

**SENATE SELECT COMMITTEE ON AGING AND LONG TERM CARE  
SUMMARY REPORT: INFORMATIONAL HEARING**

**DATE:** August 4, 2014

**TO:** Senator Carol Liu, Chair, Senate Select Committee on Aging and Long-Term Care and Committee members: Senators Lois Wolk, Richard Roth, Ed Hernandez, Tom Berryhill, Jim Beall

**FROM:** Patty Berg, Principal Consultant

**SUBJECT:** Summary Report: Informational Hearing on “California’s Service Delivery System for Older Adults: Envisioning the Ideal”

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The Senate Select Committee on Aging and Long Term Care held its first informational hearing on July 8, 2014 in Glendale, California. Approximately 150 people representing consumers, service providers, and a variety of stakeholder groups attended to hear the presentations of noted experts in the field of gerontology and aging and long term care policy and services delivery. (*see Agenda, Appendix A*).

Highlights and take-aways from the presentations are summarized below. Presentations can be found at <http://senate.ca.gov/agingandlongtermcare> and a video of the hearing can be found at: [youtube.com/watch?v=BeZ1tge2UiU&feature=youtu.be](http://youtube.com/watch?v=BeZ1tge2UiU&feature=youtu.be)

Committee Chair Carol Liu began the three-hour hearing with recognition that California’s current aging and long-term care system does NOT:

- Provide for person-centered, individualized care or easy transitions between programs;
- Provide statewide access to a range of services, especially in rural areas;
- Respond to the cultural and ethnic diversity of our state;
- Develop a skilled, high quality workforce to meet the growing demand;
- Collect data in a uniform manner that enables it to measure outcomes and identify best practices;
- Use a universal assessment tool for consumers and their caregivers; or
- Support caregivers, many of whom themselves are aging.

The focus of the hearing was to establish a new structural vision for aging and long-term care, answering the following five questions:

1. What values underlie an ideal system?
2. What is the ideal system?
3. What are the essential components?
4. What are the major barriers/challenges to achieving an ideal system?
5. How do we achieve the ideal?

**TOPIC ONE: Who are the consumers and what are their needs?**

**Presenter: Kate Wilber**, Ph.D., Professor of Gerontology, Mary Pickford Foundation, USC School of Gerontology;

Dr. Wilber used two graphics, “Consumer Experience/What is the Current Approach” and “How the Consumer Navigates” to illustrate the navigation nightmare people face when trying to access programs and/or transition from the array of Long Term Services and Supports (LTSS) programs they may need. (See Appendices B and C)

Dr. Wilber described LTSS consumer characteristics as follows:

- Persons of all ages with physical and/or cognitive illness;
- About 60% of Home and Community Based Service (HCBS) users are age 65+;
- 29% live alone;
- Need for LTSS increases with age. Those 85+ have the highest need;
- Racial/ethnic characteristics of HCBS in California
  - 37% white
  - 26.70% Latino
  - 20.10% Asian/PI
  - 15% African American
  - 4.1% other
- All of us are potential consumers. Age is not a proxy for need.
  - 70% of people aged 65+ will need LTSS for an average time of three years;
  - Almost half will spend time in a nursing facility

LTSS needs for (In Home Support Services (IHSS) recipients include:

- Help with Activities of Daily Living (ADL), e.g., bathing, dressing, toileting, eating, transferring;
- Help with Instrumental Activities of Daily Living (IADL), e.g., housework, laundry, shopping/errands, meal preparation;

Unpaid Family Caregivers:

- Most LTSS in CA and in the nation is provided “informally” by family members or friends;
- More than 6 million people 18+ provided informal care in 2009; 1.5 million assisted someone with Alzheimer’s Disease;
- 1 in 6 households included an informal caregiver;
- The average caregiver provides 21 hours/week; 36 hours if they share a household;
- 29% provide assistance with ADL’s
- The majority work outside the home;
- In 2009 estimated contribution in CA was \$47 billion.

## **TOPIC TWO: California’s Current System**

**Presenters: Sandi Fitzpatrick**, M.A., Executive Director, CA Commission on Aging

**Steven P. Wallace**, Ph.D., Chair, Department of Community Health Sciences, UCLA School of Public Health

LTSS Development in California

- 1970’s – a decade of service innovation: CA Commission on Aging; CA Dept. of Aging and 33 Area Agencies on Aging (AAA’s); Independent Living Centers; On Lok and the Family Caregiver Alliance; LTC Ombudsman; Program of All-Inclusive Care for the Elderly (PACE); Adult Day Health Care (ADHC); Multipurpose Senior Services Program (MSSP), In-Home Support Services (IHSS);
- 1980’s - Home and Community Based Services – Linkages; Alzheimer’s Resource Day Care Centers; Health Insurance Counseling and Advocacy Program; Respite Services for caregivers; State Alzheimer’s Task Force; Older California’s Act;

- 1990's – mid 2000: Strategic Planning – State Independent Living Council; Olmstead Decision; Futurist planning – 6 reports highlighting changes anticipated with the baby boomers calling for restructuring. All failed.
- 2008 – forward – Economic downturn/divestment of services

#### The System Today

- LTSS spread over six departments;
- Faltering economic at federal and state levels have diminished funding;
- Policy makers are ignoring the intersection of demographics, disability and longevity;

#### Challenges facing California

- System fragmentation – silos, multiple funding streams, varied eligibility, difficult to navigate;
- State leadership – in creating a vision and goal setting;
- Lack of capacity – programs not available statewide or funded adequately, especially in rural areas;
- Lack of data and system-wide planning to evaluate effectiveness. No single department uniformly collects and reports all LTC data. Multiple state plans that impact the same population;
- Demographics/longevity – older adult population will grow exponentially while the shrinking subsequent generations will translate into a family caregiver crisis;
- Workforce shortage of professionals and paraprofessionals;
- Local level struggles due to chronic underfunding, increase demand for services and an increase in poverty rates for older adults.

#### The Consumer's Experience of LTSS in California (from the HOME Project, "Helping Older Adults Maintain Independence")

- Consumers needs change over time and experience unpredictable changes in care needs;
- Needs are dynamic and so is the system they depend on. The LTSS landscape constantly shifts but consumers can be challenged (physically and mentally) to be proactive in order to maintain needed care;
- Some older adults need a dense network of care, but are unable to create them due to a fragmented care network or non-existent services;
- Older adults with disabilities have unstable and changing needs, confronting an often unstable and changing set of public supports;
- Cuts and changes to LTSS happen as older adults are also experiencing changes in their physical and mental health. Many just "make do" with what they have regardless of what they need to remain independent at home.

#### **Policy Recommendations for the Consumer:**

- **Advance truly "person-centered care planning";**
- **Maximize efforts to ensure consumers are well informed and supported to exercise real choice;**
- **Develop continuity of care provisions that reflect consumer preferences.**

## **TOPIC THREE: Emerging Policies That Will Impact the Current System**

**Presenter: Amber Cutler**, Staff Attorney, National Senior Citizens Law Center

**Managed Care Expansion** into 28 rural (primarily fee-for-service) counties as of 2014. Seniors and persons with disabilities will be mandatorily enrolled into managed care with some exclusions.

### **California Coordinated Care Initiative (CCI)**

**Implementation and Implications of the 1.2 million involved individuals – Medi-Cal (seniors and persons with disabilities and dual eligible (Medicare and Medi-Cal):**

- Complexity of transitions
- Enrollment issues
- Disruption of care
- LTSS integration/care coordination issues

Senator Liu summarizes the common themes from the first four speakers:

1. The current system fails to organize around the consumer's needs and has been plagued by fragmentation and years of budget cuts;
2. Consumers and caregivers fail to receive necessary services because they don't know they are available or how to access them;
3. New programs such as the CCI attempt to address some of the system's shortcomings through better coordination and access to services; and,
4. The CCI has placed a significant emphasis on budget savings, while attempting to pilot programs in 8 of the state's largest counties with varying degrees of success. We need to step back and consider what it will take to meet to deliver coordinated care so that seniors and people with disabilities can access the right services at the right time in the right place, in accordance with their needs and preferences.

## **TOPIC FOUR: Envisioning the Ideal Aging and Long-Term Care System**

### **Presenters:**

**Fernando Torres-Gil**, Ph.D., Professor of Social Welfare and Public Policy, Director of the Center for Policy Research on Aging Public Policy, UCLA;

**Laura Trejo**, MSG, MPA, General Manager, Los Angeles Department of Aging;

**Karen Lincoln**, Ph.D., Associate Professor, Director of Hartford Center of Geriatric Social Work Excellence, USC School of Social Work;

**Steven P. Wallace**, Ph.D., Chair, Department of Community Health Sciences, UCLA School of Public Health

**Cheryl Phillips**, MD, Senior Vice President Leading Age

Observations and the responses from the five leading experts on aging and long-term care issues in California are summarized below.

### **1) Values of the IDEAL System**

- Age is appreciated as a stage of life, not treated as a social problem or disease-like state.
- Consumer/family focused
- Culturally competent and linguistically accessible
- Community based
- Staff trained in gerontology and geriatrics

- Role and importance of Caregivers is fully appreciated
- Systems support and encourage interagency cooperation, collaboration, and partnerships – requires effort and investments
- Outcome and data driven accountability
- Covering the cost of LTC should not require impoverishment

## **2) What is the IDEAL?**

- Single-point of entry that would allow for navigation
- Strong advocates for consumer (professional, paraprofessional, family)
- Easy transitions between programs
- Available and trained workforce (professional and family)
- Adequate housing and transportation services
- Culturally compatible services
- Built-in protections against fraud and abuse
- Responsive to seniors with disabilities
- Universally available
- Reliable funding sources for senior services
- Any ideal LTSS system must build on the AAA network
- Implement some of the many recommendations that have been made to date
- California needs a strategic and integrated approach to senior services
- Build on the California Department of Aging's expertise by authorizing them to lead and funding them to provide programmatic and policy recommendations to all levels of State government on issues impacting seniors and their family caregivers
- Ensure that California is implementing cost effective and outcomes driven policies, programs and services to meet the needs of California's seniors and their family caregivers.

## **3) What are the Necessary Components?**

- Addressing the health, social, mental health, spiritual, functional, economic and environmental needs of those who are aging
- Pedestrian/disabled friendly outdoor spaces and buildings
- Affordable housing and convenient transportation
- Respect and social inclusion
- Communication and information on available health and social services
- Preventative information and care
- Social participation
- Civic participation and employment
- Adequate and trained workforce
- Support for caregivers
- Cultural, ethnic considerations and linguistically accessible services
- For LTC Insurance, public/private solution; focus on service-enriched housing for all income levels; be flexible in benefits and their application

## **4) What are the Major Barriers and Challenges?**

- Older adult population is here, growing, increasingly diverse and requires tailored approaches
- Speed of change requires a flexible and quick responses
- Elimination of programs and reduction in services and capacity due to cutbacks in funding over the last five years

- Gaps in labor force readiness
- State-level policy changes consistently fail to see that transitions happen at the local level for consumers, not just at the payer source. As a result, AAA's have been consistently excluded as a major stakeholder
- No strong political advocates for making funding for aging programs a priority
- System fragmentation inhibits collaboration and coordination
- Lack of capacity due to program funding
- Lack of uniform data collection and system-wide planning
- Insufficient workforce and local level struggles
- Within the African American community: 81.5% never heard of CCI; 44/6% do not know how to use a computer; 43% have no internet access; 47.7% do not participate in programs for seniors; 35.2% want programs that are missing; 90.9% say more needs to be done to provide quality services to African American seniors
- Workforce issues: By 2030, 3.5 million additional health care professionals and direct care workers will be needed nationwide. Nationally, between 2010 and 2030, women aged 25 to 44 (the typical direct care worker) will increase by only 7%. Over the next two decades, LA County will gain 867,000 older adults and lose 630,000 people younger than 25 years old. The US could have nearly 63,000 fewer doctors than needed by 2015. That number could double by 2025
- Current and future geriatrician shortfall: 4.41 million older adults 65+ in CA. 739: number of certified geriatricians as of 2011 or one geriatrician for every 5,968 older adults. 2813: the number of geriatricians we need to train between now and 2030
- California family caregivers: Currently, 80% of care is provided informally by family members and friends. There are 4,020,000 family caregivers. \$47 billion – the estimated economic value of unpaid contributions in 2009. 7.7 to 1 – family caregiver ratio in 2010; 4.4 to 1 – family caregiver ratio in 2030; 2.7 to 1 – family caregiver ratio in 2050
- Challenges with current LTC financing: managed LTSS moving toward controlling costs and shifting to HCBS; Medicaid cannot be the solution for middle income people; Middle income seniors poorly prepared for LTC costs due to losses in home equity and retirement following recession and Medicaid safety net requires spending down of assets; 41% of Californian's have a "great deal of concern" about paying for care vs. 29% of Americans

## **5) How Do We Achieve the IDEAL?**

- Legislature and Governor need to make aging and long term care a state priority
- We need to raise awareness and build on the idea of shared risk
- We need to shine a light on the current systems dysfunction
- We must have better data, monitoring, and oversight
- We need a focus on prevention
- We need to improve access and quality of older adult services to vulnerable seniors to reduce the cost of LTC and increase the quality of life for seniors and their families
- We need LTC financing reform – following the example of Minnesota's approach on LTC Financing Reform: focus on middle-income individuals; provide LTC planning information for consumers; use the workplace to educate younger workers; develop insurance products that are simplified, affordable, flexible and portable and consider tax credits for LTC insurance premiums.
- We have the population. We have the expertise. We know the needs. We know the challenges. We know what has to be done. What we need is the political will to do it!

- Advocates need to develop a shared agenda so they can effectively influence the aging and long term care reform movement.

## **TOPIC 5: California in Comparison to Other States: A Look at the LTSS Scorecard**

**Presenter: Gretchen Alkema, Ph.D.,** Vice President of Policy and Communications, The SCAN Foundation

The Scorecard is a framework for assessing LTSS System Performance among the 50 states and the District of Columbia. California was measured against five indicators. California ranked in the top quartile overall at Number 9. Ranking for the five indicators were as follows:

- Affordability and access – 14
- Choice of setting and provider – 2
- Quality of life and quality of care – 24
- Support for family caregivers – 24
- Effective transitions – 22

There were five policy recommendations for California’s consideration:

- 1) Continue action on the Universal Assessment
- 2) Elevate the value of care coordination
- 3) Create a Bill of Rights for dually eligible Californian’s
- 4) Bolster support for California’s unpaid caregivers
- 5) Improve LTSS affordability

## **PUBLIC COMMENT**

Public comment at the hearing and at the “Seniors Listening Session” hosted by the Committee on the previous day included the following:

- Consumers should be included in the discussions on aging and long term care;
- Voices of consumers need to be heard and respected; elders need a “Consumer Bill of Rights”;
- More funding is needed for case management, respite services for caregivers, and transportation;
- Transportation services need to be more reliable and convenient, i.e., on-time and door-to-door;
- There should be greater communication and cooperation among agencies and programs;
- Service delivery and support programs need to be better coordinated;
- Different cohorts of aging need to be recognized as having different needs; but eligibility criteria need to recognize that functionality and needs vary among those of the same age;
- Education on preparing for needs in old age should be made available when people are younger so they can plan ahead. The public, including the aging, families, and caregivers, need more information about how to age well, how to protect their health and safety, how their needs may evolve, what support they might need, what services are available, and how to access them;
- Consumer should have access to a counselor or advisor that can help them navigate the system and the access the appropriate services and supports;
- Consumers need a way to evaluate the quality of services being offered by nursing homes, in home health care providers, and residential care facilities;
- Caregivers need more information and support especially with respect to the care needed during transition periods when patients are discharged to their homes.
- Federal and state government need to fund cost-effective community and volunteer programs like Senior CORPS;

- Low income/rural communities need more services;
- Alzheimer’s Disease Research needs much more funding;
- Primary and secondary prevention should be major features of health care delivery, e.g., diet and exercise, home safety to prevent falls, and better care to prevent secondary complications like pressure sores.

**ON August 12, 2014, The Senate Select Committee on Aging and Long Term Care will hold a Joint Hearing with the Assembly Committee on Aging and Long-Term Care in Sacramento, titled: “Moving CA Toward an IDEAL Long-Term Care System: Recommendations and Next Steps.” It will be held in Room 113 of the State Capitol from 2:00 PM – 4:00 PM.**

**INFORMATIONAL HEARING  
SENATE SELECT COMMITTEE ON AGING AND LONG-TERM CARE**

**Tuesday, July 8, 2014 10:00 AM – 1:00 PM  
Glendale Central Library  
222 East Harvard Street  
Glendale, CA 91205**

**CALIFORNIA'S SERVICE DELIVERY SYSTEM FOR OLDER ADULTS:  
ENVISIONING THE IDEAL**

**AGENDA**

**I. Welcome and Opening Remarks**

**Senator Carol Liu**, Chair, Senate Select Committee on Aging and Long-Term Care

**II. Overview: Who Are the Consumers and What Are Their Needs?**

**Kate Wilber**, Ph.D., Professor of Gerontology, Mary Pickford Foundation, USC School of Gerontology

**III. California's Current System**

**Sandi Fitzpatrick**, M.A., Executive Director, CA Commission on Aging

**Steven P. Wallace**, Ph.D., Chair, Department of Community Health Sciences, UCLA School of Public Health

1. Current Administrative Structure and Range of Services
2. The Consumer's Experience
3. Why the system as it exists today is broken

**IV. Emerging Policies That Will Impact the Current System**

**Amber Cutler**, Staff Attorney, National Senior Citizens Law Center

1. Rural Managed Care Expansion
2. California Coordinated Care Initiative (CCI)

**V. Envisioning the Ideal System**

**Fernando Torres-Gil**, Ph.D., Professor of Social Welfare and Public Policy, Director of the Center for Policy Research on Aging Public Policy, UCLA

**Steven P. Wallace**, Ph.D.

**Laura Trejo**, MSG, MPA, General Manager, Los Angeles Department of Aging

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1. What is the Ideal System?
2. What Values Underlie the Ideal System?
3. What are the Necessary Components?
4. What are the Major Barriers and Challenges?
5. How Do We Achieve the Ideal?

## **VI. California in Comparison to Other States: A Look at the LTSS Scorecard**

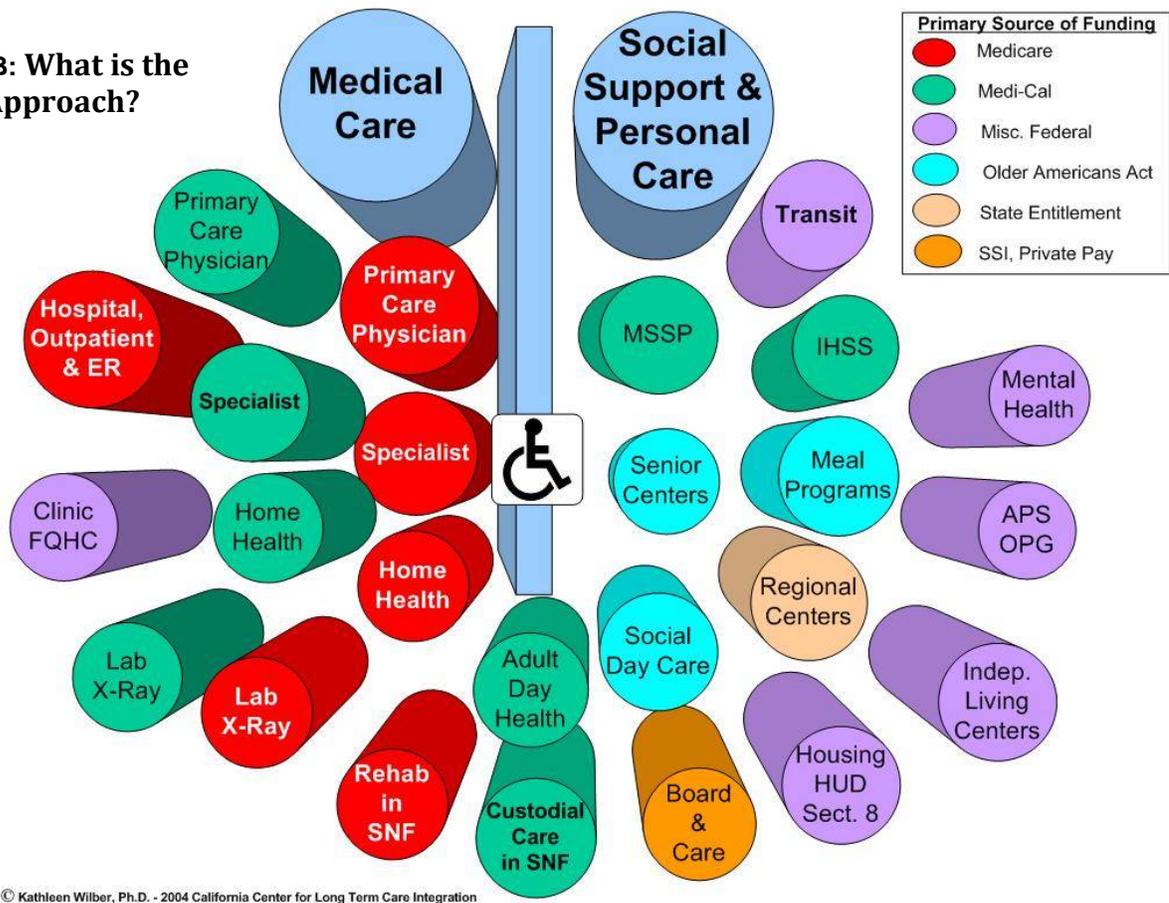
**Gretchen Alkema**, Ph.D., Vice President of Policy and Communications, The SCAN Foundation

## **VII. Public Comment**

## **VIII. Closing Comments**

**Senator Carol Liu**, Chair, Senate Select Committee on Aging and Long-Term Care

**Appendix B: What is the Current Approach?**



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**Appendix C: How do Consumers Navigate the System?**

