

Serving an Increasing Older Population with Severe Disability: Serious Challenges Await Ohio Over the Next Twenty Years

SHAHLA MEHDIZADEH

Research Brief | August 2016

The number of people age 60 and older with a severe disability will increase by 60% in the next 20 years. With overall population growth at 2%, these increases suggest some important challenges that will need to be addressed by Ohio.

Ohio's Projected Population Age 60 and Older with a Physical and/or Cognitive Disability

Year	Total Population	Population with Severe Disability	Population Projected to use LTSS* Paid by Medicaid	% Increase in Five Years**
2015	2,600,352	166,379	81,597	-
2020	2,952,661	184,760	90,612	11.0
2025	3,227,543	208,340	102,176	12.8
2030	3,371,907	236,064	115,773	11.7
2035	3,433,171	266,303	130,603	12.8
Total Percent Increase over 20 Years		60%	60%	--

* LTSS: Long-Term Services and Supports

** Percent increases in this column are during the intervening five years, e.g., between 2020 and 2015 or between 2030 and 2025.

Where is the Care Provided Today and Who Pays For It?

The number of people age 60 and older with physical and/or cognitive disabilities will increase by more than

60%

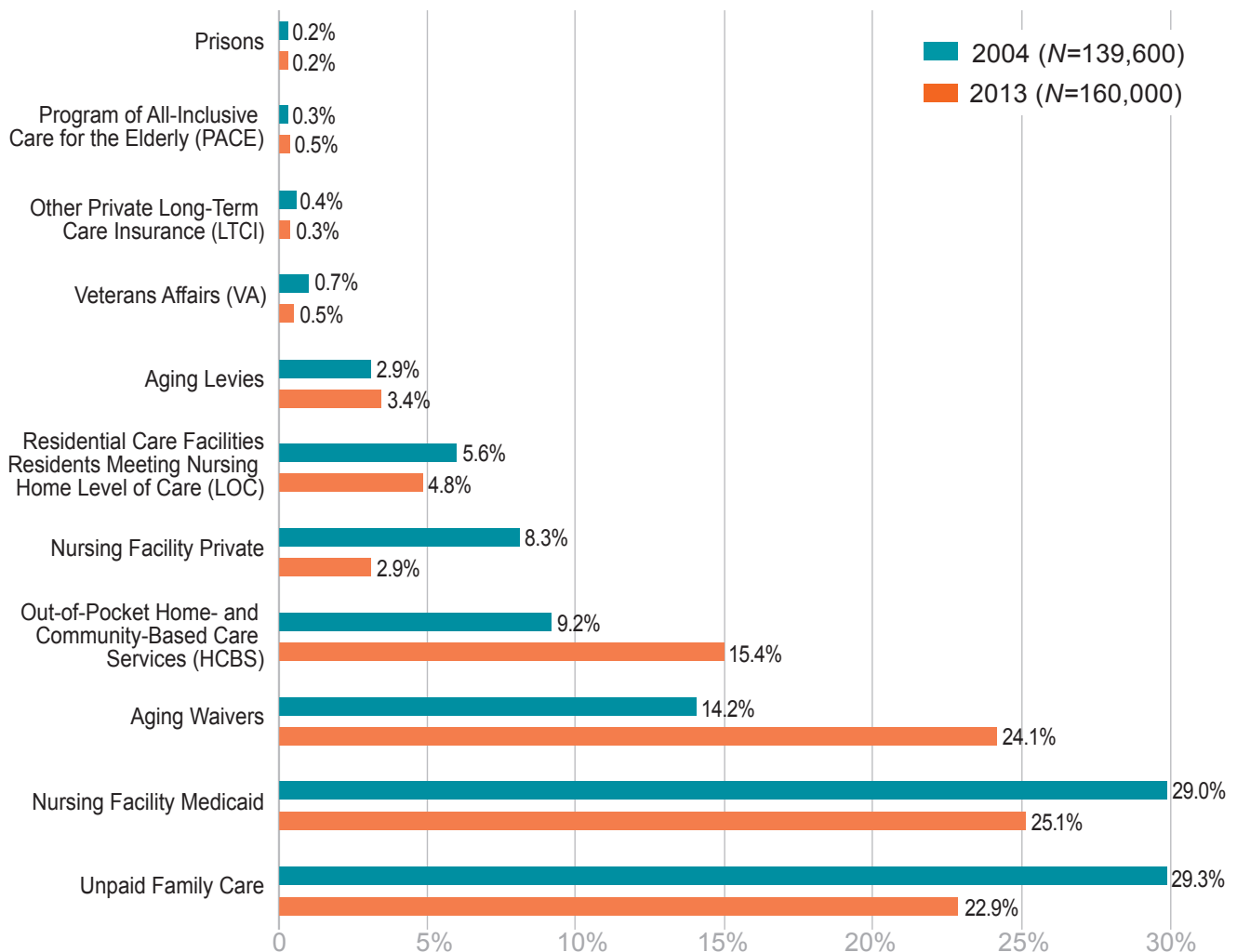
in the next 20 years.

A smaller proportion

of individuals age 60 and older **relied exclusively** on unpaid caregivers in 2013 than in 2004.

In 2004, Ohio had nearly 140,000 older people with severe disability. At that time more than one third (37%) received care in a nursing home and another 6% in residential care settings. About three in ten received support from caregivers alone. The remaining individuals received care in the community paid for by Medicaid waivers (14%), aging services levies (3%), or paid out-of-pocket (9%), and by a variety of other public and private programs such as the VA, long-term care insurance, the PACE program, and the prison system (0.2%). By 2013, the number of people with severe disability had grown to 160,000, and the setting and funding sources had shifted. A smaller proportion of older people with disability (28% vs. 37%) received care in a nursing home, with another 4.8% in residential care settings. The number of people in the community receiving home- and community-based services (HCBS) paid by all sources had grown to more than 43% up from 28% in 2004. Those older individuals relying exclusively on family and friend caregivers declined from 29% to 23%. Medicaid home- and community-based services were extended to nearly 50% of those 60 and over with a severe physical disability.

Proportion of Ohio's Population Age 60 and Older with Physical and/or Cognitive Disability Receiving Care in Different Settings, 2004, 2013



Note: Nursing home residents with less than a 100 day stay are considered short-term residents and excluded irrespective of payment source.

Long-term Services System Changes in the Past Ten Years

- » Through persistent efforts, Ohio has managed to achieve a better utilization balance for individuals age 60 and over between the home- and community-based setting and the nursing home. In 2013, 39,000 person-years* of Long-Term Services and Support (LTSS) were provided to people age 60 and older in community versus 42,000 in nursing facilities. In comparison, in 2004, the ratio was 23,700 in the community compared to 46,000 in nursing facilities.
- » Medicaid expenditures for older people receiving nursing home care were more than three times higher in comparison to community-based care.
- » The total cost of the additional LTSS provided in 2013, compared to 2003, was \$6.8 million dollars (when services are priced at 2013 cost), at the cost of \$565 per each additional person-month.
- » Estimates suggest that there will be a 60% increase (about 100,000) in the number of people with physical and/or cognitive disability over 60 in the next 20 years, about 5000 additional people each year.
- » In 2013, 35 out of every 1000 individuals age 60 and older received care in a nursing facility on any given day. This rate is one of the highest in the nation. As an example, Oregon, a state with a robust home- and community-based system had a rate of nearly 11 persons per 1000 age 60 and older in nursing facilities in 2014.

**Person-year: 365 days of care provided to a person or multiple persons.*

Challenges for the State

- » All demographic indicators point to the availability of fewer caregivers per care recipient.
- » A shrinking labor market due to the aging of the population and improved economic conditions points to a smaller supply of individuals willing to consider employment in the long-term services sector.
- » Even if there are workers willing to provide home care services, low accumulated personal savings by the aging population prohibit them from paying out-of-pocket for care.
- » There is increasing pressure to limit additional Medicaid expenditures for LTSS (already accounting for 24% of total state spending).

Opportunities

In addition to staying the course in serving individuals in the least restrictive care settings, the state needs to:

- » Invest in prevention
- » Assist and fund home modification & accommodating technology
- » Create safe, age-friendly communities, and educate and encourage people with a disability to self-care and remain independent.

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Acknowledgements

This research was funded by a grant from the Ohio General Assembly through the Department of Higher Education to the Ohio Long-Term Care Research Project.



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MIAMI UNIVERSITY

SCRIPPS GERONTOLOGY CENTER

An Ohio Center of Excellence

100 Bishop Circle, Upham Hall 396, Oxford, OH 45056

ScrippsAging.org | 513.529.2914 | Fax 513.529.1476 | Scripps@MiamiOH.edu