

Aging Nebraskans Task Force

STRATEGIC PLAN

A Report to the Nebraska Legislature

December 2014

AGING NEBRASKANS TASK FORCE

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ACKNOWLEDGMENTS

The Aging Nebraskans Task Force would like to thank all of the experts who provided information and insights to our committee. We would also like to thank AARP for their work in hosting a tele-townhall for the purpose of gaining information about aging issues from Nebraskans. We would also like to thank all of the individuals and testifiers who contributed to our understanding of aging issues in Nebraska.

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I. OVERVIEW

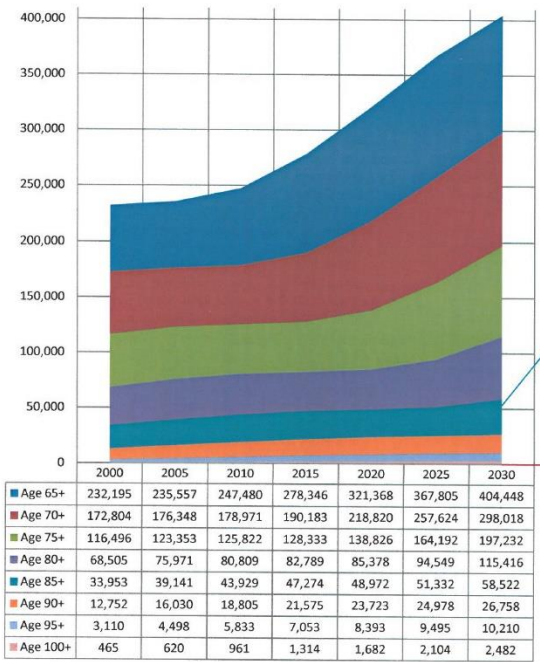
Demographics

Nebraska's population of individuals 65 years or older is projected to grow from 246,277 in 2010 to 324,697 in 2020 - a 31.6% increase.¹ As the baby boomer generation reaches retirement, demographics in Nebraska are changing, resulting in higher numbers of seniors across the state. As a state, we must plan for this demographic change, not only to respond to the needs of seniors but also to respond to the needs of the family members who care for them. Both short-term and long-term changes will occur: specifically, Nebraska's aging population will increasingly become more diverse and Nebraska's rural communities will trend towards older populations.

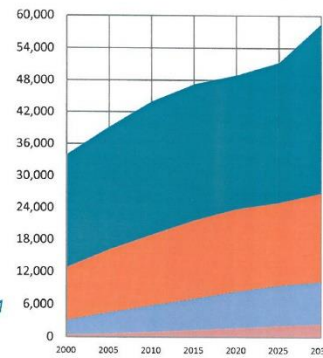
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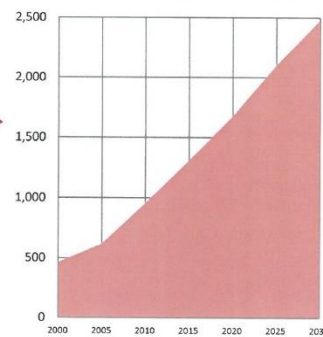
Nebraska's Projected Growth of Individuals age 65 & Older



Nebraska's Projected Growth of Individuals age 85 & Older



Nebraska's Projected Growth of Individuals age 100 & Older



Nebraska Population Projections

Prepared using Census 2000 as base year population, birth data updated through 2006, average migration rates between 1980-1990 and 1990-2000
 Data tables created by: Center for Public Affairs Research, University of Nebraska Omaha, August 2008. Distributed by UNO, January, 2013

¹ 2013 Nebraska Legislative Planning Committee Report, http://nebraskalegislature.gov/pdf/reports/committee/select_special/lpc2013pb.pdf
² Nebraska projected growth of individuals 65+, Nebraska Area Agencies on Aging, 2014

Each one of Nebraska's counties has a significant rural population, with a higher concentration of seniors living in rural communities.

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MAP FACTS

Median Age by ZIP Code

Ed Jaros, Research Analyst

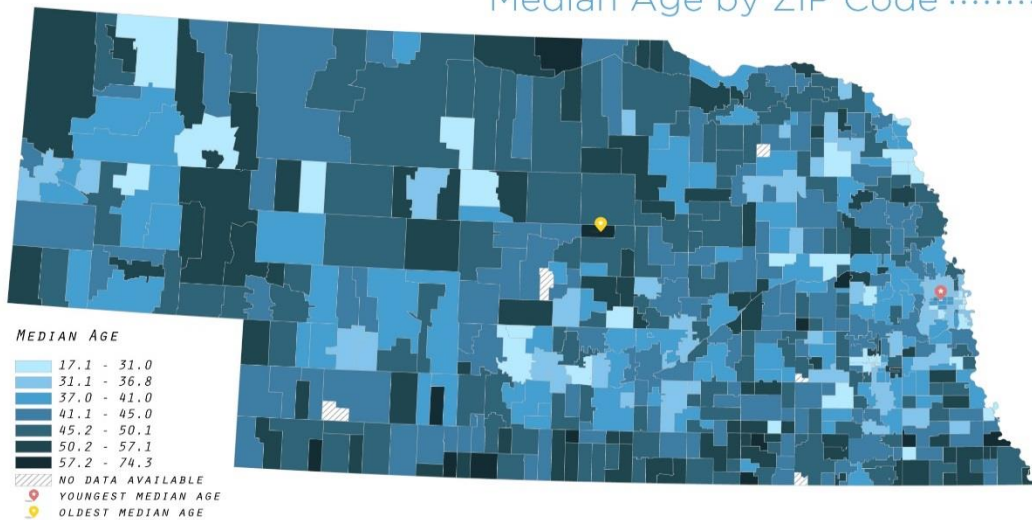
This is a map of Nebraska's ZIP code areas colored by the median age of the people living there. Age data comes from the 2012 American Community Survey 5-year estimates, which represent the years 2008-2012.

Since ZIP codes are smaller than counties, there are pockets of both very old and very young median ages throughout the state. The divide often clear between urban and rural areas is absent here. However, metropolitan areas tend to have fewer ZIP code areas with median ages above 45.

The oldest median age measured by the Census Bureau was in ZIP code 68837 which includes Elyria and the surrounding area to the west. The estimated median age for that area was 74.3 years, with a 90 percent confidence margin of error (MOE) of 16.1 years. Other notably older areas included 69037 near Max with a median age of 70.6 years (4.3 year MOE) and 69171 outside of Gothenburg with a median age of 67.3 (2.4 year MOE).

The youngest ZIP code, not surprisingly, was Boys Town (68010), with a median age of 17.1 years (0.4 year MOE). Other ZIP code areas with median ages under 20 years included 68178 (Creighton University Campus), 68071 (Winnebago Reservation east of Wayne), and 68849 (UNK campus in Kearney).

Median Age by ZIP Code



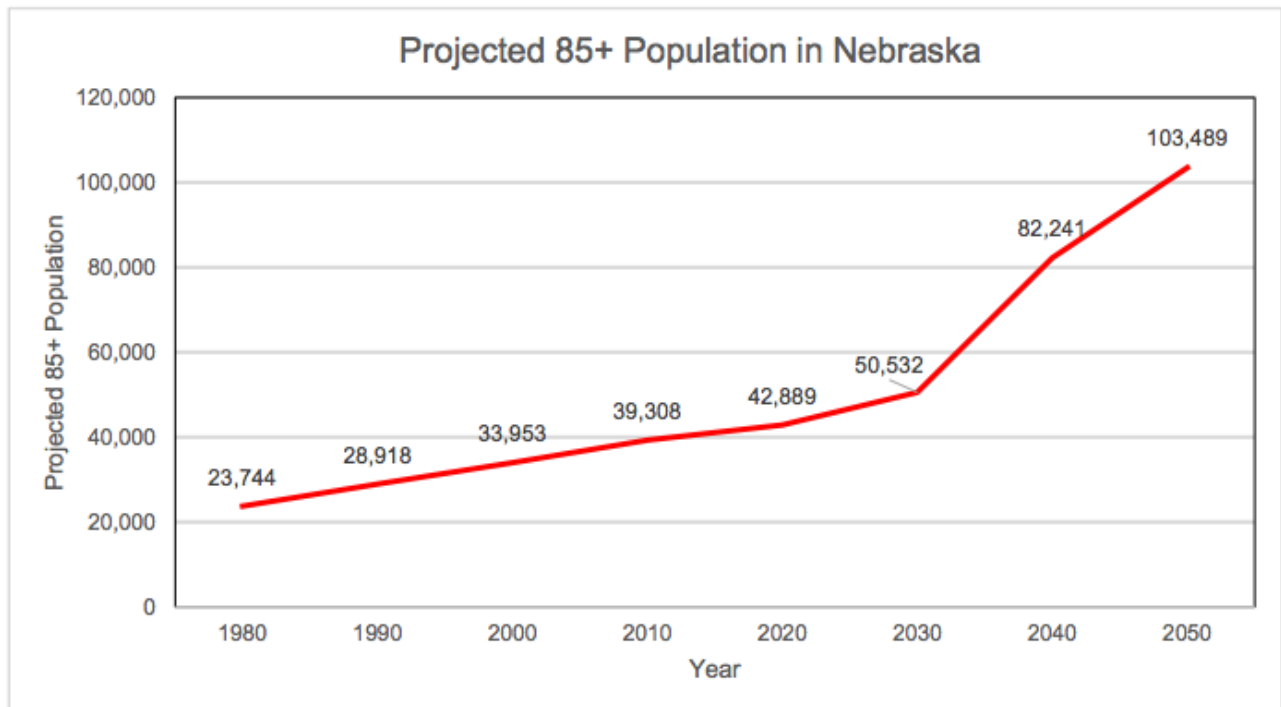
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Nebraska seniors are urban and rural, come from a variety of racial and socioeconomic backgrounds, and vary age and ability.

Nebraska Census Projected Figures by Racial and Ethnic Groups for 65+ Population⁴

Category	Census Count		2010-2050	
	2000	2010	Change	% Ch.
Total	232,195	246,677	224,181	90.9
White NH	222,959	233,321	127,078	54.5
Black NH	4,394	5,360	15,718	293.2
Hispanic	2,642	4,660	59,624	1279.5
Other NH	2,200	3,336	21,761	652.3

Nebraska Population Projection of Individuals Over 85⁵



⁴ 2000 and 2010 Census, analysis by CPARS@UNO

⁵ U.S. Census Bureau, analysis by CPARS@UNO

Self-Care Difficulty Rates for Nebraskans Over 65⁶

Disability Rates	Number (1,000s)	Percent	Rank	U.S.
People age 65+ with disabilities, 2010				
Self-care difficulty	16	6.8%	41	8.8%
Cognitive difficulty	17	7.3%	46	9.5%
Any disability	85	36%	27	37%

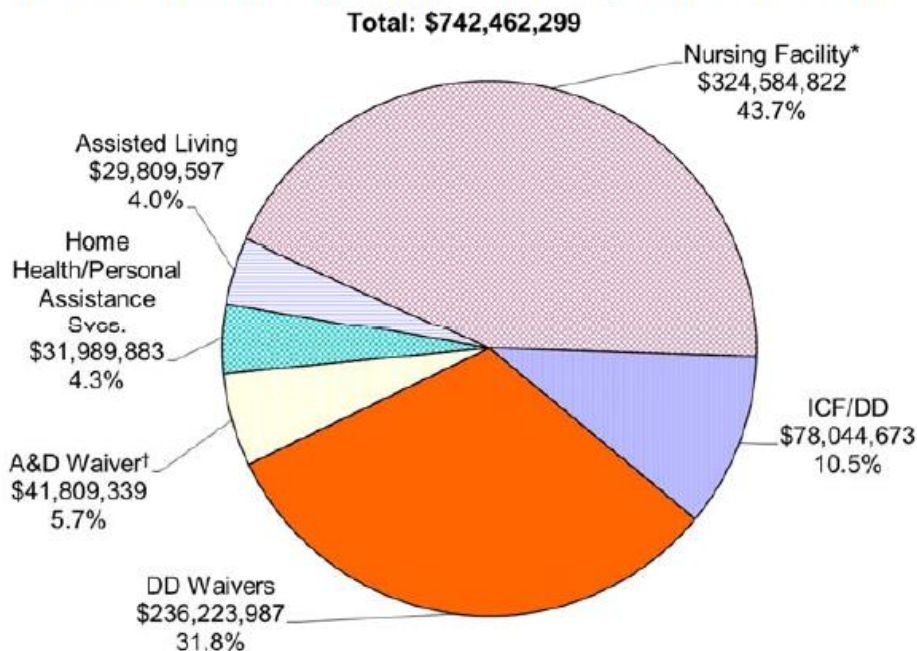
Nebraska's System

Nebraska has a strong system that serves seniors in a variety of ways, ranging from private nursing facility care to public transportation services. Services provided to older Nebraskans include:

- Privately funded home care, assisted living, and nursing facilities.
- Publicly funded Area Agencies on Aging provide transportation, congregate meals, chore services, and more in each of five regions statewide.
- Medicaid services offering home and community-based care and nursing facility level of care to seniors.
- Informal caregiving networks, including family, friends, and peer support networks, among others.

At the same time, Nebraska must balance the growing number of aging Nebraskans with fiscal projections. Medicaid services for aging Nebraskans are a significant expenditure in our state and projections illustrate a future increase.⁷

SFY2013 Medicaid Expenditures for Long-Term Care Services



⁶ AARP Across the States: Profiles of Long-Term Services and Support, 2012 http://www.aarp.org/content/dam/aarp/research/public_policy_institute/ltc/2012/across-the-states-2012-nebraska-AARP-ppi-ltc.pdf

⁷ Nebraska Medicaid Annual Report, 2013 <http://dhhs.ne.gov/medicaid/Documents/2013-Medicaid-Annual-Report.pdf>

“Expenditures for long-term care services accounted for approximately two out of every five dollars spent on Medicaid in Nebraska. Moreover, nursing facility costs totaled about 18% of all Medicaid expenditures (Nebraska Medicaid Annual Report, 2013). The average annual cost in 2011 for a Nebraska senior in a nursing facility, under Medicaid, was \$86,040 (DHHS, Costs of Senior Care, 2011). Clearly, any intervention that delays or prevents unnecessary nursing home placement will have a substantial impact on long-term care costs for Nebraska.” Nebraska Legislature Planning Committee Report, 2013⁸

Public Input

Public input was considered by the Aging Nebraskans Task Force in the development of this report. Major themes of public input included: need for assistance to remain living independently, lack of future financial planning, and need for additional information about ways to get assistance. Public input was considered from the following sources: a tele-townhall meeting, a public hearing, and consumer surveys from the Area Agencies on Aging and the AARP.

Tele-Townhall

On October 21st, 2014, a tele-townhall meeting was held in collaboration with AARP of Nebraska. An estimated 1,200 Nebraskans participated in the event over the telephone, which allowed them to listen and participate in a town hall meeting with Aging Nebraskans Task Force Members. The tele-town hall focused on several of the issues relating to aging that AARP members had indicated previous interest in, including access to services, financial independence, and caregiver supports. Survey results from the participants found lack of confidence in ability to find services, financial planning, and ability to find appropriate home care.⁹

Public Hearing

A public hearing was held in the Nebraska state capitol in October, with satellite locations in Chadron and Norfolk. Participants represented family caregivers, service providers, county officials, transportation providers, and medical experts, as well as others. Themes included: need for access to transportation, need for additional staff members in rural areas, the pressures of serving individuals with Alzheimer’s and Dementia, and the desire to collaborate and innovate in the assisted living setting.

Area Agencies on Aging Needs Assessment

In 2012, five of Nebraska’s eight Area Agencies on Aging, in collaboration with the University of Nebraska-Omaha’s Department of Gerontology and the Center for Public Affairs Research, conducted a needs assessment survey for individuals aged 50 and older.¹⁰ Results from each service area were combined to provide an estimate on the needs of the aging population.

The top five identified needs of participants were, in order: doing heavy housework, going places outside of walking distance, getting around outside, buying food and clothing, and cooking or

⁸ Nebraska Legislative Planning Committee Report 2013, http://nebraskalegislature.gov/pdf/reports/committee/select_special/lpc2013pb.pdf

⁹ AARP, Tele-Townhall Meeting, 2014

¹⁰ “The combined highlights of a needs assessment conducted for five Area Agencies on Aging in Nebraska,” University of Nebraska Omaha, 2012

preparing meals. Mobility, both inside the home and outside of it, was a concern that grew as individuals aged. The survey also found that a majority of respondents have not made plans for their future care, or had started plans but not completed them. Finally, the report suggested that area Senior Centers are underutilized, as only 26% of individuals over 75 indicate that they “go to the Senior Center in [their] area.”¹¹

AARP Member Survey

A survey conducted by AARP of their members in December of 2011 suggests that many of those surveyed receive their information on long-term care services from a variety of sources. A strong majority of respondents would seek information about long-term care services from their doctor or family and friends. However, only 23% of those surveyed are “extremely confident” or “very confident” that they could find services that would allow them to remain in their home. In addition, only 10% of those surveyed claim to be “extremely confident” or “very confident” about their ability to pay for long-term care services if they should be required.

As the population continues to age, this populace becomes more likely to have a self-care difficulty, with individuals over 75 three times more likely than those aged 65-74 to have this problem. Those over 75 were four times as likely to have independent living difficulty. As individuals continue to age, their need for services grow even as their confidence in their ability to pay for the services remains low.¹²

Strategic Plan

The Aging Nebraskans Task Force is made up of representatives from the legislative, judicial, and administrative branches as well as community stakeholders. This report sets forth a set of recommendations forming a strategic plan, developed by the Aging Nebraskans Task Force for Nebraska. The recommendations focus primarily on policy initiatives, while also including recommendations for administrative, judicial, and public action with short-term and long-term initiatives. The Aging Nebraskans Task Force will partner with stakeholders statewide to move these initiatives forward. The Aging Nebraskans Task Force will continue until July of 2016.

¹¹ UNO Department of Gerontology and Center for Public Affairs Research

¹² 2011 Survey of Nebraska Members on Long-Term Care and Caregiving Issues

II. EXECUTIVE SUMMARY

Overview

Several important principles guide the Aging Nebraskans Task Force strategic plan. These principles include: providing the right services at the right time for the right person, developing fiscally responsible strategies, and leveraging existing strengths and systems. Another important principle is that recommendations are informed both by data and by public input. Recommendations fall into five major categories:

1. Systems Access & Services
2. Financial Independence
3. Special Populations: Alzheimer's/Dementia Patients
4. Workforce Development
5. Cost Containment Strategies

The vision for future aging services includes building stronger, more innovative collaborations for service provision, developing systems that promote preventative care, and scaling up effective, evidence-based pilot initiatives.

Recommendations

1. Systems Access & Services
 - Nebraska ranks 50th in the nation for access to community-based, recognizable sources of accurate information about long-term services and supports to help consumers.¹³
 - 89% of respondents to the AARP 2011 Long-Term Care Survey stated that it would be extremely or very important to have services that would help themselves or a family member stay at home if they became ill or disabled.¹⁴
 - According to the 2011 AARP long-term care survey, only 23% of Nebraskans over 65 are “extremely confident” or “very confident” that they could find services that would allow them to remain in their home.¹⁵
 - Nebraska ranks 35th in the percentage of Medicaid aged and/or disabled long-term care services and support for users first receiving services in the community.¹⁶
- A. **Recommendation:** Strengthen Nebraska’s system of Aging and Disability Resource Centers to ensure that individuals and family caregivers have access to the information they need when they need it.
- B. **Recommendation:** Strengthen and streamline ACCESS Nebraska, the online and call center based system for access to public assistance to better serve the unique needs of seniors.
- C. **Recommendation:** Improve senior transportation availability and coordination statewide.
- D. **Recommendation:** Develop a home care bill of rights for seniors accessing services.

¹³ “Raising Expectations” AARP, 2014

http://www.aarp.org/content/dam/aarp/research/public_policy_institute/ltc/2014/raising-expectations-2014-AARP-ppi-ltc.pdf

¹⁴ “2011 Survey of Members on long-term Care and Caregiving Issues,” AARP, 2011

http://www.aarp.org/content/dam/aarp/research/surveys_statistics/general/2012/2011-Survey-of-Nebraska-Members-on-Long-Term-Care-and-Caregiving-Issues-AARP.pdf

¹⁵ “2011 AARP Long-Term Care Survey of Nebraska Members,” AARP, 2011

¹⁶ “Raising Expectations” AARP, 2014

http://www.aarp.org/content/dam/aarp/research/public_policy_institute/ltc/2014/raising-expectations-2014-AARP-ppi-ltc.pdf

2. Financial Independence
 - According to the Robert Wood Johnson Foundation, fewer than 10% of Americans are specifically saving for long-term care.¹⁷
 - After reaching the age of 65, the average American has a 70% chance of needing long-term care services for three years.¹⁸
 - A. **Recommendation:** Assess current public savings programs and financial planning tools and make recommendations for improvement.
 - B. **Recommendation:** Develop a state sponsored savings plan.

3. Special Populations: Alzheimer's/Dementia Patients
 - 33,000 Nebraskans are affected by Alzheimer's, and this number is projected to reach 40,000 by 2025.¹⁹
 - In Nebraska, 12 percent of those aged 60 and over report that they are experiencing confusion or memory loss that is happening more often or is getting worse.²⁰
 - The average per-person Medicare spending for those with Alzheimer's and other dementias is three times higher than for those without these conditions.²¹
 - A. **Recommendation:** Develop a state plan for Alzheimer's disease and related dementias to coordinate efforts and promote public and private partnerships to fight the disease.
 - B. **Recommendation:** Define memory care and evaluate and improve the reimbursement rates for memory care in assisted living facilities.

4. Workforce Development
 - Personal care and chore services, transportation, and meal preparation are the top needs for seniors according to the Area Agency on Aging 2012 survey.
 - Nebraska ranks 39th in the number of home care and personal care aides per 1,000 members of the population aged 65+.²²
 - A. **Recommendation:** Research development of an Administrative Service organization model to provide assistance to direct care workers with employment taxes, backup care, and other services.
 - B. **Recommendation:** Allow assisted living facilities and nursing facilities to provide adult day services under existing licensure to leverage their senior care workforce and expertise if they meet adult day licensure standards.
 - C. **Recommendation:** Consider pursuit of the 1915(i) Medicaid option. This allows states to amend their Medicaid state plan to provide home and community-based services to

¹⁷ "Long-term Care: What are the Issues?" Robert Wood Johnson Foundation, 2014

http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2014/rwjf410654

¹⁸ "Leading Age Pathways," Leading Age, 2013

http://www.leadingage.org/LeadingAge_Pathways_Framework_Addressing_Americans_Financial_Risk_for_L_TSS.aspx

¹⁹ "Fact Sheet: 2014 Alzheimer's Disease Facts and Figures," Alzheimer's Association, 2014, alz.org/facts

²⁰ *Ibid*

²¹ "Alzheimer's Facts and Figures," Alzheimer's Association, 2014

http://www.alz.org/alzheimers_disease_facts_and_figures.asp

²² "Raising Expectations" AARP, 2014

http://www.aarp.org/content/dam/aarp/research/public_policy_institute/ltc/2014/raising-expectations-2014-AARP-ppi-ltc.pdf

individuals who do not meet the nursing facility level of care. The option provides new opportunities for community based services.

5. Cost Containment Strategies

- The State of Nebraska's costs for long-term care services under Medicaid totaled \$299,315,389 in FY 2013. 65+ Medicaid spending has grown at an average annual rate of 1.4% since FY 2007. In order to maintain modest growth in spending in the face of an increasing 65+ population, existing cost containment measures will need to be maintained and new measures will need to be explored.²³
- A. **Recommendation:** Ensure that implementation of new cost containment strategies occur gradually with consideration for the most vulnerable populations and engaging stakeholders, building on existing pilot programs.
- B. **Recommendation:** Invest in information technology and electronic health technology, specifically electronic medical records systems in long-term care facilities to improve communication and coordination, especially for post-acute patients.
- C. **Recommendation:** Identify super-utilizers in Nebraska and develop strategies to meet high-demand needs.

²³ Information on Medicaid service expenditures for Nebraskans over age 65 provided to Senator Kate Bolz by the Nebraska Department of Health and Human Services.

III. POLICY BRIEFS

SYSTEMS ACCESS & SERVICES

Efficient, appropriate, and cost-effective care is best provided when appropriate assessments and planning strategies are utilized. Nebraska has a lot to be proud of in terms of providing supportive services for seniors, ranging from communities that support a local senior center to the statewide respite care network.

Providing the right services and helping seniors find their way to these services is important. For example, appropriate respite care provided at the right time can prevent family strain or the need for crisis intervention. Seniors in Nebraska often do not know what services are available to them, where to obtain them, or who to contact to find this information. The 2014 AARP Long-Term Services and Supports Scorecard found that Nebraska ranks 50th out of 51 states and districts in the ability of seniors to find and access information.²⁴ Currently, there is no unified entry-point of contact for aging services in Nebraska.

The Nebraska State Unit on Aging recommends action to develop a fully functioning and sustainable Aging & Disabilities Resource Center in their long-term plan, stating: “An ADRC will provide key resources for Nebraskans of all ages in planning for their future long-term care needs. It will make available a full range of information regarding long-term care programs as well as information about financial planning and options such as long-term care insurance.”²⁵

ACCESS Nebraska is our state’s online and call center based Health and Human Services system which provides some access to services such as applications for Medicaid. However, technological features, such as online applications and call menus and separate caseworkers for economic assistance programs (like chore services or home delivered meals) and Medicaid, can create confusion and delays specifically for seniors.

A related priority is access to transportation. Transportation can be a key to helping seniors remain in their homes while continuing to get to medical appointments, purchase groceries, and address other needs. Fifty-eight of Nebraska’s rural transit systems have little or no coordination of services. Of concern is that the law limits options to provide such coordination across county lines. The Nebraska Department of Roads has entered into a contract with the University of Nebraska to facilitate mobility management projects.²⁶ Mobility management is defined as a strategic approach to service coordination among transportation providers in order to create a full range of transit services within a community. Mobility management services have been piloted in two communities. Need for this type of work is apparent in other communities statewide.

Underlying all of these concerns about services and support is the basic principle that seniors should have fair and accurate information about their services, while understanding their rights and responsibilities. Understanding employer and employee relationships, contractual agreements, and options to address problems must be included in any discussion regarding services and supports.

²⁴ “Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Disabilities, and Family Caregivers,” AARP Foundation, The Commonwealth Funds, and the SCAN Foundation., 2014 http://www.aarp.org/content/dam/aarp/research/public_policy_institute/ltc/2014/raising-expectations-2014-AARP-ppi-ltc.pdf

²⁵ “Nebraska DHHS State Unit on Aging Four Year Strategic Plan, 2012-2015,” Nebraska Department of Health and Human Services, 2011 <http://www.aarp.org/content/dam/aarp/livable-communities/plan/planning/nebraska-state-plan-on-aging-2012-2015-aarp.pdf>

²⁶ “The Roadrunner,” Nebraska Department of Roads, 2014 <http://www.transportation.nebraska.gov/roadrunner/docs/archives/Apr-May-2014.pdf>

- A. Recommendation:** Develop the “next generation” business model for providing information and referrals to seniors, individuals with disabilities, and their families across their lifespan.

Nebraska’s system of Aging and Disability Resource Centers should be strengthened to ensure that individuals and family caregivers have access to the information they need when they need it. ADRCs are one-stop shop information and assistance centers that assist individuals with disabilities and individuals who are aging. These services should be open to individuals and family caregivers across all income levels. These efforts should be streamlined with the “no wrong door” model and unified assessments. Information and services provided should include, but not be limited to: information and referral, options counseling, streamlined eligibility determination for public programs, person-centered transition support when moving from one setting to another (such as when an individual moves from a hospital back into a home setting,) strategic partnerships with providers, and quality assurance.

- B. Recommendation:** Improve service, streamlining, and efficiency for seniors accessing the ACCESS Nebraska system.

Improve ACCESS Nebraska, the online and call center based system for access to public assistance to better serve the unique needs of seniors. Specifically, community partners should receive stronger resources and support, such as dedicated liaisons with the Department of Health and Human Services and/or dedicated caseworkers who are needed for seniors who have difficulty navigating the system due to sight, hearing, or other complications. In addition, individuals accessing both Economic Assistance and Medicaid should be able to do so without multiple applications or caseworkers.

- C. Recommendation:** Coordinate and manage public transportation options to meet the needs of seniors statewide.

Improve senior transportation availability and coordination statewide. Transportation systems should be coordinated and supported. Efforts to connect with existing providers and the Department of Roads should be pursued. The Department of Roads has a plan to develop a Statewide Mobility Management Project and launch additional pilot projects. This work should be monitored and best practices should be implemented. Specifically, mobility managers should be located in each Aging and Disability Resource Center to identify and manage the existing transportation resources across cities, counties, and regions.

- D. Recommendation:** Ensure the rights of seniors are protected.

Nebraska should develop a home care bill of rights for seniors accessing services. Such a bill of rights should include rights to written information about services provided, the right to participate in the approval of services and any changes to service, the right to refuse service, rights and responsibilities in the agreement between the individual and the provider of such services, freedom of choice of service providers, and freedom from exploitation. The bill of rights should be developed in concert with aging individuals, family members, care providers, and other stakeholders.

FINANCIAL INDEPENDENCE

Sixty-five percent of older Nebraskans say they are not very or not at all confident that they could afford long-term care services for themselves or their family.²⁷ The State of Nebraska will undertake a significant financial burden for the long-term care needs of its growing aging population if appropriate resources are not leveraged to fund the population's needs.

At the same time, existing financial tools in Nebraska have not been fully utilized and may not meet the contemporary needs of our aging population. For example, only 8% of Americans have long-term care insurance.²⁸ Nebraska must analyze our existing financial options and consider the development of new tools to meet the financial needs of individuals preparing for long-term care obligations.

A. Recommendation: Develop a formal performance audit of existing financial tools for financing long-term care.

Assess the current financial tools available and make recommendations for improvement via a performance audit. Audit areas including the long-term care insurance, long-term care savings plans and tax credits, Medicaid asset rules, reverse mortgages, and viatical settlements.

B. Recommendation: Create new tax-deferred savings options.

Develop a state savings plan known as a "retirement savings account." A retirement savings account, also known as a security, guaranteed or voluntary savings account, is a state government sponsored savings plan that permits residents of a state other than public-sector employees to participate in tax-deferred savings accounts sponsored by a state government. The policy goal of these accounts is to encourage and facilitate retirement savings for non-public sector employees whose employers do not sponsor such accounts. Their eligibility for tax deferral would be subject to IRS letter rulings regarding each individual program.

Additional Issues

Nebraskans need more education on the risks of financial exploitation and elder abuse and neglect. Elder exploitation is a prevalent issue nationally and here at home. Currently, the Attorney General's Office provides education through its Nebraska Senior Anti-Fraud Education (S.A.F.E.) Program, which includes a guide to avoid consumer fraud specifically targeting seniors. The Department of Health and Human Services' Adult Protective Services actively investigates reports of elder abuse and neglect of vulnerable adults. Passage of LB 920 during the 2014 Legislative session created additional protections for individuals under the care of guardians or conservators by giving oversight power to the Office of the Public Guardian. Many Nebraskans are unaware of the dangers posed, especially of financial fraud, and the resources available. Ongoing diligence to protect the financial interests of seniors is needed, and may be done in partnership with the newly

²⁷ "2011 Survey of Members on Long-Term Care and Caregiving Issues," AARP, 2012
http://www.aarp.org/content/dam/aarp/research/surveys_statistics/general/2012/2011-Survey-of-Nebraska-Members-on-Long-Term-Care-and-Caregiving-Issues-AARP.pdf

²⁸ "Long-term Care: What are the Issues?," Robert Wood Johnson Foundation, 2014
http://www.rwjf.org/content/dam/farm/reports/issue_briefs/2014/rwjf410654

established Office of Public Guardianship.

SPECIAL POPULATIONS: ALZHEIMER’S/DEMENTIA PATIENTS

33,000 Nebraskans are living with Alzheimer’s in Nebraska, and the state is projected to see a 21% increase in the number of seniors living with Alzheimer’s disease by 2025²⁹. The cost of caring for such individuals could increase drastically without action. The average per-person Medicare spending for those with Alzheimer’s and other dementias is three times higher than for those without these conditions.³⁰

Nebraska does not currently have a state Alzheimer’s plan. Such a plan can provide a framework for the state to prepare for the increase in Alzheimer’s and dementia patients in areas including coordination of training and education, data analysis of population trends, public awareness initiatives, and provision of public education about avoiding, identifying, and coping with the disease. Such efforts have been established effectively in more than 40 other states.

Such a plan could also promote best practices for an effectively trained workforce. Nationally certified training is available and should be promoted in Nebraska.

Additionally, Nebraska currently defines special care units for Alzheimer’s disease and related dementias in the Alzheimer’s Special Care Disclosure Act. However, Nebraska currently reimburses assisted living facility providers a single rate under the Medicaid Waiver program, regardless of the level of care provided. Alzheimer’s and dementia patients often flourish in assisted living facilities that offer “memory care” that includes increased staffing and programming. However, though less expensive than nursing facility care, the cost of “memory care” in the assisted living environment exceeds the reimbursed rate. Assisted living facilities are therefore less likely to offer “memory care.” The current average Medicaid Waiver assisted living rate is \$2,392/month³¹ (average of urban and rural rates).

According to the 2014 Genworth Cost of Care Survey, the cost of providing assisted living care in Nebraska is \$3,298/month.³² The cost of providing memory care (in assisted living) is typically an additional \$1,000-\$1,500/month in Nebraska.³³ Residents with increased staffing needs can also be forced to relocate, an often traumatic experience for patients with Alzheimer’s or dementia.

A. Recommendation: Align, coordinate, and strengthen existing resources to serve individuals with Alzheimer’s and dementia through an Alzheimer’s State Plan.

Develop a statewide Alzheimer’s plan to coordinate public and private efforts against the emerging crisis. Establish such a plan through the Nebraska State Unit on Aging. Develop a committee including stakeholders from multiple branches of government, family members, service providers and other stakeholders to provide recommendations regarding services, resources and capacity. Specifically strengthen the Alzheimer’s and dementia workforce through recommendations to improve training specific to Alzheimer’s/Dementia for the

²⁹ “Nebraska Alzheimer’s Statistics,” Alzheimer’s Association, 2014, alz.org/facts

³⁰ “Alzheimer’s Facts and Figures,” Alzheimer’s Association, 2014

http://www.alz.org/alzheimers_disease_facts_and_figures.asp

³¹ Nebraska Health Care Association, 2014

³² “Genworth Cost of Care Survey,” Genworth, 2014 <https://www.genworth.com/cost-of-care/landing.html>

³³ “Assisted Living Costs: Facts and Figures,” SeniorHomes.com, 2012

<http://www.seniorhomes.com/p/assisted-living-cost/>

spectrum of caregiving staff. Nebraska should review opportunities for care staff to participate in national certification programs on Alzheimer's and dementia, including offering such training to emergency personnel.

B. Recommendation: Develop an enhanced Medicaid rate for assisted living memory care that is cost-neutral in comparison to nursing facility costs.

Establishing an enhanced Medicaid rate for assisted living memory care for individuals with Alzheimer's disease or related dementia is beneficial for Nebraskans, as it would establish a community-based service alternative to nursing facility care and possibly generate a cost-savings to Nebraska's Medicaid program. Currently Nebraska Medicaid pays for assisted living services through the Aged and Disabled 1915(c) Waiver programs, and only at one payment level. As this rate does not come close to covering the actual cost of memory care in assisted living, the only Medicaid option for individuals with Alzheimer's disease or related dementia is nursing facility care. In order to amend Nebraska's current 1915(c) Aged and Disabled Medicaid Waiver to include an enhanced assisted living rate for memory care (e.g. an add-on or Tier Two rate) or a separate Medicaid Alzheimer's Waiver program (e.g. Virginia's Medicaid Alzheimer's Waiver), Nebraska would need to identify an appropriate reimbursement rate and rate methodology and demonstrate its cost neutrality in comparison to nursing facility costs. A rate study would identify the Medicaid cost for providing comparable memory care in a nursing facility, the actual cost of providing memory care in assisted living, and the number of people who could be served by the new option.

WORKFORCE DEVELOPMENT

Nebraska needs to address the supply of senior care workers. Without an adequate workforce to provide long-term services and supports, Nebraska will continue to struggle to provide services in the community and to sustain quality in facility care. Direct service workers are essential to well-being for seniors: they are often the individuals who monitor health, raise concerns about well-being, ensure healthy nutrition, and much more. Workforce development strategies fall into three categories: Supporting community-based direct care workers, expanding access to adult day settings to leverage the existing workforce, and supporting caregivers.

Personal care providers assist with activities of daily living, such as bathing, medication assistance and mobility transfers. Currently, Nebraska has two Medicaid-funded programs that reimburse for personal care provided by entry-level home care providers: the Personal Assistance Services (PAS) program and the Aged & Disabled Waiver Home Care/Chore Service. Providers in the Personal Assistance Services (PAS) program earn a Medicaid reimbursement rate of \$8.12/hour. Providers who are RNs or LPNs and have met training requirements or on-the-job hourly requirements earn \$9.96/hour. Direct service providers could benefit from an Administrative Services Organization to provide education and to manage business and professional tasks, such as managing taxation. Such an organization could serve the needs of clients as well by offering training and coverage for leave time. Training can be the focal point of recruitment and retention for Nebraska's workforce, as well as a way to develop a career ladder for increased skills and wages. Education and training can increase skills and salary, as well as encourage retention within the field.

Adult day services provide care and a variety of social, medical, and other support services for less than 24 hours in a community-based setting for individuals who have a functional impairment. This intermediate level of care can allow individuals to stay in a community-based setting for a longer

period of time. One way to promote the provision of adult day services is to align the licensure requirements of adult day providers and nursing facilities or assisted living facilities. These facilities must meet a higher level of licensure than adult day providers, but must get a separate adult day license. Allowing nursing facilities and assisted living facilities to qualify as adult day providers under existing licensure could serve a greater number of people and streamline service provision as well as leverage existing expertise. Nursing facilities and assisted living facilities would be required to prove that they meet adult day licensure standards.

Caregivers provide more than 91 million hours of unpaid care in Nebraska.³⁴ Particularly in rural areas, friends and family presently serve as caregivers for aging Nebraskans. Nebraska's Area Agencies on Aging can provide significant supports for family caregivers, including support groups and access to respite care. Nebraska should give careful consideration to opportunities available to provide home and community-based supports to help caregivers keep their loved ones in the home, and to reimburse family caregivers for specific services.

A. Recommendation: Research the development of an Administrative Services Organization for direct support caregivers.

Administrative Services Organization (ASO) could serve as a recruitment and retention incentive. Such an organization could assist providers with handling employment taxes, arranging back-up care, organizing training, and more. Such training could provide an opportunity for increased wages for direct care workers under the Medicaid program. This could be particularly important as the minimum wage in Nebraska increases and there is competition for employees.

B. Recommendation: Leverage existing expertise by streamlining adult day licensure for nursing facilities and assisted living facilities.

Nebraska's nursing facilities and assisted living facilities must obtain a separate license to offer adult day services. Allowing licensed facilities to provide adult day services under their existing facility licensure could maximize utilization of existing infrastructure, including a trained workforce, and incentivize facilities to offer services. Assisted living and nursing home facilities would need to prove that they meet adult day licensure standards. This will need to proceed carefully and be well researched, as new home and community-based services rules place new expectations on Medicaid providers. Additionally, reimbursement rates need to be adjusted to adequately cover the cost of care.

C. Recommendation: Consider application of a 1915(i) option to better support individuals that do not meet a nursing home level of care.

Consider pursuit of the 1915(i) Medicaid option. This option allows states to amend their Medicaid state plan to provide home and community-based services to individuals who do not meet the nursing facility level of care. The option provides new opportunities for community based services.

Additional Issues

There are many national efforts from which Nebraska can learn as the state identifies opportunities for improvements in public policy. The Aging Nebraskans Task Force should monitor and review the activities of the Balancing Incentive Payments Program, national demonstration projects, and academic institutions that provide research-based best practices, infrastructure modeling, and

³⁴ "Nebraska Alzheimer's Statistics," Alzheimer's Association, 2014, alz.org/facts

outcomes analysis.

COST CONTAINMENT STRATEGIES

There are many strategies available for reducing state expenditures for long-term care and each requires careful consideration. Coordination of efforts is essential to creating efficiency and cost savings and is a top-tier principle for any cost containment strategy.

Passage of LB 854 during the 2014 legislative session delayed plans to develop Managed Long-Term Care Services and Supports by at least one year. This extension offers an opportunity to carefully assess Nebraska's next steps in reducing Medicaid expenditures. The State of Nebraska's costs for long-term care services under Medicaid totaled \$299,315,389 in FY 2013. 65+ Medicaid spending has grown at an average annual rate of 1.4% since FY 2007. In order to maintain modest growth in spending in the face of an increasing 65+ population, existing cost containment measures will need to be maintained and new measures will need to be explored.³⁵

Many models already exist for improving care, streamlining services, and containing costs, including the Program for All Inclusive Care (PACE) program, the Enhanced Care and Coordination Project (ECCP), and medical homes.

The Aging Nebraskans Task Force has identified three recommendations for the process of developing cost containment strategies. These recommendations are rooted in the idea that appropriate data and research, as well as pilot initiatives and stakeholder engagement, are necessary to develop a plan for long-term cost containment.

A. Recommendation: Identify super-utilizers and examine related needs.

Identify super-utilizers in Nebraska and strategies to meet high-demand needs. "Super-utilizers" are individuals who are in frequent contact with health care providers due to complex, unaddressed health issues. Programs addressing the needs of super-utilizers strive to provide exemplary care for this population while harnessing cost savings, especially in the Medicaid arena. These programs assess super-utilizers within the state, determine a plan of action for reducing high-utilization of acute services, and conduct a cost-benefit analysis of implementing programming to serve the population. Identify super-utilizers in Nebraska and determine the potential for programming to address the population's needs.

B. Recommendation: Engage stakeholders in planning in a transparent and strategic manner.

Ensure that implementation of new cost containment strategies occur gradually with consideration for the most vulnerable populations, and ensure they engage stakeholders and build on existing programs. Collaboration between state agencies, providers, and beneficiaries is essential to the development of cost containment strategies in Nebraska. Encourage partnerships between the State and stakeholders as Nebraska pursues new avenues of cost containment. Intentional, best practices that enhance quality of life should be at the forefront of the conversation; and credence should be given to piloted models with successful outcomes (i.e. PACE, ECCP). Changes to delivery systems can create a plethora of consequences, direct and indirect, that disrupt the lives of beneficiaries. Ensure that

³⁵ Information on Medicaid service expenditures for Nebraskans over age 65 provided to Senator Kate Bolz by the Nebraska Department of Health and Human Services.

implementation of new cost containment strategies occurs gradually with consideration for the most vulnerable of the affected population while choosing the right strategy for the State.

- C. Recommendation:** Develop a plan to identify information technology and electronic health technology (specifically electronic medical records) and data collection needs and to update systems in long-term care facilities to ensure that other stakeholders, including the state of Nebraska and hospitals can share data.

Research is needed to identify appropriate investments in information technology systems in long-term care facilities to improve communication and coordination, especially for post-acute patients. Modernization of information technology systems, including electronic health technology (specifically electronic medical records) is essential for communication of patient data within an organization and between providers. While hospitals have received resources through the Affordable Care Act to improve information technology, long-term care facilities have not had the same benefit.

Additional Issues

There are many successful models reducing Medicaid expenditures nationally, some of which have been implemented in the State but are currently underutilized. Future efforts should consider variations in programming specific to Nebraska's needs, including affordable housing with care management coordination, palliative care, and research of best practices.

IV. SUMMARY

Four major themes developed from the initial work of the Nebraskans Aging Task Force: information, coordination, transportation, and innovation.

This strategic plan outlines opportunities to evolve our state systems and policies to better meet the needs of seniors in the areas of information, coordination, transportation, and more. These strategies will allow people to better receive the right support for the right person at the right time — the basic principle of an optimized system.

The plan also identifies areas for innovation. Our systems need to evolve into a broader continuum in order to meet the growing needs of Nebraska seniors. This work is needed not only to maximize public dollars, but also to leverage public/private partnerships, promote economic viability for senior services, and develop a regulatory environment that allows providers to evolve into models that both make economic sense and serve the needs of our friends, family, and neighbors as we age. This innovation will include additional research, evaluation of existing programs, and ongoing conversations about managing populations and resources.

Ultimately, our responses must keep in mind the needs of Nebraskans, such as families making choices about the appropriate level of care for a loved one, individuals engaged in long-term financial planning, and seniors seeking reliable home care. The Aging Nebraskans Task Force is established statutorily through 2016 and will continue this important dialogue.

Appendix: FAMILY RESOURCES

In addition to the information and recommendations provided in this strategic plan, the Aging Nebraskans Task Force wanted to provide this list of public and nonprofit resources for information and services for families and individuals.

State Unit on Aging & Area Agencies on Aging

Nebraska Department of Health & Human Services
Division of Medicaid & Long-Term Care
State Unit on Aging
P.O. Box 95026
Lincoln, NE 68509
402-471-4624

Aging Office of Western Nebraska - AOWN
1517 Broadway, Suite 122
Scottsbluff, NE 69361
Phone: 308-635-0851
Toll free: 800-682-5140
Website: www.aown.org

West Central Nebraska Area Agency on Aging - WCNA
115 North Vine
North Platte, NE 69101
Phone: 308-535-8195
Toll free: 800-662-2961

South Central Nebraska Area Agency on Aging - SCNA
620 E. 25th Street, Suite 12
Kearney, NE 68847
Phone: 308-234-1851
Toll free: 800-658-4320
Website: agingkearney.org

Midland Area Agency on Aging - MAAA
2727 W. 2nd Street, Suite 440
Hastings, NE 68901
Phone: 402-463-4565
Toll free: 800-955-9714
Website: www.midlandareaagencyonaging.org

Aging Partners
1005 O Street
Lincoln, NE 68508-3628
Phone: 402-441-7070
Toll free: 800-247-0938
Website: www.lincoln.ne.gov/city/mayor/aging/index.htm

Blue Rivers Area Agency on Aging - BRAAA
1901 Court St, Beatrice, NE 68310
Phone: 402-223-1376
Toll free: 888-317-9417
Website: www.braaa.org

Eastern Nebraska
Office on Aging - ENOA
4223 Center Street
Omaha, NE 68105
Phone: 402-444-6536
Toll free: 888-554-2711
Website: www.enoa.org

Northeast Nebraska Area Agency on Aging - NENAAA
119 W. Norfolk Avenue
Norfolk, NE 68701
Phone: 402-370-3454
Toll free: 800-672-8368
Website: www.nenaaa.com

AARP Nebraska

301 South 13th Street
Suite 201
Lincoln, NE 68508
Phone: 1-866-389-5651 (toll-free)
Website: www.aarp.org/states/ne.html

Nebraska long-term Care Ombudsman Programs

Nebraska Long-Term Care Ombudsman
Nebraska Department of Health and Human Services
P.O. Box 95026
Lincoln, Nebraska 68509-5026
Phone: (402) 471-2307

Penny Clark, State Long-Term Care Ombudsman
Penny.Clark@nebraska.gov
Phone: (402) 471-9345

CJ Roberts, Regional Ombudsman
carole.roberts@nebraska.gov
Phone: (308) 632-0462
Aging Office of Western Nebraska
1517 Broadway, Suite 122
Scottsbluff, Nebraska 69361-3184

DeAnna Tuttle, Local Ombudsman
deanna.tuttle@nebraska.gov
Phone: (402) 463-4565 ext. 313
Midland Area Agency on Aging
Landmark Center
2727 West 2nd St., Suite 440
Hastings, Nebraska 68901

Pat Wilcox, Local Ombudsman
pat.wilcox@nebraska.gov
Phone: (402) 444-6558 ext. 239
Eastern Nebraska Office on Aging
4223 Center Street
Omaha, Nebraska 68105

Sandi Gibson, Local Ombudsman
sandi.gibson@nebraska.gov
Phone: (402) 444-6558 ext. 202
Eastern Nebraska Office on Aging
4223 Center Street
Omaha, Nebraska 68105

Tami Barrett, Local Ombudsman
tbarrett@lincoln.ne.gov
Phone: (402) 441-7070
Aging Partners
1005 "O" Street, Suite 300
Lincoln, Nebraska 68508

Rita Sparr, Local Ombudsman
rita.sparr@nebraska.gov
Phone: (402) 370-3454
Northeast NE Area Agency on Aging
119 W. Norfolk Ave.
Norfolk, Nebraska 68701

Barb Ebke, Local Ombudsman
barb.ebke@nebraska.gov
Phone: (402) 223-1376
Blue Rivers Area Agency on Aging
1901 Court St.
Beatrice, Nebraska 68310

Lincoln Local Ombudsman's Office
Phone: (402) 471-2307
State Unit on Aging
PO Box 95026
Lincoln, NE 68509-5026

Nebraska Health Care Association (NHCA)

Phone: 402-435-3551
1200 Libra Drive, Suite 100
Lincoln, NE 68512
Website: www.nehca.org

Alzheimer's Association of Nebraska

1941 South 42nd Street, Suite 205, Omaha, NE 68105
Phone: 1-800-272-3900
Website: www.alz.org/nebraska/

Respite Care Services

Department of Health & Human Services
Division of Children & Family Services, Economic Assistance
P.O. Box 95026
Lincoln, NE 68509-5026

Sharon J. Johnson, Statewide Respite Network Program Coordinator
Phone: 402-471-1764
sharon.j.johnson@nebraska.gov

Linda Lehde, Social Services Worker
Phone: 402-471-9188
linda.lehde@nebraska.gov

Nebraska Department of Health & Human Services Aging Division

301 Centennial Mall South
Lincoln, NE 68509
Phone: (402) 471-3121
Website: www.dhhs.ne.gov/Pages/aging.aspx

Elder Abuse Hotline and Adult Protective Services

Phone: 1-800-652-1999
Website: http://dhhs.ne.gov/children_family_services/Pages/nea_aps_apsindex.aspx

Legal Aid Elder Access Line

Elder Access Line
Legal Aid of Nebraska
1904 Farnam Street
Suite 200
Omaha, NE 68102
Phone: 402-827-5656