

# Policy Does Matter: Continued Progress in Providing Long-Term Services and Supports for Ohio's Older Population

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## Background

Ohio has 2.6 million people over the age of 60 and more than 1.85 million individuals over the age of 65, which translates into the 6th largest older population in the nation. Projections indicate that by 2030, almost 22% of the state's population will be age 65 and older; this will earn Ohio a proportional ranking of 8th highest nationally. An even greater challenge is that the number of individuals age 85 and older will grow from 260,000 to 675,000 (a 160% increase) by 2050. Ohio's population of older adults (age 60 and over) with physical and cognitive impairments resulting in severe disability and the group of older adults most in need of long-term services was 169,000 in 2016. That group alone is projected to surpass 235,000 (a 39% increase) by 2030, while Ohio's overall population growth will be 2%.

Ohio has made substantial progress in its efforts to provide long-term services and supports to a growing population of older people with severe disability. The changes that have occurred over the last two decades were considered unthinkable 20 years ago. In 1993, nine in ten older people with severe disability receiving long-term services through Medicaid did so in an institutional setting. By 2015, more than half of them received services in a community-based setting, typically in their own home, with family members or in an assisted living residence.

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In the last 20 years, the average daily Medicaid census  
for elders in Ohio nursing homes has

**dropped by 7,400**

despite an increase of  
**more than 100,000 Ohioans age 85 and older.**

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## Study Highlights

- » In 1993, more than 90% of elders on Medicaid received long-term services in nursing facilities; today, more than half of these individuals receive services in the community.
- » Ohio’s home- and community-based services options, PASSPORT and the Assisted Living Waiver Program funded through the Medicaid waiver and the MyCare Demonstration, now serve approximately 41,000 older individuals each day, making it the second largest home-and community-based program in the nation.
- » Occupancy rates in Ohio nursing homes dropped from 92% in 1993 to 85% in 2015.
- » Ohio served on average 6,200 fewer nursing home residents daily supported by Medicaid in 2015 than it did in 1997. This despite more than 100,000 more residents age 85 and older.
- » The number of short-term Medicare admissions increased substantially, rising from 30,000 in 1992 to more than 147,000 in 2015.
- » The number of residential care facilities, including those classified as assisted living, has increased from 265 in 1995 to 655 in 2015.
- » Study findings show that despite a large increase in expenditures on home- and community-based services, the overall utilization rate for the older population for long-term services has remained constant. The state has successfully shifted how it spends funds, with the increases keeping pace with population growth, but with no utilization rate increase.

Ohio’s Aging Population (2015 - 2030)

Age Group	Population 2015	Population 2030	Percent Change 2015 - 2030
All Ages	11.64 Million	11.76 Million	1.6
60 and over	2.6 Million	3.37 Million	30.0
65 and over	1.84 Million	2.58 Million	40.2
80 and over	482,518	704,362	46.0

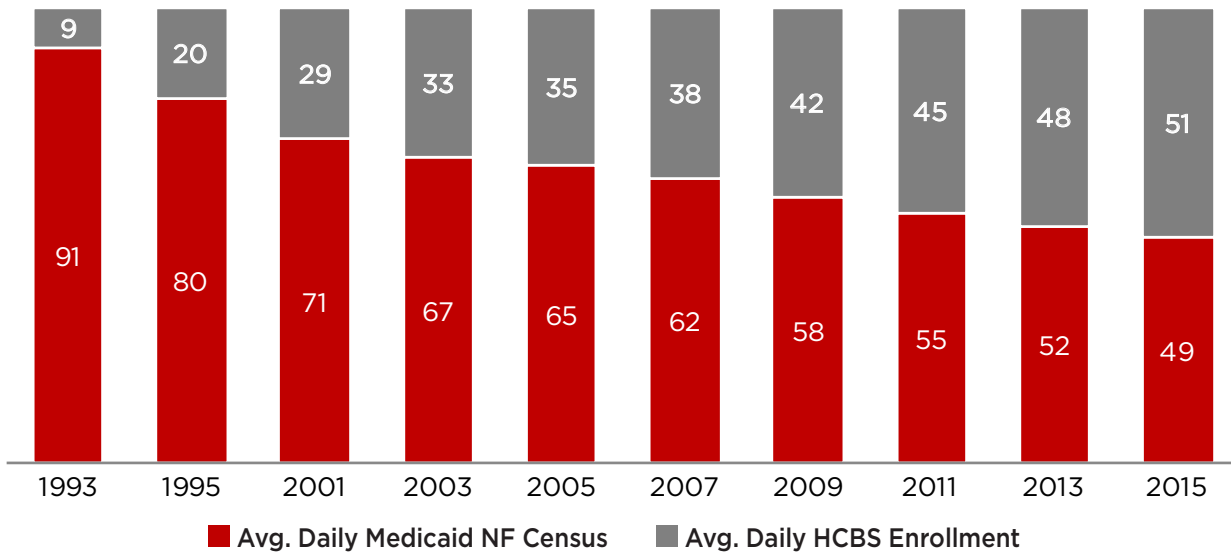
**Source:** U.S. Census (2015), Ohio-Population.org. Based on Mehdizadeh, S., Kunkel, S., and Nelson, I. (2014).

## Study Recommendations

Despite this progress, challenges remain. Between 2015 and 2030 Ohio’s population over age 65 and age 80 will increase by 40%, and 46% respectively. Thirty-five percent of the state’s Medicaid budget is allocated to long-term services; adding costs to a program that already accounts for more than one-quarter of the state’s general revenue budget is a serious concern. In response to these and other challenges, we offer the following recommendations:

- » Today, 90% of older people living in the community do not use Medicaid, but two-thirds of nursing home residents rely on the program. Moderate and middle income elders typically do not turn to Medicaid until they require nursing home care or their disability becomes so severe that they need substantial assistance. As the older population increases, the state must consider how to reduce the proportion of older people that will need Medicaid assistance. One way to do this is to expand activities to prevent or delay disability, however, many federal funding sources, such as Medicare and Medicaid, provide almost no support for such initiatives.
- » Ohio can embrace technology and environmental adaptation to help older people with disability to remain independent in the community. Computer processing power has increased and the future will include robotics, with substantial potential impact in the key areas of transportation and personal care. Ohio already has established sectors of high technology; applying this innovation to elder issues is a potentially vital area of economic and social development that would not only fuel the state economy, but could also assist the state in providing assistance to a growing population.
- » Even with technology, long-term services, regardless of setting, will remain a labor intensive and personal set of services. Ohio should continue efforts to better train and support the direct-care workforce. Our data show that even in similar labor markets, variation in retention rates are significant, suggesting that technical assistance and administrative and policy changes can have a considerable impact in this area.
- » Nearly one in four Ohio nursing home residents are under the age of 60. About 45% of this group stays three months or less, indicating that Medicaid has become a short-term rehabilitation funding source for younger participants. However, three in ten of the under-60 age group are nursing home residents for one year or more. This age group generally has lower overall rates of physical disability which has raised questions about the appropriateness of the nursing home setting for these individuals. As Ohio has expanded home- and community-based service options it has also made considerable effort to make sure individuals of all ages reside in the appropriate settings, but further study is needed in this area.
- » This dramatic increase in short-term nursing home stays has major implications for program policies and procedures. For example, in 1993, Ohio implemented an extensive pre-admission screen and resident review requirement for individuals being admitted to Ohio's skilled nursing facilities. At that time, there was a concern that individuals were entering nursing homes inappropriately, without understanding possible home- and community-based service options. In 1993, when pre-admission screening was initially implemented, about 60% of those admitted continued to reside in the facility after three months, compared to 16% in 2014. This means that Ohio is spending a considerable amount of resources doing a pre-admission review for individuals who will stay only a short period of time and the approach needs to be modified to reflect system changes.

## Distribution of Ohio's Long-Term Care Services and Supports Use by People Age 60 and Older, 1993-2015



The last two decades have demonstrated that state policy does matter. Ohio has gone from ranking 47th to 22nd in the nation for balancing long-term services between institutional and home- and community-based settings. At the same time, the expansion of home- and community-based services did not increase the overall utilization rate for Medicaid long-term services. Despite this major progress, the path forward will be even more difficult than the road already travelled.

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