

- CHI's aging policy expert. Been here for five years.
- Here to talk about an unconventional "strategy" to support aging in place.



Three Takeaways

- 1** Colorado's aging population has budgetary and health workforce implications.
- 2** Informal caregivers help address these challenges at a low cost.
- 3** There are concrete policy levers and local strategies for supporting caregivers and sustaining this critical resource.

Three main points to take away.

Housing in America
THE BABY BOOMERS TURN 65
JOHN K. McILWAIN

Old and on the Street: The Graying of America's Homeless
The emergence of an older homeless population is creating daunting challenges for social service agencies and governments already struggling to fight poverty.
BY ADAM NAGOURNEY MAY 31, 2015

As Baby Boomer Available To Care
BY RACHEL ESTABROOK MAY 14, 2015

JAPAN'S BOLD STEPS
People over the age of 65 make up a quarter of Japan's population, and it's on track to reach 40 per cent. The demographic creates huge challenges for government and society.

2016 HOT ISSUES IN HEALTH CARE #HIHC16

First, let's take a step back. I'd like to share a quick lesson in demography.

Stories of the aging population have permeated local, state, national and even international news for several years now.

Why we think this is happening on a broad scale, nationally and internationally?

- Baby boomers turning 65
- Birth rates declining
- Medical and technological advances extending life

THE DENVER POST

NEWS COLORADO NEWS

Colorado must “act now” to address aging population, rising costs, study says



Nurse Rachel Kennel embraces terminally ill patient Jackie Beattie, 85, at the Hospice of Saint John on November 5, 2016 in Lakewood. The non-profit hospice accepts patients regardless of their ability to pay, although most are covered by Medicare or Medicaid.

By BRIAN GASKIN | brian.gaskin@denverpost.com

PUBLISHED November 20, 2016 at 1:03 pm | UPDATED November 20, 2016 at 9:03 am

Karen Brown thought her mother was set financially. At 92, she had \$750,000 saved up to live out her days comfortably.

So Colorado's just following the trend right? Well, not quite.

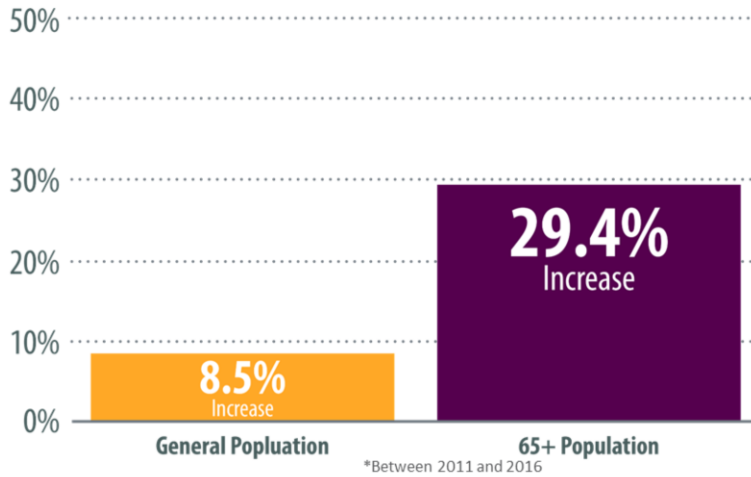
**In the past five years,
Colorado had the
third fastest growing
older adult population
in the country.**

The “age wave” is impacting all 50 states but Colorado had the 3rd fastest growing 65-plus population over the past 5 years. (Citation: State Demography Office <https://demography.dola.colorado.gov/crosstabs/aging-part-1/>)

Why are we seeing this in Colorado?

- Historically young state
- 1970-1980 migration of Boomers

Growth in Colorado's 65+ Population Outpacing the General Population



And, in Colorado, the speed at which the older adult population grew outpaced the general population for the first time in CO history.

Colorado Will See Continued Growth in its 65+ Population



Transport you back to 1990, 1 of 10 Coloradans was 65 or older.

Looking to the future, we can expect continued growth in the older adult population. By 2050, one of five Coloradans will be in that age group. (Source: Colorado Demography Office query)

This is an enormous shift in a very short amount of time.

Because we have been a young state in the past, the infrastructure and workforce wasn't necessarily built around the needs of older adults. Playing a bit of catch up. So, with such dramatic demographic changes, it's prudent to ask what this means for our state.



The aging of the population has broad implications- both positive and negative - for our state in many areas inside and outside of health care.

1. Economic impacts of retiree spending. It is estimated for every 4 people over the age of 65 generate one new job. Economic growth potential.

2. A tightened labor market. Baby Boomers make up about a third of the labor force, Over the next 15 years approximately 1 million workers will age out of the workforce.

3. Keeping up with housing needs. The stock of affordable housing in Colorado is already very tight. There's an added challenge for older adults. Housing preferences for the 65+ depend greatly on age and disability, proximity to services and family.

4. Public finance concerns. Retirees tend to pay less in taxes because they are not working and generally buy fewer taxable goods. There is an expected decline in per capita tax revenues to the state and many local governments due to the age wave.

5. Meeting health care & long-term services and supports demand. The older population has high health care needs. This can generate health care spending, a positive for the industry. It will be important for the state, as well as individual communities, to ensure they can attract and retain a skilled workforce to meet these demands.

Source: <https://demography.dola.colorado.gov/crosstabs/aging-part-2/>

Long-Term Services and Supports

A broad range of supportive services for people with limitations in their ability to perform daily activities

Definition of long-term services and supports. It's not just about health care.

Most Coloradans Will Need Long-Term Services and Supports

70%

of older adults will need some type of long-term services and supports as they age.



HALF OF OLDER ADULTS

will, at some point, need help with essential everyday activities like eating or bathing.

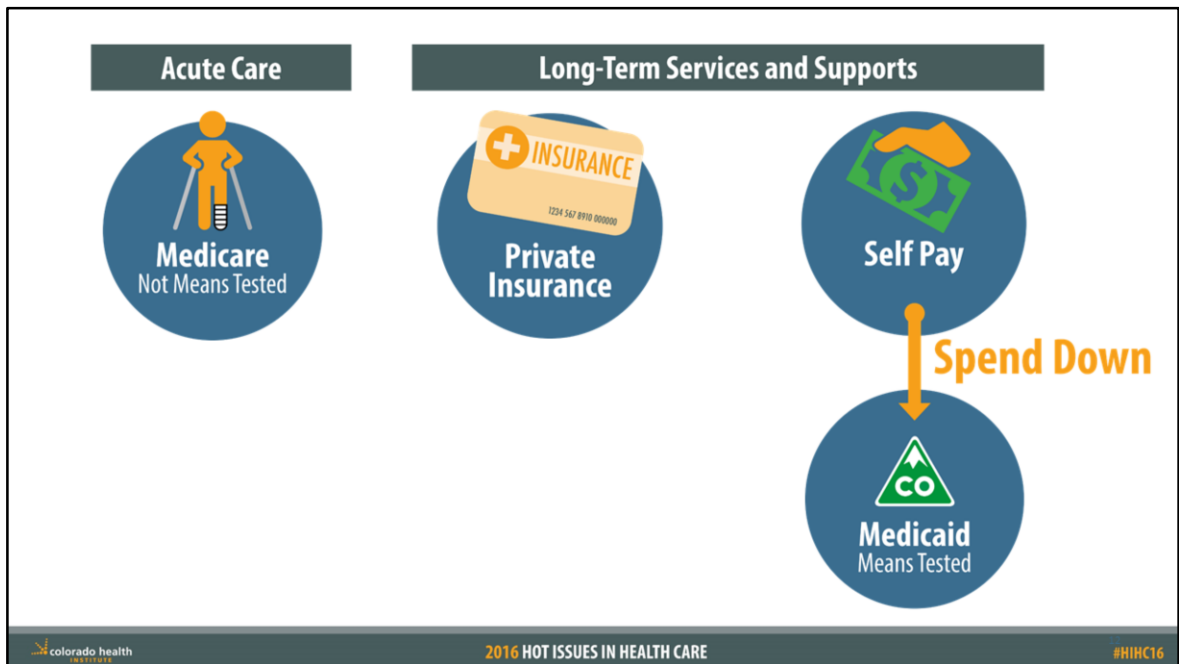
70% of older adults will need some form of LTSS in their older adult life.

Half will need more intensive help with everyday activities.

The key here is that the need for supports is normal, it's expected.

Who Pays?

But who is paying for that care?



There are widespread misconceptions that Medicare covers a wide range of services for seniors. In reality, Medicare is limited in what it covers. Emphasis on acute care/short-term needs.

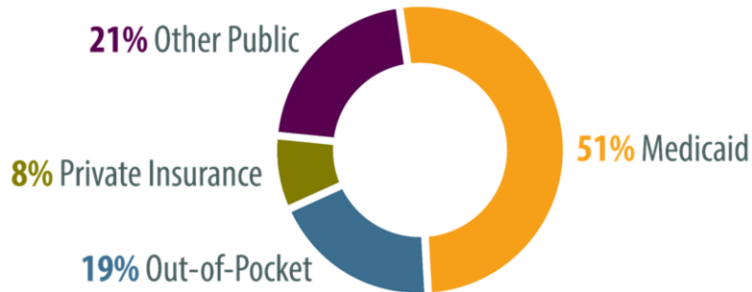
- 44% think Medicare pays for ongoing home care w/ home health aide

LTSS tends to be longer-term. Aside from Older Americans Act programs, which are free, there are a few options. Private insurance and/or self pay.

Many people pay some out of pocket. However, only 35% report saving money for long-term care. Results in people spending down their assets until they qualify for Medicaid (need to be determined financially and functionally eligible).

Isn't good for individuals (forced to spend down) and not good for state budget. Even though we know most people will need some long-term care at some point in their lives, the system is not set up to support healthy aging. There's poor information/awareness about this structures.

Medicaid is the Primary Payer for Long-Term Services and Supports (LTSS), 2013



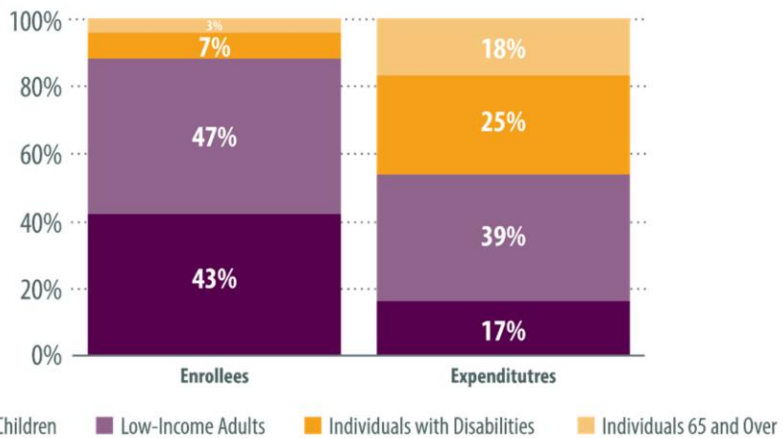
Source: Kaiser Family Foundation

This financing structure, combined with rampant misperceptions, result in a high price tag for our state Medicaid agency.

Medicaid is the largest payer when it comes to paying for LTSS.

Important to remember this when considering the implication of policy changes on older adults' health. Not just a discussion of Medicare. Don't know exactly what the next year will hold with the new administration, but important to remember this.

Medicaid Enrollees and Expenditures, Colorado Budget Projections, FY 2016-17



Once on Medicaid, older adults also tend to cost more due to high health care needs. 3% of Medicaid enrollees but 18% of the Medicaid expenditures.

Thinking back to the demographic slides, if current demand for Medicaid LTSS matches the demographic increase, the state budget will be significantly impacted since this is such an expensive population.



We talked about how the aging population will strain the MK budget. But we haven't talked about how it will impact the LTSS and health care workforce.

We have a wide spectrum of people who are providing that care and in a variety of settings. However, the LTSS workforce is smaller than it needs to be. In addition to the big picture demographic trend, burn out, low wages and limited benefits all contribute to the workforce challenges.

Over the years CHI has talked about how to control costs within Medicaid and how to support the LTSS workforce. Today we are going to talk about another strategy.

Informal Caregivers Help Address These Challenges



Informal caregiving and community-based programs are powerful tools for mitigating these budgetary and workforce challenges.



Scenario 1: A teenager mows his older neighbor's lawn for free every week

Before we go further, let's go over definitions.

Does this constitute an informal caregiver?



Scenario 2:
A woman manages
her brother's finances,
coordinates his health care
and arranges his transportation
from a different state

Does this?



Scenario 3: A woman moves in with her disabled father and helps run errands, though he is very independent

Does this?

Informal Caregivers:

Accountant, Nurse, Driver, Chef, Pharmacist and More



An informal caregiver often wears many different hats – from accountant, to nurse; driver to chef to pharmacist and more. But what actually constitutes an informal caregiver

The National Caregiver Alliance definition:

- Any relative, partner, friend or neighbor who has a significant personal relationship with, and provides a broad range of assistance for, an older person or an adult with a chronic or disabling condition.
- These individuals may be primary or secondary caregivers and live with, or separately from, the person receiving care.

But there isn't one standard and commonly accepted definition. And this creates confusion in and outside of the field. Important consideration when talking about and strategizing around this issue.

For the purposes of CHI's research, we focus on informal caregivers of older adults aged 50+, who spent at least a few hours weekly providing support to a family member or friend.

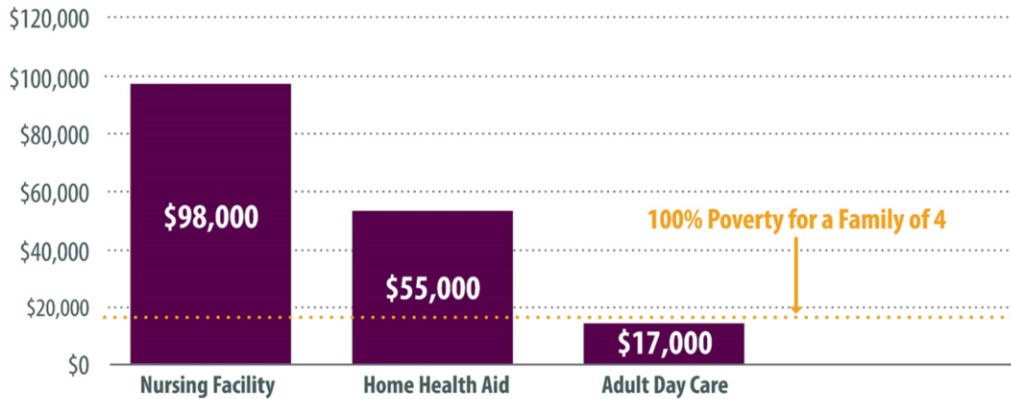
Most Seniors Want to Age in Place



Informal caregivers help older adults age in place – which is where 90 percent want to be.

It has personal benefits. While demanding, it can strengthen relationships.

Long-Term Services and Supports are Unaffordable for Many Coloradans

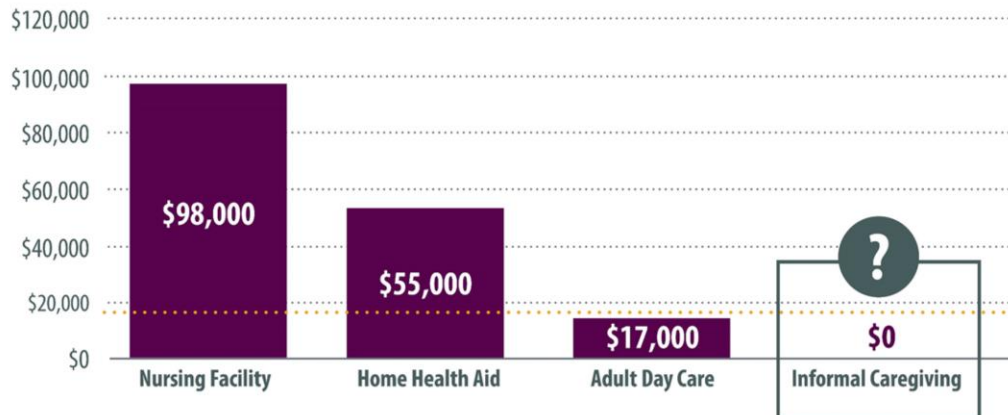


It also is more affordable than many of the private market options.

While these don't take into account acuity, it is clear why the state and why individuals would be committed to finding ways to:

- Live in the least restrictive environment and
- Stay healthy so they can stay there

Long-Term Services and Supports are Unaffordable for Many Coloradans



Informal caregiving is cost-effective, but is it really free?



Strategic Action Planning Group on Aging



CHI was hired by Colorado's Strategic Action Planning Group on Aging to answer this question. (Who has heard of the "SAPGA?")

Developed an economic model to quantify the cost burden of informal caregiving.

Full CHI report:

https://www.colorado.gov/pacific/sites/default/files/SAPGA%20Caregiving%20Report_1.pdf

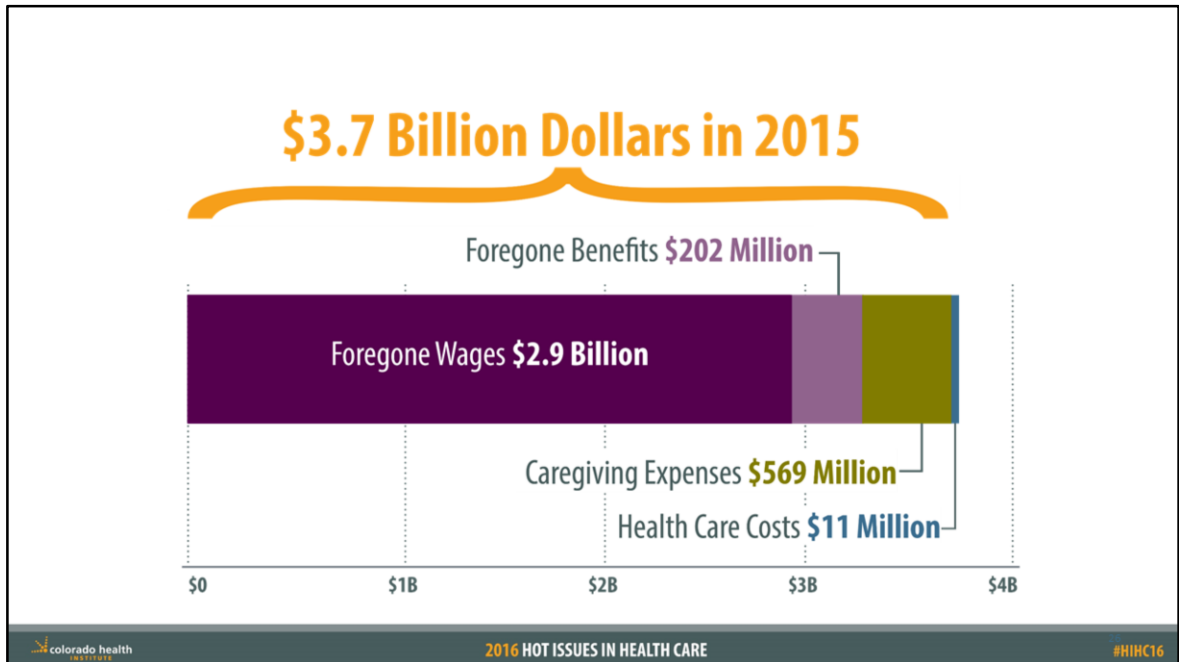


Top level finding: Informal caregiving cost Colorado's caregivers \$3.7 billion in 2015.

What factors were taken into account? What contributed the highest costs?

Full CHI report:

https://www.colorado.gov/pacific/sites/default/files/SAPGA%20Caregiving%20Report_1.pdf



Foregone wages accounted for \$2.9 billion. Missed work. Other factors:

- Foregone benefits
- Caregiving expenses
- Health care costs to the caregiver

AARP developed a model in 2015 to estimate the VALUE of informal caregiving if it were offered on the private market.

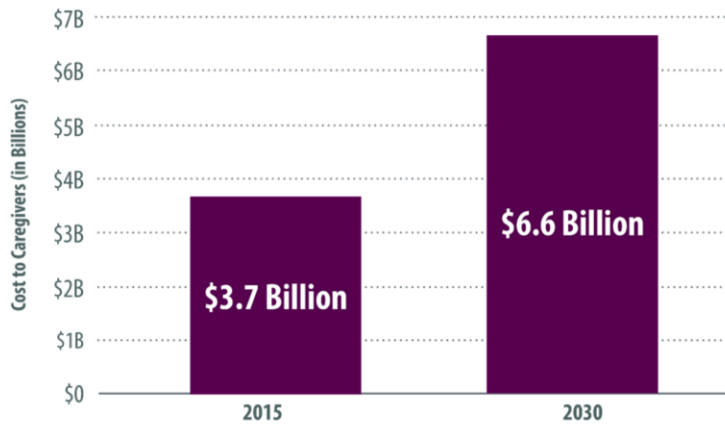
Found that it was valued at \$7.4 billion

What this tells us: Informal caregiving is more cost-effective for older adults – and for the state. This becomes magnified when we look at the projected costs.

Full CHI report:

https://www.colorado.gov/pacific/sites/default/files/SAPGA%20Caregiving%20Report_1.pdf

Cost to Informal Caregivers Projected to Climb More Than \$6 Billion by 2030

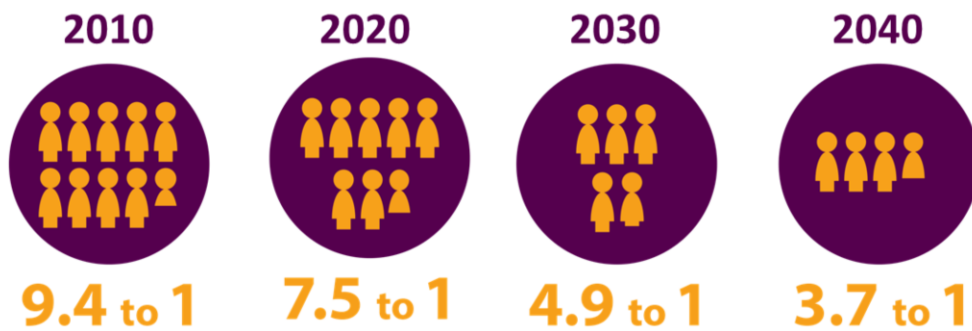


Cost of caregiving to caregivers expected to reach \$6.6 billion by 2030.

Full CHI report:

https://www.colorado.gov/pacific/sites/default/files/SAPGA%20Caregiving%20Report_1.pdf

Ratio of Potential Caregivers to High-Need Seniors is Declining



And as demand grows, ratio of potential informal caregivers to high need seniors will decline. Important to consider strategies for supporting caregivers.

Policy Levers and Strategies for Supporting Caregivers

YOU CALL IT
"helping my brother
with home repairs."

WE CALL IT
"caregiving."

GET SUPPORT SO YOU CAN BE THE BEST
CAREGIVER YOU CAN BE.
1-800-333-2433

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There are concrete strategies for supporting caregivers. Will touch on a few.



Important to consider how the state can support caregivers who are still employed, this is the majority (60% of caregivers). Also, remember that lost wages account for the largest “slice” of the cost to caregivers.

Option: Temporary Caregiver Insurance

- 4 - 12 weeks
- Employee payroll deductions
- Rhode Island, New Jersey, California



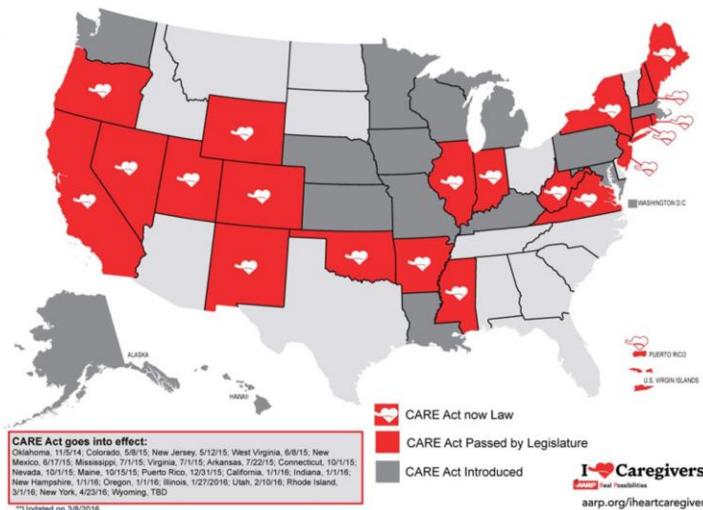
Temporary caregiver insurance

- Rhode Island, California and New Jersey have already implemented. Two other states are in the process. Four to 12 weeks of paid leave.
- Rhode Island also implemented additional worker safeguards for caregivers who use this policy.
- Funded by employee payroll deductions, not the state. Provide eligible workers with a portion of their wages — roughly half to two thirds — while they care for a family member.
- Employers generally satisfied with policy after implementation, even small employers.



- People who are being cared for informally at home are most likely interfacing with the health care system as well.
- This makes provider's offices uniquely positioned to identify informal caregivers, offer them information about supportive resources and coach them through the patient's care needs.
- Yet many providers lack the training and tools necessary to do this. Ensuring that payment and reimbursement structures are supporting caregivers will also go a long way.

Option: Expand the CARE Act

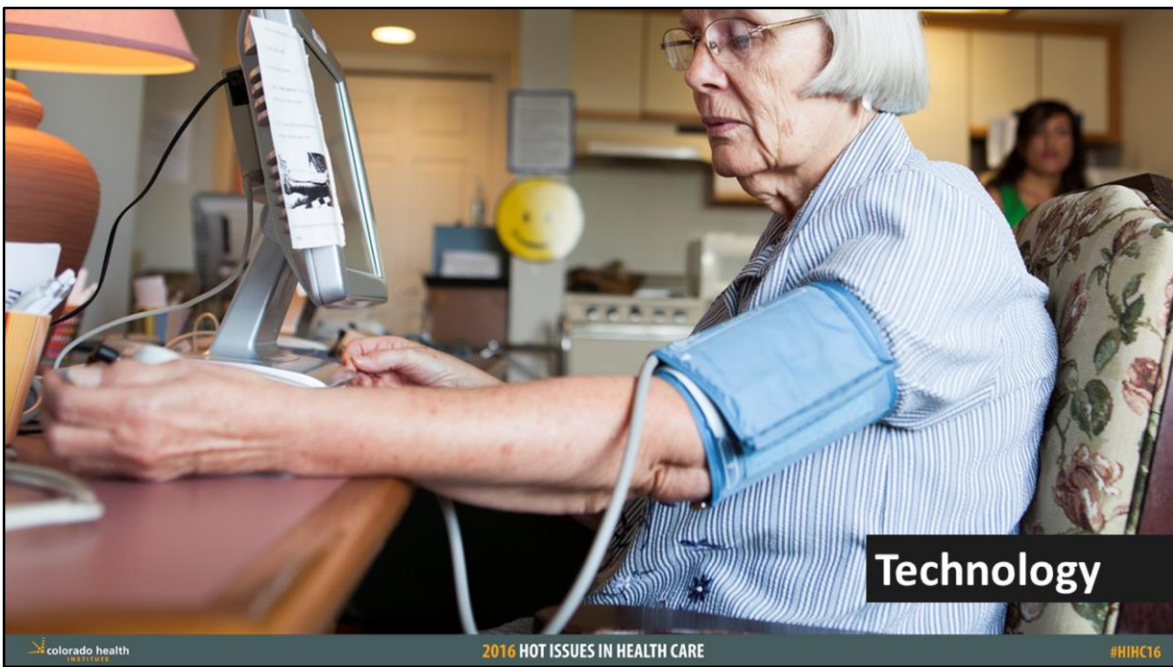


What's been done

- CARE Act. About half of states have implemented including CO. Requires hospitals to include caregivers are part of hospital discharge team.

Opportunities

- Caregivers' inclusion in the medical system is still very limited in scope. Strengthening and expanding this relationship could go a long way. CARE is only during hospital discharge.
- Additional opportunity - training and education for current and future providers. Increasingly, non geriatricians will be working with older adults and caregivers. Need to teach this in medical and nursing schools. Find opportunities to train existing workforce as well.

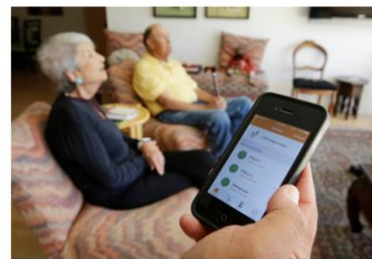


Some things can be controlled, but others cannot like the decline in the caregiver support ratio (slide 28). Technology can help fill those gaps. However, there's some work that needs to be done.

- While more than **70 percent of caregivers say they are interested in using technological supports**, only **seven percent are currently using them** to assist with their informal caregiving responsibilities.
- When asked **whether they would use a technology** that was provided to them, only **59 percent** said they would be likely use it.
- That's lower than the percentage who say they are interested in using technology, suggesting that the market is coming up short when it comes to meeting caregivers' needs.

Option: Support Person-Centered Design

- Market isn't meeting current need
 - High prices
 - Limited connectivity
 - Not solving the right problem



What are the barriers?

- High prices, limited broadband connectivity, low user-friendliness and lack of awareness thwart widespread adoption of many of these technologies. Time limitations and a lack of confidence that these supports will really make a difference also contribute to low uptake.

Opportunities: Understand the market. Much is unknown about the needs and preferences of informal caregivers.

- A caregiver study could help innovators and state leaders better understand caregivers' diverse needs – an older adult providing care for a spouse will have very different preferences from a millennial caring for a parent.
- Including many different caregivers throughout the development of technologies intended to support them is essential.

YOU CALL IT

**"helping my brother
with home repairs."**

WE CALL IT

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GET SUPPORT SO YOU CAN BE THE BEST
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Service LinkAge Line 1-800-333-2433

**Philanthropy &
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- One of 10 Coloradans is an informal caregiver, but their peers and colleagues are often unaware of this.
- Even informal caregivers themselves don't always self-identify. Only about **19 percent of caregivers self-identified.**
- **Building awareness and dispelling caregiving stereotypes** are important steps in making sure that informal caregivers have access to needed supports.

Option: Implement a Caregiver Awareness Campaign

- Raises awareness to caregivers and *their* supportive networks
- Dispels caregiver stereotypes
- Helps connect caregivers to needed supports
- Minnesota: A model for Colorado?



Opportunity:

- Statewide awareness campaign
- In Minnesota, a year-long caregiving awareness campaign launched in 2012 — the first of its kind.
- Relatable ads were spread throughout Minnesota with messages like this, *“You call it helping my brother with home repairs. We call it caregiving.”*
- The messages directed caregivers to a **landing page with informational materials**, including a Minnesota Caregiver Resource Guide, a **search-by-location feature to locate convenient supportive services** and a **1-800 number** for help in finding community services.



Three Takeaways

- 1** Colorado's aging population has budgetary and health workforce implications.
- 2** Informal caregivers help address these challenges at a low cost.
- 3** There are concrete policy levers and local strategies for supporting caregivers and sustaining this critical resource.

Three main points to take away.

CHI in 2017

A Sneak Preview

- New logo
- Updated website
- Same commitment to a healthy Colorado

Natalie Triedman

triedmann@coloradohealthinstitute.org

