

COLORADO'S AGING BABY BOOMERS: *Challenges and Opportunities*

Introduction

Colorado long has been considered an innovator in the provision of community-based long-term care (LTC) services to frail elders and people with disabilities. In the mid-1980s, the state was among the first to receive federal waiver approval to offer community-based services as an alternative to nursing home placements for Medicaid clients. Colorado was an early implementer of "single entry-point" (SEP) agencies to coordinate services for individuals eligible for Medicaid-financed long-term care services. As recently as 2004, the AARP Public Policy Institute ranked Colorado third among states in the number of Medicaid recipients receiving services in their home or a community-based residential setting in lieu of institutional care.

Despite the state's recognized innovations in community-based LTC services, the Colorado General Assembly periodically has called for a quality, financing and accessibility review of the programs and services comprising Colorado's LTC system. The most recent initiative in this regard is Senate Bill 05-173, signed into law by Governor Bill Owens in April 2005. The bill called for the creation of an advisory committee to recommend programs and program modifications that would improve the cost-effectiveness and delivery of LTC services across the state.

The legislature appointed 22 individuals, as specified in the legislation, to represent the varied interests of aging and disability stakeholders from both consumer and provider perspectives. The Colorado Health Institute, with assistance from The Adams Group, provided analytical, research and facilitation support. The first meeting was held on August 15, 2005, and the last on June 14, 2006. Progress reports were provided to the Joint Budget Committee of the Colorado General Assembly in December 2005 and April 2006.

The committee's final report was submitted to the Department of Health Care Policy and Financing on July 1, 2006, and forwarded to the Joint Budget Committee,

"...[T]he community long-term care system is not prepared for the ensuing service demand that will be experienced as a result of the explosion of 'baby boomers' that will need services in the near future. The system is antiquated, outdated and unable to respond efficiently and effectively to accommodate a range of services necessary to address the needs of this growing population.

The state needs to provide effective and efficient delivery systems designed to provide better access, consumer choice, economy and congruence of a quality of life in the least restrictive setting to Medicaid recipients now and in the future. The state has an urgent need to create a community long-term care system prepared to address the needs of clients, provide the maximum service delivery and make the best use of public funds."

– Senate Bill 05-173, signed into law, April 5, 2005

Governor's Office, and House and Senate Health and Human Services Committees on August 1, 2006.

Guiding principles

The committee began its work by adopting a set of principles to guide its deliberations. Members agreed that program and structural modifications in the administration and financing of LTC services in Colorado should focus on:

- *Increasing flexibility for individuals and service providers;*
- *Making the system more consumer driven;*
- *Ensuring that Medicaid funds are used in a cost-effective manner;*
- *Creating an integrated continuum of long-term care benefits and services; and*
- *Ensuring accountability for program efficiency and rewarding improvements in consumer and program outcomes.*

Recommendations

After 10 months of study and deliberation, the committee made 18 recommendations organized into four programmatic areas:

- *Person-centered service continuum;*
- *Seamless care planning;*
- *Eligibility and financing options that ensure access and value purchasing; and*
- *Statewide leadership and accountability for LTC planning and program development.*

1. Person-centered service continuum

The committee's research determined that Colorado's current system of long-term care services is fragmented, redundant and not consistently available across the state. Further, that eligibility is based on a set of outmoded assumptions that overemphasize medical criteria as opposed to functional need. The committee agreed that the presence of disease or a chronic medical condition is a necessary but not sufficient criterion for determining eligibility for LTC services. In addition, the need for assistance with daily living tasks that maintain optimal levels of independence in one's home or other residential care setting should be the standard by which eligibility for LTC services is determined. The focus of state-sponsored LTC programs and services should be re-focused from certification of providers and the licensure of facilities to the functional support needs and service preferences of LTC consumers.

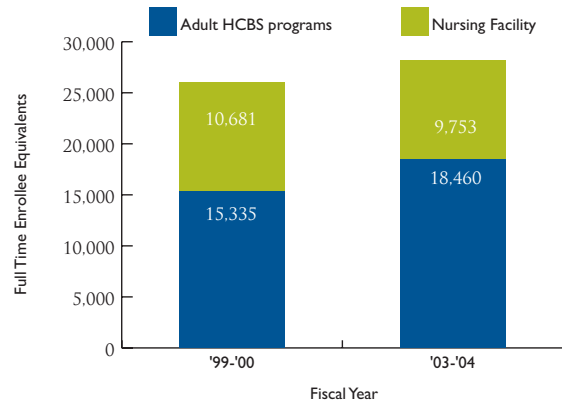
Specific recommendations include:

- *Expanding alternative housing options such as assisted living, adult foster care and other community-based residential care settings;*
- *Providing incentives to nursing homes to develop alternative uses for licensed beds that will result in a more home-like environment for individuals in need of 24-hour skilled nursing care;*
- *Providing a Medicaid personal care benefit to functionally impaired individuals not yet nursing home eligible; and*
- *Blending available transportation dollars from various sources to make transportation services more accessible to both current Medicaid consumers as well as individuals at risk of becoming eligible for Medicaid.*

2. Seamless care planning

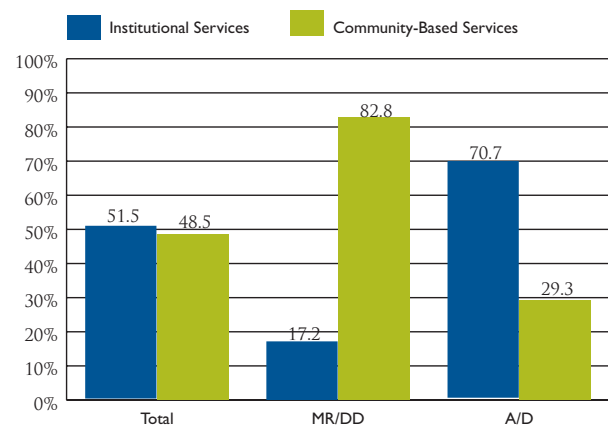
The committee noted that consumers of Colorado's LTC services are not benefiting from best-practice models of

LTC adult full-time enrollee equivalents in nursing facilities and adult HCBS programs, FY '99-'00 and FY '03-'04



Source: HCPF, MOeligfiles

Colorado distribution of medicaid long-term care expenditures total, MR/DD* and A/D**



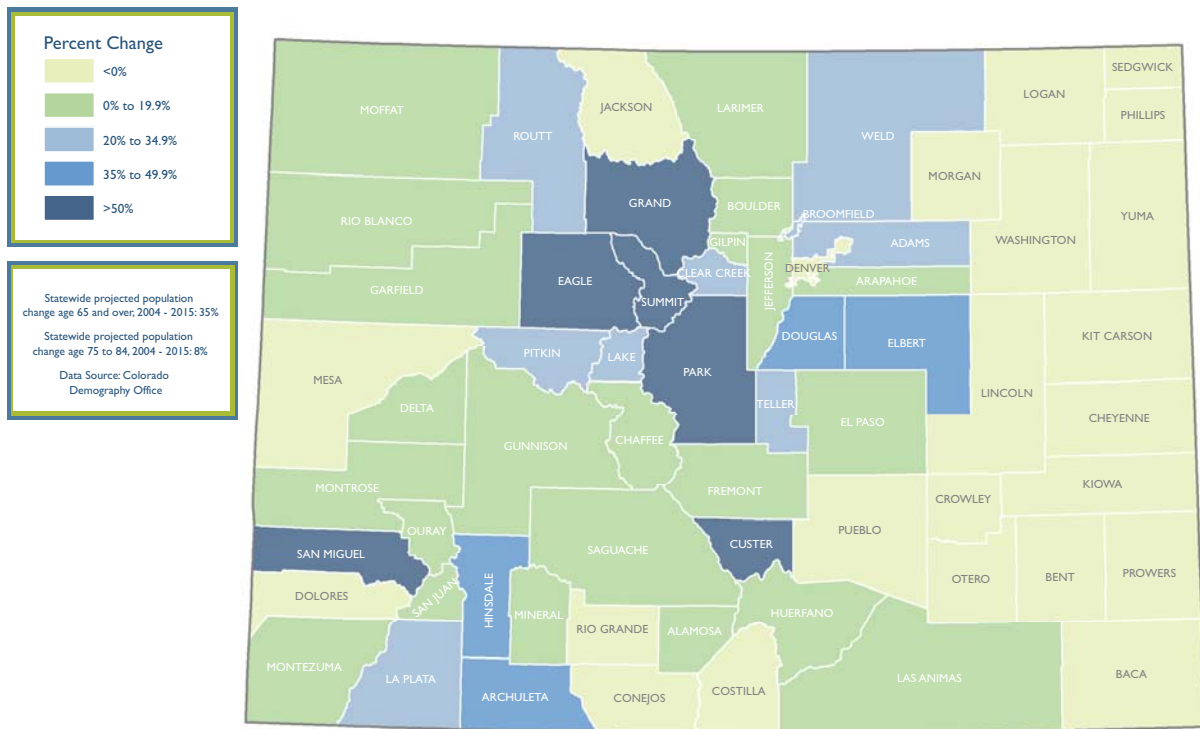
Source: MedStat 2005

*Mentally Retarded/Developmentally Disabled

**Aged/Disabled

care coordination and service monitoring. Case managers in the state's single entry-point system are currently funded to be both care planners and service brokers, but large caseloads and unfunded responsibilities have resulted in their role becoming largely administrative with little consumer contact in many cases. The result of large caseloads is that the quality of the care coordination function varies considerably from region to region across the state. The committee recommended that LTC case managers become fully functional care managers, with service allocation decisions and quality monitoring done in partnership with LTC consumers, reflecting consumer preferences to the greatest extent possible.

Population age 75 to 84, projected change, 2004 - 2015



Source: Colorado Demography Office

4. Statewide leadership and accountability for a seamless long-term care system

Frail elders, people with disabilities and their families face a dizzying array of agencies, organizations, rules and regulations, and eligibility requirements when seeking LTC services. In this maze, individuals needing community-based LTC supports to maximize their independence sometimes become “lost” in the system. The committee agreed a one-stop shop is needed in the community for all potential LTC consumers, whether Medicaid eligible or not, where the buck stops and accountability begins.

Specific recommendations include:

- *Consolidating the care planner/service broker function at the community level for all consumers of LTC services, including services ranging from intake and initial needs assessment to a comprehensive functional assessment, care planning, purchase of services and ongoing service monitoring.*

- *Ensuring accountability for state-level oversight and leadership. The state must address the issues of leadership, vision and coordination across agencies if Colorado is to be prepared for the future economic and social challenges of meeting the LTC needs of its aging baby boomer population.*

Conclusion

As Colorado’s population ages, the need for an efficient, effective long-term care system will become even greater. The SB05-173 Long-term Care Advisory Committee has provided a basis for the General Assembly to deliberate the policy and program modifications needed to improve Colorado’s LTC system to keep it in the forefront of innovation and responsiveness among states.

Read the committee’s final report at http://www.coloradohealthinstitute.org/Documents/LTC/LTC_final.pdf

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The Colorado Health Institute (CHI) is an independent, nonprofit health policy and research organization based in Denver. It was established in 2002 by Caring for Colorado Foundation, The Colorado Trust and Rose Community Foundation. CHI’s mission is to advance the overall health of the people of Colorado by serving as an independent and impartial source of reliable and relevant data for informed decisionmaking.

