The staff of AARP in Ohio is continually seeking understanding of and advocating for a variety of issues within the Ohio State Budget. One of those issues is the long term care system of Ohio. AARP in Ohio has in excess of 1.5 million AARP members and nationally our organization represents nearly 40 million. With a broad membership base it is difficult to find issues upon which all our members agree. However, when it comes to the need for a high quality long term care system being available to those in need there is very strong support. One of the tools available to AARP internally is regular polling and our two way communicating systems validate this statement. Simply put, AARP members want Ohio’s long term care system to be of high priority ensuring those in need can receive the right care, in the right place, at a cost which is affordable.

Providing the Right care in the right setting at an affordable price

Ohio’s aging consumers have heard the promise of the Governor to ensure older Ohioans, in need of long term care, will receive the care they need, where they want it, at an affordable price and they are pleased to say the least. They also deserve a commitment to that promise as well. The Governor and the legislature must now provide a system which makes the promise a reality.

Ohio’s older consumers helped each of us enjoy the life we have today. They have worked tirelessly, committed to their families and friends and they have assisted in improving their communities to become what they are today. As they age, ending their work life, some will need assistance. It is our responsibility to step forward and ensure their lives are as comfortable, healthy, and productive as possible as they age. In almost all instances, their families and friends are able to act and provide at least some of the assistance they need. Even though the family and friends provide as much assistance as they can, there are circumstances when government assistance is needed. Ohio’s older consumers kept their commitments to us. We must be certain our promises are commitments to them as well.

As the proposals on the funding, scope, and quality of services are reviewed by the members of the legislature during the debate and adoption of the 2012-13 state budget, it is imperative that adequate
resources are in place in order to ensure they receive the care they need, at an affordable price, where they want to receive it.

Ohio’s older consumers, in need of long term care and services, must be provided high quality care through an efficient and effective system of care coordination which is focused first on the health and basic needs of the consumer. Care system decisions should never be based solely on financial costs and the balancing of profit and loss statements. Our long term care consumers are entitled to high quality care which clearly evaluates the physical, cognitive, and emotional status of the consumer at the start of services and regularly monitors their status as it improves or declines. Careful oversight of health status and use of services is critical if care coordination is to work. For example, are an older adult’s repeated hospital admissions a result of a change in health and medically necessary, or is it the result of inadequate care and potential churning of Medicare dollars?

As the budget is considered, AARP Ohio is concerned that the promise may be impossible to keep, given the proposed 23% cut to per member per month (PMPM) allocations over the biennium for home and community based services (HCBS) for the over age 60 population.

Please consider the following in reviewing the proposed budget.

• In the 2012 fiscal year, the proposed budget decreases the PMPM service allocation by 8% or approximately $32 million.

• The approximate 35,000 Ohioans over age 60 currently receiving HCBS services costs Ohio an estimated $13,000 per year while nursing facility costs average close to $50,000 per year.

• The average increase in enrollment in HCBS has grown by approximately 3000 consumers per year (7%) for each of the last 5 years. The 2012-13 budget projects an increase of 3600 consumers in 2012 and an additional increase of 2900 consumers in 2013. The proposed $32 million cut could result in 2,500 consumers not receiving needed services.

• Under the proposed budget, we will have $368,000,000 to serve a projected 38,600 consumers or a decline in PMPM to $11,960 in the first year. And even if some cuts can be made, how can we expect to cut 15% in the second year?

• During the 2004-07 fiscal years, Ohio was a leader in the growth of HCBS services vs. institutional care. Ohio’s average cost for services for the over age 60 population for the five year period ending with FY 2007 was slightly above the national average cost. Today the estimates are that Ohio’s comparative position to other states has declined and is at best average.

Others offering information and testifying have access to the more detailed information and multi colored charts and graphs to illustrate their points. While our home and community based service system can be improved, the efficiency and productivity must also be improved in our nursing facilities. AARP Ohio has serious reservations about the proposed level of cuts to costs Ohio is currently underwriting in our HCBS system. Some level of cuts may not be out of line. We are very concerned about the impact of forcing costs downward too severely. The result may be more cost in the long run. If the HCBS services are not available to meet the needs of the consumer when the consumer needs them, the needs will not disappear. If the approval processes are slowed too severely and the family and friends cannot hold things together until approval is made, costs will increase at more than 3 times the cost for a nursing
facility bed which is the only option which must be provided. When consumers have no alternative other than to receive the services they need in a location where they do not wish to be, everyone loses.

Consideration of regular reporting to an appropriate body within the legislature on the expansion of HCBS and the time gap from the identification of a need for service to service inception is reasonable and will assist in ensuring a commitment to achieving a high quality LTC system for Ohio and achieving the 50/50 balance of institutional care and HCBS during the upcoming biennium.

Quality of Care for Nursing Facility Consumers

For a long time there has been consistent criticism and concern about the quality of care consumers receive in long term care settings. From federal and state legislative hearings, to media reports, to academic research studies concerns ranging from under staffing to over medicating have been common place. As public support for long-term services shifted to community-based settings additional concerns were identified. In particular, questions about worker reliability and training grew in scope as more care was provided in non-institutional locations. The long standing quality problems associated with nursing facilities were now accompanied by new concerns about a decentralized mode of care now being provided in the community. Federal and state regulatory units have substantially increased their attempts to ensure the quality of long-term care. Unfortunately, more than forty years after funding for nursing homes under Medicaid was initiated and more than two decades after home and community based services received Medicaid funding, many questions continue both about the actual quality of long-term services and the approach that is used to ensure that quality care exists.

Why has ensuring quality in long-term care remained such a difficult challenge? A primary reason is a lack of agreement about what constitutes quality and who in fact determines quality. Because consumers of Medicaid long-term care experience severe disability there has been a long standing assumption that these individuals cannot assess quality. While research has demonstrated that a majority of individuals receiving long-term services and supports are capable of assessing the quality of their care, this bias remains. Additionally, there are disagreements about what elements of long-term care are important? Regulators, the media, and society in general have often focused on issues of a healthy environment and safety as the dominant areas of concern. Despite sharing a common desire to be healthy and safe, consumers typically focus on such areas as independence and autonomy. Fundamental issues such as being able to eat, bathe, sleep, and visit when they want have become basic issues for many consumers. Research has demonstrated that individuals value autonomy, regardless of life circumstances. Having a disability does not change those attitudes. Thus, through such efforts as the culture change movement in nursing homes and self direction in home care we are seeing more efforts to more actively involve consumers in the design and quality elements of their long-term services. Our challenge is to structure a system that addresses the range of quality of care and quality of life components that are important to both consumers and regulators.

Criticism of the current approach to ensuring quality has centered on two fundamental problems; we have not focused on the right outcomes, and the basic quality monitoring approach has been flawed. For example, despite considerable efforts to make long-term care more consumer focused, the vast majority of the quality outcomes examine structural capacity of the care. Staffing ratios, training requirements and records, and documentation of care plans, while important, are the types of outcomes that dominate the regulatory process. A focus on consumer satisfaction, quality of care, and quality of life remain a minimal part of quality outcomes. Additionally, the quality approach itself is inadequate. It is currently based on
an inspection model in which the regulatory body will make a once a year surprise visit to an organization to inspect quality. The two major problems with such an approach is that such visits are rarely a surprise and a once a year visit no matter how comprehensive, has been shown to be inadequate. Compounding the problem is that the process is costly, and the range of stakeholders including consumers, advocates, regulators, and providers agree that it is not working. What is more difficult to gain consensus on is how to actually reform the process.

Public and private expenditures for long-term care in Ohio topped $6.5 billion in 2009. Yet, questions about the quality of these services are consistently raised. How can Ohio develop a top quality system of long-term services and supports? Ohio’s current approach to regulating long-term care, whether it be in nursing homes, assisted living or on-home services has evolved over many years. Often regulatory rules and approaches were developed in response to specific problems. What has not happened is a systematic review of the quality approach that involves a broad range of stakeholders to carefully assess what is working and what is not. To develop a high quality system it is critical for consumers, families, advocates, regulators, providers, funders, and policy makers to work together to re-design the current quality system. While such a process would be difficult and the outcome uncertain, what is clear is that the current system requires reform and developing a system which does not include all the parties having a legitimate interest will result in perpetuating the problem, not solving it.

AARP Ohio is pleased the Governor made his promise to Ohio’s older consumers. We want to continue working with him and all of you, on both sides of the aisle, to find a positive solution. Our concerns expressed are intended to be helpful and to avoid an outcome that no one is intending. We can solve the challenges we are facing if we all work together. When we recently asked our members, what one message above all others they would send, if they could, to all of us in this deliberative process called legislative decision making. It was overwhelming. WORK TOGETHER. The best solutions come from all working together.

Our intent in offering the information contained in this document is intended to be helpful. We remain committed to help make things better, to work together. If we can be of further assistance to you and to your colleagues, we stand ready to put forward all our energy.

Bill Sundermeyer

Bill Sundermeyer

Associate State Director, Ohio AARP

Hard copy to follow