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Aging Alert

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CONGRESS' STALEMATE PUTS STATE BUDGET IN JEOPARDY

What does a stalemate in Washington, D.C. have to do with balancing Michigan's budget for next year?

A lot.

The 2011 draft budget unveiled by the Granholm administration last February was premised on Congress approving an extension of federal stimulus funding providing \$500 million in extra federal match to Michigan's Medicaid program. This year's matching rate would have been 63% without the federal stimulus monies, but has grown to 73% with the stimulus. The increased federal dollars for Medicaid provided much-needed fiscal relief this year and made it easier for lawmakers to balance the 2010 budget.

While the extra match expires this December, Governors were confident that Congress would extend the aid for an extra six months into 2011. After all, every state was in trouble and the pressure of all those Governors was thought too powerful to resist.

But the Governors were wrong.

Some members of Congress – on both sides of the aisle – are now wary of approving the

Medicaid extension for fear of being dubbed 'big spenders' and 'fiscally irresponsible' in an election year. The Medicaid extension was part of a jobless benefits package that would once again extend unemployment and that has a big price tag, too.

Senate rules that allow for "filibusters" mean that Democratic leaders need 60 votes to move the bill. Several attempts in June came up 2 or 3 votes short.

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With yet another large hole in Michigan's 2011 budget, the final spending plan has been delayed until after the August primary and, depending on Congress, could be on hold for months after that.

NATIONAL HEALTH REFORM

PART III – IMPROVEMENTS IN LONG TERM CARE

While helping the uninsured is a central goal of health reform, advocates with a passion for long term care seized the opportunity to address that issue in reform legislation. When discussions began in Congress last year, some in the Obama administration and Congress did not want to touch long term care because it's too expensive and too difficult. But Senator Ted Kennedy changed that with his unwavering push for the CLASS (Community Living Assistance Services and Supports) Act. This article will describe CLASS and other elements of long term care reform included in health reform legislation.

PROBLEM	BEFORE REFORM	AFTER REFORM
<p>Long term care (including in-home services, adult day care, assisted living, nursing home care, etc.) is expensive and most people don't plan for it.</p>	<p>Most people who need long term care rely solely on family members or friends for help. But in more and more instances, relatives can't provide much help because they are not close by, they are sick themselves, they work, or have children or other demands on their time. The government provides some help but it is skewed to nursing homes. Too often, individuals go to nursing homes because that is what the government will pay for, even though that is not the type of care they prefer.</p>	<p>Starting January 1, 2011, the federal government will launch CLASS, a long term care program modeled after Social Security. If an employer decides to participate in CLASS, its workers will be automatically signed up for payroll deductions, but can opt out if they choose. Workers of nonparticipating employers can also sign up for CLASS. Part-time workers can participate with as little as \$2,000 in annual income. Non-workers cannot participate.</p> <p>Workers become eligible for benefits after five years of payroll deductions, if they experience disabilities that require assistance with activities of daily living. Workers can receive daily cash benefits based on the level of impairment, averaging \$50-\$75/day. Beneficiaries can use the funds to purchase what they need with no lifetime limits on benefits.</p> <p>The state will select the agencies that determine eligibility and provide advice and counseling to beneficiaries. Protection & Advocacy agencies will assist beneficiaries with appeals.</p> <p>Beneficiaries will have to give some of their CLASS benefits to the state if they also receive Medicaid-funded long term care. Those receiving MI Choice Waiver services will give the state 50% and be allowed to keep 50%. Those receiving Medicaid nursing home care will give the state 95% and be able to keep 5%.</p>

PROBLEM	BEFORE REFORM	AFTER REFORM
<p>Under Medicaid, nursing home care is an entitlement, but home and community-based care is limited and everyone who qualifies cannot receive it.</p>	<p>Michigan spends over \$2 billion a year on Medicaid long term care. More than 80% of that is spent on nursing homes.</p> <p>Michigan provides home and community-based care for the elderly and people with disabilities through Medicaid via two programs – Home Help and the MI Choice Waiver. However, there are limits on the services provided by Home Help and limits on the number of people served by MI Choice. MI Choice has a waiting list of over 7,000 people.</p>	<p>The “Balancing Incentive” initiative in FY 2012 allows states like Michigan that spend a high percentage of Medicaid on nursing homes to get more federal dollars if they implement specific reforms to increase home and community-based care. The “Community Care Option” initiative in FY 2012 allows states to provide attendant services as an entitlement to help people with disabilities stay at home. States are not required to participate in either program, but will get more federal dollars for Medicaid if they do.</p> <p>The “Money Follows the Person” initiative extends an existing program in Michigan through 2016 designed to transition people in nursing homes back to the community. The extension reduces the nursing home stay requirement from the current 180 days to 90 days, not counting Medicare days.</p> <p>Improvements were made in an existing program allowing states to provide waiver services as an entitlement. Michigan does not participate in this program.</p>
<p>The quality of care in some nursing homes is poor or inconsistent and needs improvement.</p>	<p>State government now monitors nursing homes and addresses quality issues. The Long Term Care Ombudsman program assists residents and their families with complaints (1-866-485-9393), but funding is inadequate. In recent years, the government has empowered consumers with information useful in evaluating and comparing homes. “Nursing Home Compare” is a government website with quality data on all nursing homes receiving government funding – www.medicare.gov/NHCompare/</p>	<p>Nursing Home Compare will be enhanced and provide links to inspection reports, correction plans, substantiated complaints, and criminal violations by March of 2011. A complaint form will be made available on the website.</p> <p>By 2013, nursing homes are required to have internal ethics programs to prevent and detect criminal and civil violations, as well as internal quality assurance programs by 2012.</p> <p>Nurse aide training is revised to require dementia management and patient abuse prevention by March of 2011. Also by that date, pilots will be funded to develop best practices for improving homes and using technology to improve resident care.</p> <p>More funding is provided for the Long Term Care Ombudsman program.</p>

PROBLEM	BEFORE REFORM	AFTER REFORM
<p>Information about nursing homes is not detailed enough to properly evaluate and compare homes, investigate wrongdoing or resolve complaints.</p>	<p>Detailed information about homes can be hard to obtain. It is especially difficult when homes are owned by national chains or global private equity investment companies. It is also more difficult when the operation of a home is contracted out to multiple companies.</p>	<p>Effective immediately, reform requires more disclosure about ownership, governing bodies, operators, organizational structure, suppliers, etc.</p> <p>By March of 2012, the government must make public detailed information including staffing levels, staff tenure and turnover, the number of residents and their levels of disability, wages and benefits, and cost reports showing expenditures by category such as nursing, therapy, capital assets and administrative overhead.</p> <p>By March of 2011, pilot projects will test the use of independent monitors to oversee large nursing home chains.</p>
<p>There is a critical need for more direct care workers for nursing homes and home care.</p>	<p>There is no national strategy for recruiting or retaining direct care workers to address the growing need for Long Term Care. This will be especially necessary when CLASS participants become eligible for benefits. Training programs exist but need to be improved and expanded.</p>	<p>In 2010, a national panel will be appointed to address the challenge of recruiting sufficient numbers of personal and home care aides (part of CLASS).</p> <p>Grants will be awarded to six states in 2010 to develop model training curricula for nursing assistants and home health aides along with certification tests.</p> <p>Tuition assistance will be available to colleges from 2010-2013 so that more direct care workers can be trained.</p>
<p>The long term care system is complicated, with multiple programs, agencies, funding sources and eligibility rules. It's hard to know where to go for help.</p>	<p>The federal government has already launched an initiative called "Aging and Disability Resource Centers" or ADRCs to help consumers navigate the complex long term care system. Michigan is working to create ADRCs, but funding is inadequate to do the job.</p>	<p>Reform provides \$10 million/year for five years to assist in creating and maintaining ADRCs. The state Office of Services to the Aging (OSA) has applied to receive a share of these funds.</p>

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