

What is California's Plan for Home- and Community-Based Care, and what Are the Choices?

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ISSUE

The Silver Tsunami has arrived. Senior citizens comprise about 11% of the state population, but that number will grow to nearly 20% in the near future. This demographic shift, even with improvements in health status and wellness, will strain and overwhelm the state's systems of care. Meanwhile, California is facing an unprecedented crisis in financing, managing, and administering long-term care services and supports upon which this growing population will come to rely. Chronic structural budget deficits, a lack of coordination, multiple funding streams, imprecise and varying eligibility standards, and poor data conspire to complicate the state's ability to assist disabled individuals of all ages in a cost effective manner.

As decision makers attempt to rectify budget deficiencies, the question of what actions must be taken to achieve the efficiencies and coordination necessary to serve a rapidly expanding elderly population, while supporting and promoting and improving options for individuals achieving independence and professional success within the disability rights community, remains unanswered. So, ***What is California's plan for home- and community-based care, and what are the choices?***

BACKGROUND

California invests more than \$10 billion annually in a system of services and supports for disabled people of all ages. Yet, there is no strategic plan with regard to the future design and delivery of programs intended to keep people well, and to keep them engaged in their communities, while promoting independence and success for those desiring to do so. The state does not have a plan for long-term care, let alone the less costly and consumer-favored segment we call home- and community-based options. There is no framework that specifies the actions necessary to achieve coordination, a method to track implementation, and an agency and staff responsible for managing the process. Indeed, the state's budget deficit makes consideration of proposals that require investment in system change challenging, but doing nothing simply commits future generations to financing an unmanaged, uncontrolled costly disorder.

Three focal points for policy development offer California an opportunity to confront the reality of the impending demographic shift, a more efficient use of financial resources, and greater satisfaction among consumers;

- consolidation of programs for better coordination of services;
- global budgeting to promote leadership; and,
- a uniform assessment mechanism which promotes data for informed decision making.

COORDINATION

California residents in need of services rely upon an array of programs and services. Some 40+ programs span across the administrative authorities of seven separate departments. Though a seemingly ample and robust plethora of options on paper, in reality, consumers are challenged by nearly the same number of eligibility standards, variations in availability, and access barriers. Californians that attempt to piece together the combination of services that meet their personal needs and preferences must endure a variety of lengthy and intrusive assessment processes which requires the disclosure of sensitive and personal information for each service option. Though some have asserted that this fragmentation of service eligibility serves as an important barrier to unnecessary services and cost containment, most experts agree that these barriers inadvertently set into motion, a cascade of frustrations that ultimately land the client in the most costly and least satisfying system of care, an institutional setting.

While there is no comprehensive entry point into California's patchwork of home- and community-based services for adults with disabilities, promises exist. Aging and Disability Resource Centers are being designed to provide information about multiple services and access points. These centers are the innovation of a federal 'marriage' between area agencies on aging authorized under the Older American's Act, and independent living centers funded under the federal Rehabilitation Act.

BUDGETING

Nonetheless, the existing program structure and funding streams do not maximize incentives that support home- and community-based service. Although medically needy beneficiaries readily achieve eligibility in an institution such as a nursing home, they face barriers meeting eligibility for programs that will support them in the community setting. While nursing homes are readily available throughout the state, most programs that support a nursing-home eligible client in the community are restricted by a variety of federal limitations and/or state level funding limitations. In addition, counties which bear a portion of IHSS costs, may incentivize institutionalizations where no county share-of-cost for the resident-patient's care exists. Hospital discharge planners readily acknowledge that discharging a client into a skilled nursing facility is far easier than discharging an identical client to the community with community supports, even though the community setting is likely to be more cost effective in the long-run, and more desirable to the client. Researchers will show during today's hearing that California increased institutional spending by nearly 41% between 2001 and 2007 and 20.6% for non-institutional settings. Other state's as a whole increased institutional spending by 10% during that same period, while expanding community options by 85%.

UNIFORM ASSESSMENT

Data remains an important key to successful management and administration of any long-term care system. Unfortunately, there is no mechanism for collecting client data. Each program collects information upon intake, but programs are unable to share that data amongst each other to determine a client's comprehensive needs. This incapacity to share experiences about clients is a missed opportunity. Program effectiveness goes unmonitored. Along with it, and chance of identifying specifically what programs serve participants most effectively, producing the best outcomes, and offering the state the insight necessary to prioritize the scarce resources available to support such services. Furthermore, there is no way to track a client as they progress through the myriad of programs and services, nor is there a way to understand why some clients end up in costly institutional settings.