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LANDWIRTH: WAVE OF BABY BOOMERS WILL SOON CREST

Bill pushes for fresh approach to elder care funding

The approaching wave of baby boomers in Colorado and the expanding ranks of individuals who will be 65 and older has been named the “silver tsunami” for its size and impact. Nowhere will this surge be felt more dramatically than in our state’s health care system. While many have been debating the issues, planning and beginning to make adjustments to our health care delivery system, if we keep tweaking along the edges and don’t make strategic changes, other important public services — schools, prisons, transit and more — are going to be crowded out.



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This tsunami has started to crest: There are more of us and we’re living longer. Studies estimate Colorado’s 65+ population will grow 23 percent between 2005 and 2015 and our 60+ population will double between 2007 and 2035. More importantly to Coloradans, costs for Medicaid, publicly financed health insurance for low-income groups such as children, elderly and disabled citizens, have risen sharply.

By the end of 2009, there were 485,000 Coloradans receiving Medicaid benefits — an 11 percent jump from the previous year. By 2009, Medicaid expenses reached \$2.6 billion. Two Colorado legislators, Rep. Betty Boyd, D-Lakewood, and Sen. Jim Riesberg, D-Greeley, have introduced legislation that offers a smarter approach. House Bill 1053 directs the state to implement two studies — at no cost to taxpayers — to see if public funding could be distributed more efficiently for elder care options and generate cost savings for our strained Medicaid budget. Their bill offers a unique approach in that it requires the state to study how savings in different federally funded programs — Medicaid Waiver and Older Coloradans Act — complement each other and may generate efficiencies in paying for elder care programs and services. Both studies are subject to receipt of gifts, grants or donations, so foundations or federal grants would pay for the cost of this research, not taxpayers.

If Sen. Riesberg and Sen. Boyd’s bill becomes law, these two studies would be initiated to look for cost savings that could also translate into broader elder care services where most older citizens want to live — in the community or at home. First, the Department of Health Care Policy and Financing (the

Medicaid department) would hire a research firm to study Medicaid recipients receiving services under a home- and community-based waiver. The initial focus is to study whether a tiered payment method for Medicaid assisted living communities (referred to as alternative care facilities) will result in cost savings in the Medicaid budget. Residents of these communities have varying care needs but the current flat rate payment system does not recognize this reality, forcing communities to discharge residents to nursing homes as their care needs increase. This occurs even though the individual may not require 24 hours of nursing care. This practice results in an inefficient use of public funds and forces Medicaid to pay a premium cost when it may not be necessary.

The bill also allows the Medicaid program to study the cost-effectiveness of other waiver programs if they receive gifts, grants, or donations to do so. Waiver programs provide home- and community-based services to specific populations who meet Medicaid eligibility criteria. These services include home care, in-home personal care and homemaker services, adult day programs and assisted living, among others.

Second, the bill calls for the Department of Human Services to hire a firm to study the cost effectiveness of the Older Coloradans Act programs, which serve seniors age 60 and older and may include in-home services, congregate and home-delivered meals, transportation, legal services and information and referral services.

This bill has the backing of many who understand elder care issues, including Dr. Sandeep Wadhwa, Colorado's Medicaid Director and Bernie Buescher, secretary of state. Also, several organizations support the bill including the Colorado Commission on Aging, Colorado Senior Lobby, Older Americans Coalition, Denver Regional Council of Governments, AARP Colorado, and the Alzheimer's Association Colorado Chapter, among others.

Medicaid is an essential program for Coloradans. It provides health and long-term care coverage to the most vulnerable of our neighbors. In addition, the money brought in-state by the federal match provides a much needed boost to our economy by creating health care jobs, spending on supplies, income and tax revenue.

Sen. Riesberg and Rep. Boyd understand that the health needs of our elders vary greatly. Some individuals are frail with increasing care needs while others need little assistance to maintain their independence. House Bill 1053 would help ensure our Medicaid funding is used efficiently to meet the very individual and varying needs of each elderly Medicaid beneficiary and better prepare us to meet the needs of baby boomers as they age. Now that's a wave I think we could all enjoy riding.

Laura Landwirth is president and CEO of the Colorado Association of Homes and Services for the Aging.