care Initiative

- Transform California's Medi-Cal delivery system to better serve low-income older adults and persons with disabilities
- Budget Act of 2012

CCI Basics: Seven Counties

- Los Angeles
- Orange
- Riverside
- San Bernardino
- San Diego
- San Mateo
- Santa Clara



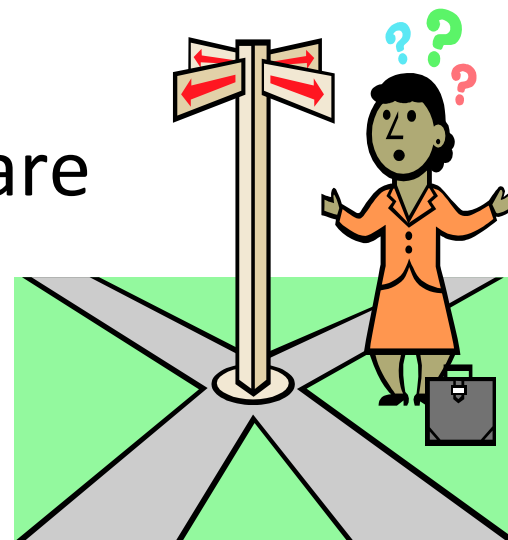
CCI Basics: Two Populations Impacted

Dual Eligibles
(Medicare/Medi-Cal)

Medi-Cal Only
(Seniors/People with
Disabilities)

CCI: Next Steps

- Address implementation challenges
- Assess consumer satisfaction/evaluation
- Determine future of managed care for LTC service delivery



Main Point #3

Your Role is Critical

LTC: Legislative Leadership

Senate Select Committee
on Aging and LTC:
Senator Carol Liu, Chair

Assembly Committee on
Aging and LTC:
*Assemblymember Cheryl
Brown, Chair*



LTC: Crosscutting Issues

1. Legislative/State Leadership
2. Fragmentation/Lack of Data
3. Crumbling Infrastructure
4. Workforce Shortage
5. Funding Challenges

LTC: The Legislature's Critical Role

Budget

Legislation

Oversight

Discussion/ Questions

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