

Long-Term Services and Supports in Colorado: A Growing Need

WHAT ARE LONG-TERM SERVICES AND SUPPORTS (LTSS)?

A range of supportive services for people with physical, cognitive or mental disabilities or conditions that limit their ability to care for themselves. Services range from personal and homemaker services to skilled nursing care.

LTSS IN COLORADO

People with disabilities and the elderly are typical users of LTSS. In 2009, 9.5 percent of Coloradans reported having a disability, and more than 34 percent of individuals over age 65 had a disability. Older Coloradans are at higher risk of needing LTSS. The aging of the population means that a greater number of older Coloradans will need LTSS.

WHO NEEDS LTSS?

Generally, the level of need is determined by the number of Activities of Daily Living (ADLs) or Instrumental Activities of Daily Living (IADLs) a person needs help doing.

- **ADLs:** Personal activities such as bathing, dressing, toileting and eating.
- **IADLs:** Other needs such as shopping, housekeeping and paying bills.

OPTIONS FOR LTSS IN COLORADO

Many people receive care informally from their family and friends. An estimated \$6.5 billion in unpaid care was provided in Colorado in 2007. Individuals may also receive care at home from a paid caregiver offering services ranging from personal care to nursing care.

Residential or institutional settings, such as an assisted living facility or a nursing home that provides 24-hour supervision, may also provide LTSS. Residential settings provide a higher degree of independence while maintaining around-the-clock care. They range in size from three beds to more than 200 beds in Colorado. Nursing homes provide a level of skilled care that is unavailable in residential settings.

AT HOME

Informal services (family/friends);
personal and skilled services; adult day care

RESIDENTIAL SETTING

Group homes; assisted living facilities;
adult foster care

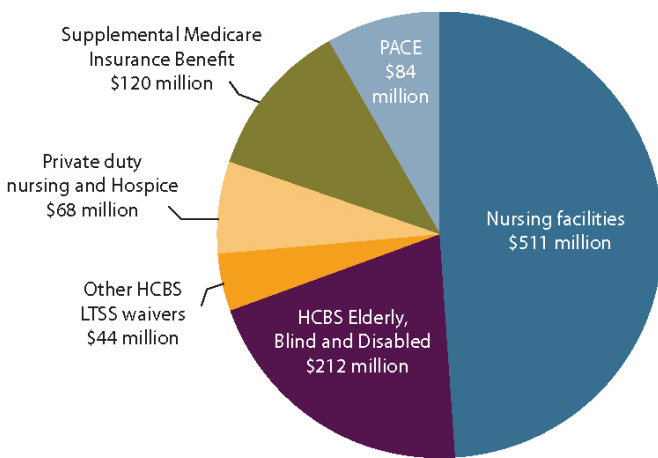
INSTITUTIONAL SETTING

Nursing facilities

WHO PAYS FOR LTSS?

Most LTSS is informal and unpaid. However, the federal-state Medicaid program provides funding for the majority of paid LTSS. As people begin to use these costly services, they tend to quickly run out of money and often become eligible for Medicaid insurance. In Colorado, Medicaid spends more than \$1 billion annually on LTSS. Private funds, including long-term care insurance and out-of-pocket spending, account for the second highest paid form of LTSS, with Medicare and other public funds coming in third.

Graph 1. Colorado Medicaid LTSS Expenditures by Type and Place of Service, FY 2010-11



MEDICARE VS. MEDICAID

- Pays for medical care for some low-income Coloradans
- Means-tested; enrollees must be low-income
- Covers primary, acute, and long-term care
- State and federal funding
- Not funded by payroll deductions

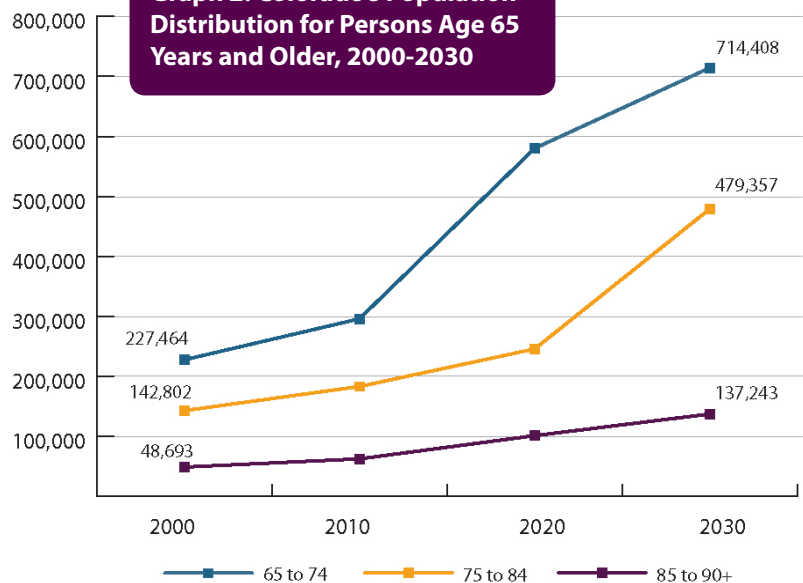
- Pays for medical care for most Colorado seniors
- No income limit
- Only covers primary and acute care
- Federal funding only
- Funded by payroll deductions

LTSS Medicaid funds are divided into several categories of services. The two most common are home and community based services (HCBS) and nursing facility care. HCBS are provided for individuals who qualify for a nursing home level of care but can reasonably be cared for at home or in the community. HCBS are less expensive than nursing homes and many people prefer to stay in the community as long as possible.

WHAT DOES THE FUTURE LOOK LIKE?

The primary LTSS cost driver is the aging of our population. From 2010 to 2020, the number of Coloradans aged 65 and older is expected to grow by 61 percent. Because older people are at higher risk of needing LTSS, there is a sense of urgency around how to provide care for this growing population. Since many of these individuals will be eligible for Medicaid coverage, Colorado will face challenges in paying for their services. Shifting to a more home and community based focus for care and away from more expensive institutional care is one route the state is considering. There is also a focus on healthy living and appropriate care to delay, if not prevent, the need for LTSS.

Graph 2. Colorado's Population Distribution for Persons Age 65 Years and Older, 2000-2030



To read more about LTSS in Colorado, see the full report at

coloradohealthinstitute.org/Publications/2011/11/110911_Long-term-services-and-supports.aspx