

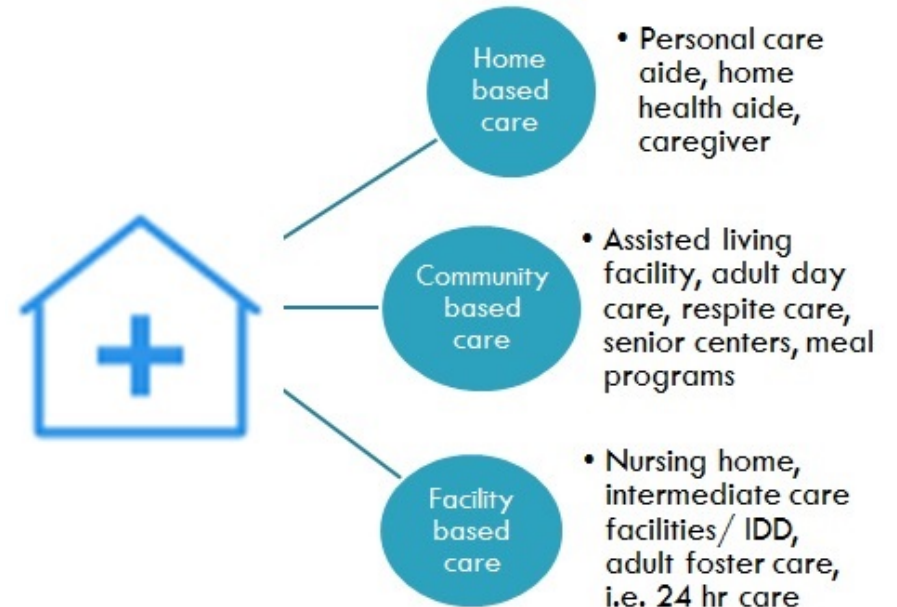
# Reimagining LTSS in TN:

Long-Term Services & Supports: National Trends,  
State Innovations & Our System in Tennessee

TN COALITION ★ ★ ★  
FOR BETTER AGING

# Welcome

- **Jim Powers, MD** - Vanderbilt University Medical Center & TCBA Co-chair
- Purpose & goals: Reimagining LTSS conversations
- What do we mean by LTSS?
- We're glad you're here



# Webinar Moderator

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- **Steve Joiner, D Min** - Dean, College of Leadership and Public Service, Lipscomb University
- Process overview
- Questions for first two speakers
- Zoom poll: What sector or interest group do you represent?



# Today's Agenda

- LTSS National Perspective
- State Innovations & Lessons Learned
- Tennessee's LTSS system - panel
- Word cloud
- Closing

# The National Perspective

- Speaker Introduction: **Rebecca Kelly**,  
State Director - AARP TN
- **Dorothy Siemon** - Senior Vice  
President, Office of Policy Development  
and Integration, AARP National



# AARP LTSS Resources

- **Caregiving/Nursing Homes**  
[www.aarp.org/nursinghomes](http://www.aarp.org/nursinghomes)
- **Nursing Home Dashboard**  
[www.aarp.org/nursinghomedashboard](http://www.aarp.org/nursinghomedashboard)
- **Long-Term Services and Supports Scorecard**  
<https://www.longtermscorecard.org/>
- **Web:** [www.aarp.org/tn](http://www.aarp.org/tn)
- **Social:** [facebook.com/aarptennessee](https://facebook.com/aarptennessee)



# State Innovations & Lessons Learned

- **Marc Cohen, PhD** - Co- director, LeadingAge LTSS Center, UMass Boston
  - Co-Author: “Learning from New State Initiatives in Financing Long-Term Services & Supports” (July 2020)



*Research bridging policy and practice*



## **Learning from New State Initiatives in Financing Long-Term Services and Supports**

Presented to:

Tennessee Coalition for Better Aging

By Marc Cohen, Ph.D.

March 8, 2021



# Presentation Outline

- Background on long-term services and supports (LTSS) financing
- About the study
  - Objectives
  - Methods
  - Study states
- Findings
  - Summary of Initiatives
  - Motivations for reform
  - Themes and Lessons learned
  - Ingredients for moving forward

# The LTSS financing challenge is BIG

- Roughly 25 million of today's seniors will need LTSS services (paid and unpaid) and costs will exceed \$2.5 trillion over 10 years.
  - Note that 40% of those needing LTSS today are under age 65
- Americans are unprepared to absorb potential LTSS costs.
  - Most people are not poor enough to immediately qualify for the social safety net so they are most exposed to potentially catastrophic costs.
  - Private insurance has not grown to meet early expectations with products now out of the reach of the broad middle class and less than 10% have insurance.
  - Only the wealthiest 10% to 15% have savings equivalent to cover these costs.
  - Projected need and lack of financial protection leaves families with ever increasing caregiving burdens;
- In short, LTSS needs undermine individuals preparedness for retirement – where there is already a concerning shortfall.

# The largest public payer of LTSS faces major financial challenges

- Obtaining eligibility through spend-down is threat to many individuals' financial security.
- Waiting lists and access limits for home and community-based care.
- Less flexibility in service provision.
- States struggling with budget pressures.
  - LTSS is approaching 30% to 45% of state Medicaid budgets and growing rapidly.
- Reimbursement rates often do not support development of a high quality workforce and service infrastructure.

# Where does this leave us?

## Current system leaves most families paying out-of-pocket when need strikes

LTSS can be costly

**\$266,000**

is the average cost of LTSS for the half of Americans who will have significant LTSS needs in old age

➔ and about half of that will be paid out of pocket

This does not include the forgone wages of family caregivers or the economic value of family care provided

Many families will struggle under this financial burden

**\$10,000**

is the total retirement (401(k)/IRA) savings of the typical household approaching retirement

Access to Medicaid LTSS fragmented and means-tested



Middle class not eligible unless they surrender financial independence

Home and personal care services are optional for states; long waiting lists due to funding limitations

Private long-term care insurance (LTCI) not a broad-based solution



Less than 7% of 50+ have LTCI coverage today

Strapped households prioritize more urgent needs (student loan debt, mortgage, day care, college)

Those with highest LTSS risks or needs are typically priced out of or denied private LTCI coverage

Source: Veghte, Cohen, Tell and Bradley. "Designing a State-based Social Insurance Program for Long-Term Services and Supports. Washington DC. National Academy of Social Insurance. 2019.

# Why are States interested in LTSS reform initiatives?

- Limited growth in the private market fueling search for “shared or communal approaches”
- Gridlock in policymaking at the federal level does not offer promise.
- Changes in family composition lead to strains on budget, workforce & delivery system.

***The costs of waiting are starting to exceed the costs of taking action***

**States are left holding the bag**



**Growing LTSS costs compete with other state priorities like health care, education, and infrastructure**

**As families reduce labor market participation to care for loved ones, economic growth suffers**

**Unmet LTSS needs drive up medical costs and harm quality of life for people with disabilities**

Benjamin W. Veghte, Marc Cohen, Eileen J. Tell, and Alexandra L. Bradley, “Designing a State-Based Social Insurance Program for Long-Term Services and Supports,” in *Designing Universal Family Care: State-Based Social Insurance Programs for Early Child Care and Education, Paid Family and Medical Leave, and Long-Term Services and Supports*, eds. Benjamin W. Veghte, Alexandra L. Bradley, Marc Cohen, and Heidi Hartmann (Washington, DC: National Academy of Social Insurance, 2019), <http://universalfamilycare.org/report/>.

# New State Initiatives in Financing Long-Term Services and Supports

- Qualitative case-study of 6 states initiative financing reforms
  - All in varying stages of a LTSS financing reform
- Objectives
  - Describe current status of financing reforms across states
    - History and evolution of their efforts
  - Common themes and lessons learned about how reforms move forward
  - Identify challenges or obstacles
- Methods
  - Hour-long structured interviews with 42 stakeholders
  - 4-8 in each state
  - Advocates, legislature, providers, labor, state officials, consumer organizations

# Quick Summary of State-based Activity in Study States

## Social Insurance program enacted (State LTC Trust Act of 2019)



## States in process of coalition building and reform effort



Studying social insurance proposal, actuarial modeling and state Master Plan on Aging

Long history of LTSS reform attempts. Kapuna Caregiver Program



Feasibility study social insurance and workforce issues

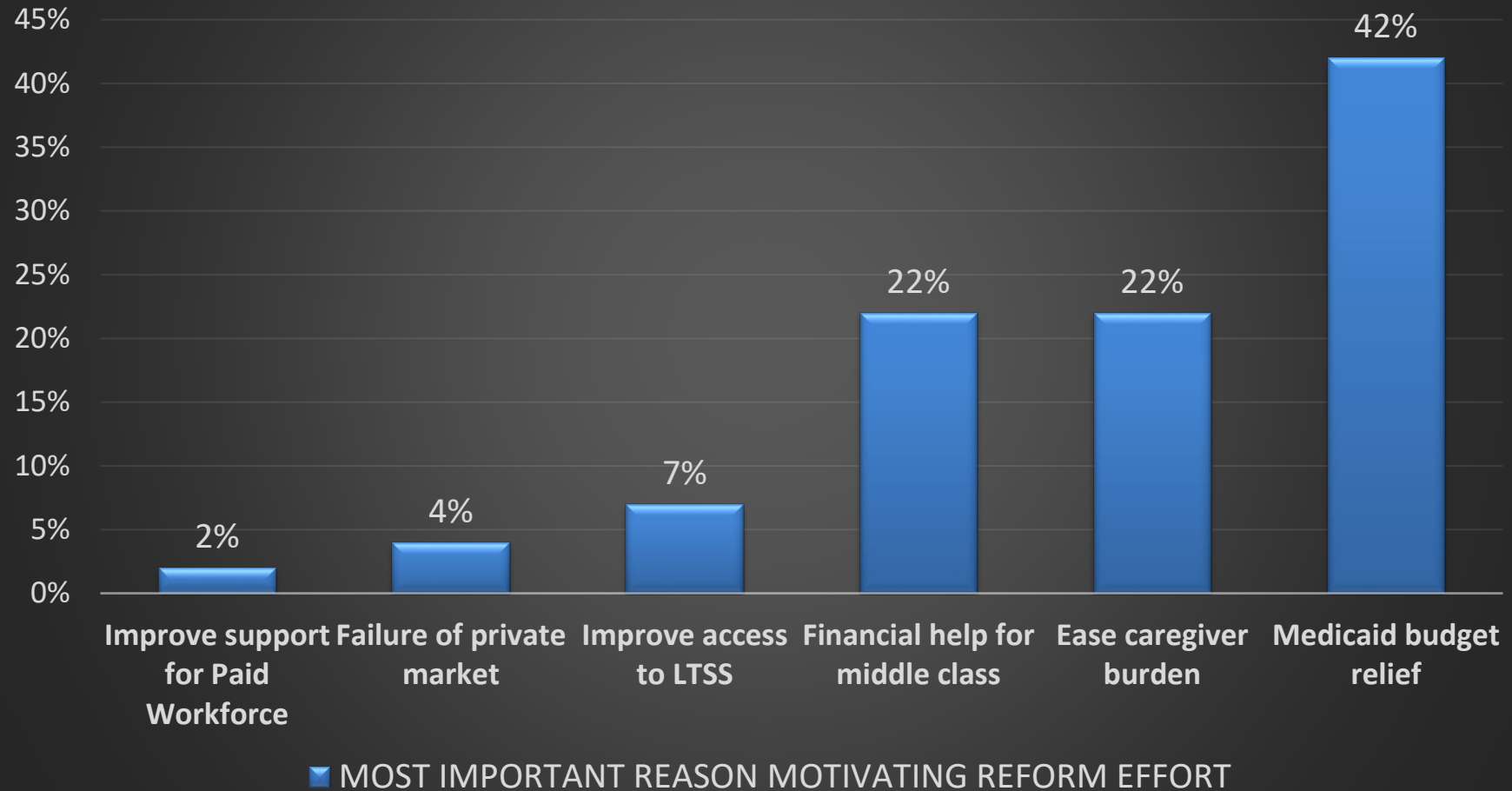
Support development of new private LTSS product options



Ballot initiative for comprehensive home-care social insurance program rejected 63% vs 37%.



## MOST IMPORTANT REASON MOTIVATING REFORM EFFORT





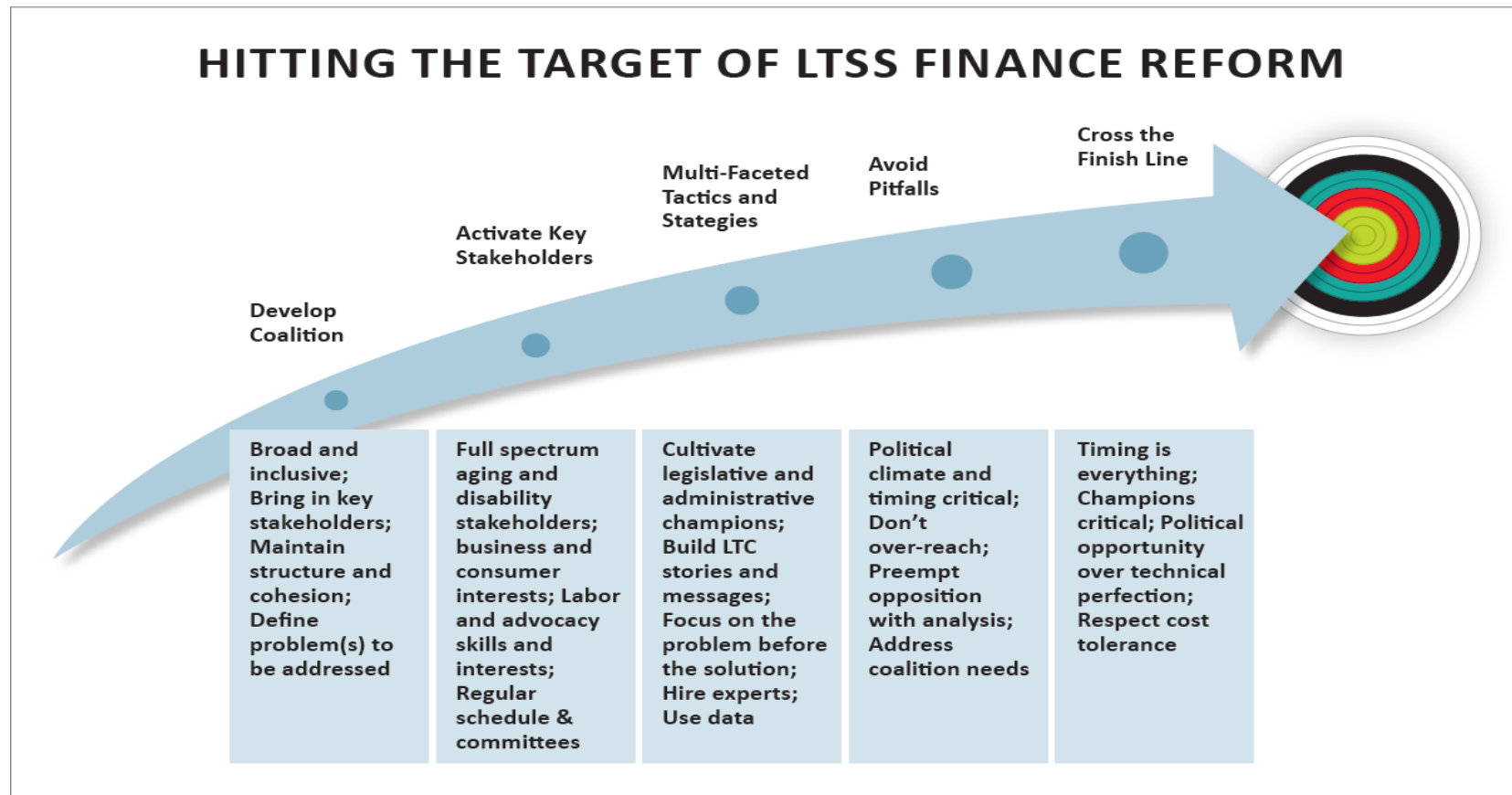
# Common Themes and Lessons Learned (1)

- Get the right people around the table
  - Keep the coalition broad and inclusive
  - Formalized processes and structure are critical
- Focus initial consensus-building around goals, not solutions
  - Build consensus on why there is a need for reform
  - Message consistently to that goal
- Winning begets winning

## Common Themes and Lessons Learned (2)

- Prepare for a marathon, not a sprint, and identify legislative champions early
- Design the *politically possible* program, not the *technically perfect* one
- Facts and data matter – invest in getting them
- Timing is everything

# Ingredients necessary to move toward the “finish line”



## CONNECT WITH US



# LeadingAge **LTSS CENTER** **@UMass Boston**

*Research bridging policy and practice*

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**[www.ltsscenter.org](http://www.ltsscenter.org)**

# Tennessee's LTSS System

- **Grace Smith**, LMSW - Director, AgeWell Middle TN & TCBA Co-chair
- **Tara Bergfeld**, MS - Principal Legis. Research Analyst, TN Comptroller of the Treasury
  - Co-author of “Senior Long-Term Care in Tennessee: Trends and Options”
- **Jim Shulman**, JD - Executive Director, TN Commission on Aging and Disability
- **Aaron Bradley** - Director, East TN Area Agency on Aging and Disability

# Senior Long-Term Care in Tennessee: Trends and Options

April 2017

**Tara Bergfeld**

*Office of Research and Education Accountability*

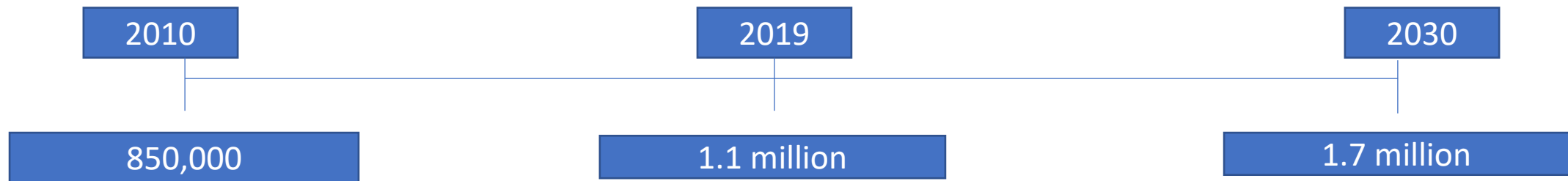
March 8, 2021

**TENNESSEE COMPTROLLER OF THE TREASURY**



# Growth of the senior population

- The number of Tennessee seniors 65+ is expected to almost double from 2010 to 2030



Source: US Census

# Growth of the senior population

- Considerations:
  - Longer lifespans
  - Increased rates of chronic disease and dementia
  - Fewer family caregivers available
  - Low retirement saving to cover the costs of long-term care



# Tennessee's programs

- TennCare CHOICES (Medicaid)
- Options program
- Older Americans Act (OAA) programs

# TennCare CHOICES (Medicaid)

- **State + Federal funding**
- High-cost nursing home care versus lower-cost home and community-based services
- Three groups:
  - **Group 1:** nursing home care
  - **Group 2:** home and community-based services (up to the cost of nursing home care)
  - **Group 3:** low-income seniors who receive Supplemental Security Income (SSI) *and* are at-risk of needing nursing home care without any long-term services and supports

# Options program

- **State funded** – for older Tennesseans **at risk** of becoming Medicaid-eligible with services to allow them to remain in their homes
- Accepts only as many people as state funding allows
- Services include:
  - Personal care
  - Homemaker services
  - Home-delivered meals
  - Transportation services

# Options program

- Capped at \$5,000 per person – average expenditure of \$3,200
- \$9,590,800 in appropriations for OPTIONS in FY2021
- As of November 2020:
  - Enrollment: 2,216
  - Waitlist: 2,566

Source: Tennessee Commission on Aging and Disability, Options Report for the Tennessee General Assembly, 2020

# Older Americans Act Programs

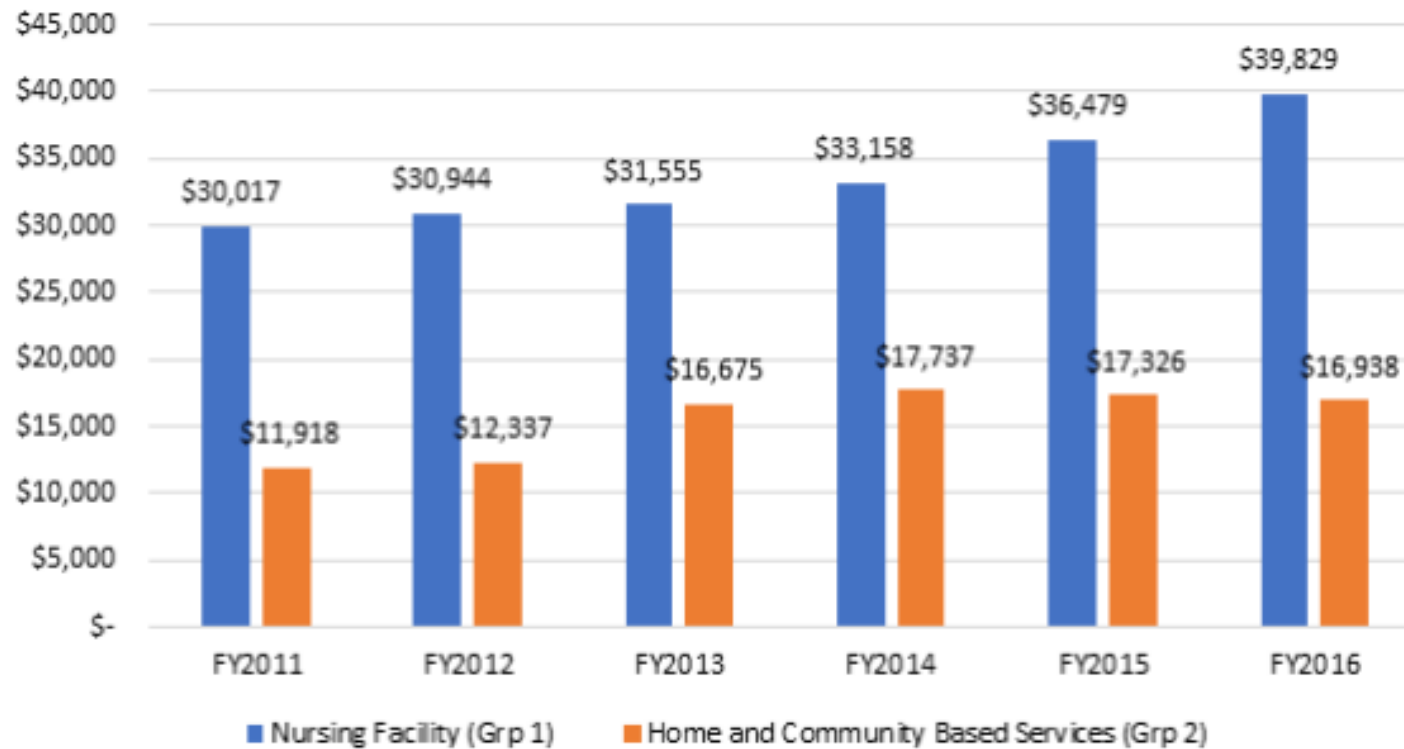
- Information and assistance
- Senior centers
- Nutrition and health promotion programs
- Legal and protective services
- Caregiver support

# Older Americans Act

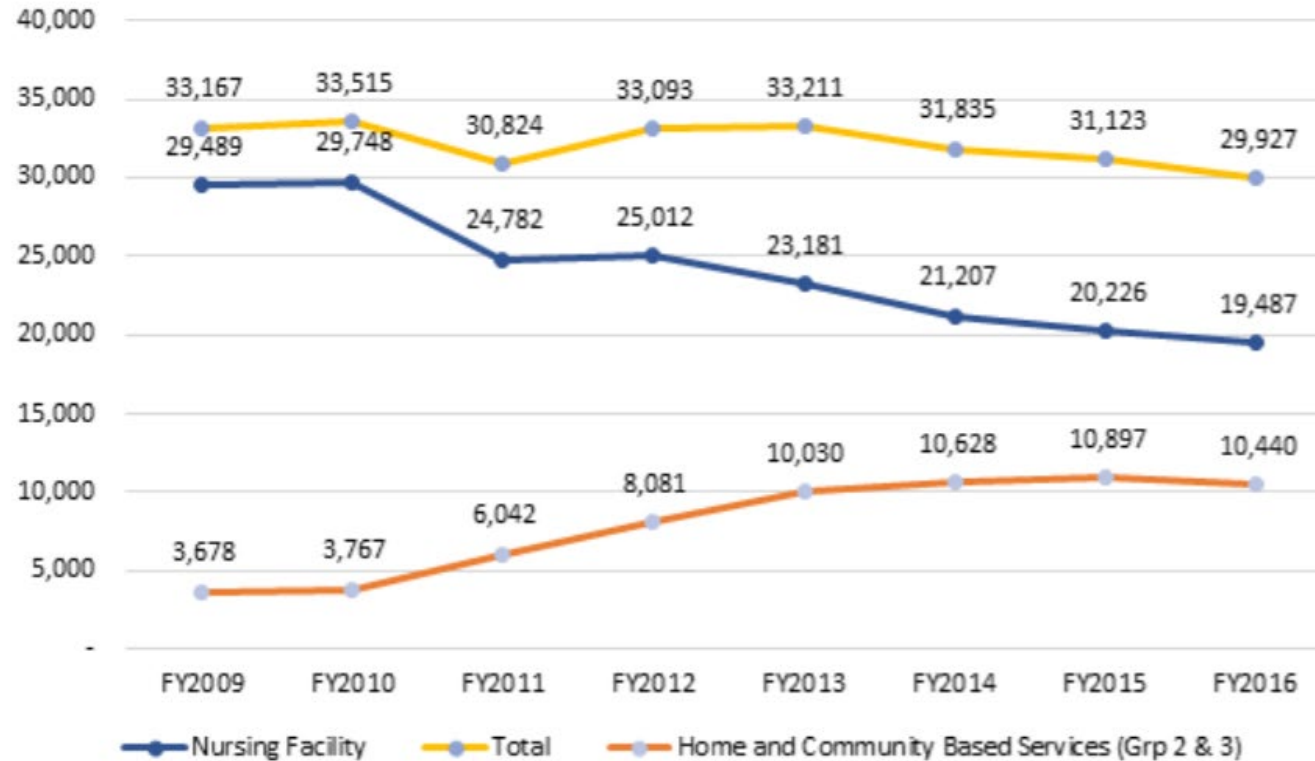
- **State + Federal funds**
- Administered by Tennessee Commission on Aging and Disability (TCAD)
- TCAD distributes funds to the state's nine Area Agencies on Aging and Disability (AAADs) to help contract with providers to implement programs in their areas
- 140,000+ Tennesseans received OAA supported services in 2015

# Controlling for growth in TennCare (Medicaid): Expanding access to HCBS

**Exhibit 6: TennCare CHOICES Expenditures per Person by Type of Service for Seniors Eligible for Nursing Facility Level of Care, FY 2011 - FY 2016**



# TennCare CHOICES Seniors Served, FY 2009- FY 2016



Note: Number of seniors age 65+ served during the fiscal year.  
Source: OREA analysis of information provided by Bureau of TennCare, Sept. 2016.



# Seniors prefer to remain at home

- HCBS services allow seniors to stay in their homes and delay or prevent seniors' functional decline.
- OAA programs, Options, and CHOICES Group 3 (at-risk) are intended to help delay or prevent the need for more expensive care under CHOICES Groups 1 and 2.
- Serving more seniors through Options could result in state savings.

# Considerations for policymakers

- How to provide a continuum of care for seniors that:
  - aligns with their preferences
  - meets their medical and personal care needs, and
  - is most cost-effective for taxpayers.

# Considerations for policymakers

- Expand home and community-based services
  - Improve transportation
  - Further support caregivers
  - Further expand the continuum of community care facilities
- Develop and invest in direct care workers
- Further develop a comprehensive and coordinated system of aging services

Source: Office of Research and Education Accountability, *Senior Long-Term care in Tennessee: Trends and Options*, 2017.

# Office of Research and Education Accountability

**[tncot.cc/orea](https://tncot.cc/orea)**

TENNESSEE COMPTROLLER OF THE TREASURY



# Overview of TN's Aging Services

- **Jim Shulman, JD** - Executive Director,  
TN Commission on Aging and Disability



# Area Agency on Aging Perspective

- **Aaron Bradley** - Director,  
East TN Area Agency on Aging and Disability



# LTSS Model Programs

- **Grace Smith, LMSW** - Exec. Director,  
AgeWell Middle TN & TCBA Co-chair



**AgeWell**  
MIDDLE TENNESSEE

# LTSS Models: Government Sector

- Hawaii - Kupuna Caregivers Program: subsidized paid care
- Washington - first state social insurance program for LTSS
- Minnesota - options to enhance affordable private market solutions
  - LifeStage Insurance Product
  - Enhanced Home Care (EHC) benefit embedded in Medicare supplement plans



# LTSS Models: Private Sector

- The Green House Project: reimagined long term care
  - Ave Maria Green House Homes - Bartlett, TN
  - Jefferson County Nursing Home - Dandridge, TN
- Papa
  - On-demand service using college & grad students
  - Match “papa pals” with older adults for companionship and assistance with daily chores, errands and technology lessons

# LTSS Models: Public - Private Partnership

- Mon Ami
  - “Builds modern technology solutions for senior service providers”
  - Partner with govts, nonprofits and other aging services providers
- CAPABLE (Community Aging in Place - Advancing Better Living for Elders)
  - 5-month structured program delivered at home to community dwelling older adults
  - Nurse, OT, and handyman visits

# LTSS Models: Nonprofit

- Village Model
  - Folks at Home- Sewanee
- Living at Home Program
  - FiftyForward
  - Catholic Charities
- Volunteer Assisted Transportation
  - Senior Ride Nashville
  - MyRide TN
- Home Repair and Modification Programs

*“We have to do the work of imagining what could be possible, and then do our part to make it real”*

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-Tallu Quinn, Nashville Food Project





# Let's Make a Word Cloud

- Go to [menti.com](https://www.menti.com)
- Type in code: **15 91 33 16**
- Enter your ideas: *Based on what you have learned today, what values or principles are important to you in guiding Tennessee's Long-Term Services & Supports system?*



# Thank You for Joining Us!

- Follow-up survey via email
- Chance to ‘opt in’ for the next two working meetings
- Next Meetings:
  - **April 5, 1:00-2:30pm CT - Guiding principles for reimagining LTSS**
  - **May 10, 1:00-2:30pm CT - Shared strategies, ideas & next steps**
- Visit us at: [www.coalitionforbetteraging.com](http://www.coalitionforbetteraging.com)