LTC Financing Across the States: The Intersection of Policy and Advocacy

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@TheSCANFndtn | LTSSsummit
Presenters

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The Five Truths of LTC

1. It can and does happen to anyone (and at any age)
2. It’s expensive
3. It isn’t covered
4. LTC needs are best met when they are planned for
5. Most people don’t plan
Older Adults Risk Many Years of High Need

52% of Adults Age 65+ Have High Need

- Need Lasts <2 Years
- Need Lasts 2-5 Years
- Need Lasts >5 Years

Favreault & Dey (2015), Table 1
People believe in the importance of planning

Survey of California adults ages 40-69 conducted by ET Consulting, LLC 2018

What People Say About Planning

- 95% Control over care options
- 94% Protect family finances
- 79% Won't burden family
- 84% More care choice
- 94% Possible to do

Survey of California adults ages 40-69 conducted by ET Consulting, LLC 2018

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But they don’t do it....

Planning for LTC

- 25% ANY TYPE OF PLANNING
- 75% NO PLANNING

Survey of California adults ages 40-69 conducted by ET Consulting, LLC 2018
Who Pays for LTC

Payment Sources for LTC – By Type of Care Setting

- ALL LTC
- HOME & RESIDENTIAL CARE
- NURSING HOME

- OUT OF POCKET
- MEDICAID
- OTHER

Source: Favreault & Dey, 2015; chart prepared by ET Consulting
Demand for Solutions

83% say we need vision & a plan
Voters are Concerned About Ability to Pay for LTSS

- Somewhat Concerned: 73.4%
  - Very Concerned: 37.7%
  - Somewhat Concerned: 35.7%
- Not Concerned: 23.8%
  - Somewhat Not Concerned: 14.4%
  - Very Not Concerned: 9.4%
- Unsure/refused: 2.8%
Exploring Solutions

Federal or State?
Emerging Efforts

California Aging and Disability Alliance:

Creating financing solutions to promote access & choice

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California Aging and Disability Alliance: Mission, Membership and Current Efforts

| Membership | • Established in 2017  
|            | • 20+ organizations: aging, disability, consumer, labor and providers |
| Mission    | • Create an affordable LTC financing solution to promote access and choice |
| Current and Future Efforts | • Data: LTSS use and needs  
|            | • Feasibility analysis  
|            | • Educate incoming administration |
Finding the Path Forward

Identify Options......Assess Feasibility.......Advocate!
LTSS Financing Solutions: Important Roles for States

Prepared by ET Consulting, LLC
27 September 2018
Continuum of State Roles

Educate  Facilitate  Provide/Pay
Private Solutions Aren’t Enough

“Affordability”

Insurability

Personal Responsibility
Public Solutions Can’t Do it All

- Affordability
- Competing Needs
- Political Will - Philosophy
Converging Consensus
Public LTC Insurance – Social Insurance

- Public social insurance – universal and contributory; affordable

- Examples of social insurance:
  - Social Security
  - Medicare Part A
  - Paid family and medical leave

- Some LTC insurance models abroad (e.g., Germany)

- Not social insurance:
  - Medicaid
  - Disability insurance
  - Life insurance
Federal vs. State Solution?
Design Considerations

- Consumer Needs & Wants
- Stakeholder Objectives
- Budget Constraints/Cost
Program Components

Eligible Population

Program Design

Financing Approach

Implementation
State’s Roles are Evolving

- Education: Own Your Future
- Offer State Employee LTC Insurance
- LTCI Tax Credits & Deductions
State’s Roles are Evolving

- Regulatory Reform – Encourage Private Market
- Study Panels, Product Innovation, Explore New Solutions
- Social Insurance Options & Caregiver Support
the individual who says it is not possible should move out of the way of those doing it.

- Tricia Cunningham
Our Approach

To Reach our Ultimate Goal
A world where everyone can age with dignity, and caregivers are respected and supported.

We Develop Innovative Policies
at the state level to make quality care more accessible

Our Policies Fuel Campaigns
where our field partners educate communities, organize activists, and engage with elected officials

We’re Shifting Culture
to value care and embrace aging, so the policies we fight for can take root

We Elevate Stories
of caregivers and older adults to make caregiving and aging more visible and respected
2018 Field Program

California
Hawai’i
Illinois
Iowa
Maine
Michigan
Minnesota
New York
Oregon
Rhode Island
Washington
Wisconsin
Approaches to Change Policy

- Study Bills & Actuarial Studies
- Incremental Legislation
- Connecting to Single-payer Efforts
- Ballot Initiatives
State Models for Care

Maine
Universal Home Care

Washington
Long-term Care Trust Act

Hawaii
Kupuna Caregivers Program
Rex’s Story
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#TeamCynthia is knocking on doors and talking with voters about the issues that matter most to them.

Shout-out to the seniors, people with disabilities, and care workers at our event today!

Join us at an event near you or create your own: cynthiafortewyork.com/events

#CynthiaForNY
Our Members
Let us know how we did!

Select “Surveys” from WHOVA home screen

Look for a printed evaluation form in your program

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