Are You Ready for the Age Wave in Social Programs?

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Agenda

• Changing financing and demographics
• Living longer and dying differently
• The role of social and community services
• Discussion and Good Practices
• Opportunities
• Q&A
Within Ten Years, Four Public Programs Will Cover Almost 200M or 56% of All Americans...

134 Million (42% of Americans)

172 Million (52%)

191 Million (56%)

2014

2019

2024

Source: HMA, 2014
States Are Moving Complex Enrollees into Managed Care

- Most states today run MLTSS through stand-alone MCO contracts
- However, just over 25% are carve-ins to TANF or ABD MCO contracts
- Duals demonstrations enrollees represent less than 15% of MLTSS members currently, with potential to grow closer to 30%
- There are only a few “fully integrated” managed care programs (i.e. HI, NM, soon IA)
Dual Eligible Beneficiaries as a Share of Medicaid Enrollment and Spending

Medicaid Enrollment

- Children: 49%
- Adults: 27%
- Other Aged & Disabled: 10%
- Dual Eligibles: 14%

Medicaid Spending

- Non-Dual Spending: 64%
- Long-Term Care: 24%
- Acute Care: 9%
- Prescribed Drugs: 0.3%
- Premiums: 3%

Dual Spending: 36%

SOURCE: Kaiser Commission on Medicaid and the Uninsured and Urban Institute estimates based on data from FY 2010 MSIS and CMS-64 reports. 2009 MSIS data for CO, ID, MO, NC, and WV, where 2010 data were unavailable.
Changing Demographics of Aging

Sources: Census.gov, CDC.gov, Data360.org; *Projected
A Century of Change in How We Die

<table>
<thead>
<tr>
<th></th>
<th>1900</th>
<th>2000</th>
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<tbody>
<tr>
<td>Age at Death</td>
<td>46</td>
<td>78</td>
</tr>
<tr>
<td>Top Causes of Death</td>
<td>Infection, Accident, Childbirth</td>
<td>Cancer, Organ System Failure, Stroke / Dementia</td>
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<tr>
<td>Disability</td>
<td>Not much</td>
<td>Average 2-4 years before death</td>
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<tr>
<td>Financing</td>
<td>Private, modest</td>
<td>Public, substantial</td>
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Source: J. Lynn, 2015
Medicare Spends More, Per Capita, on Seniors with Chronic Conditions and Functional Impairment than Seniors with Only Chronic Conditions

U.S. Spends Most on Health Care, Social Service Expenditures are Low

Financing Social Services

• Much of the social services provided in the US are privately financed
  – Charitable organizations
  – Faith-based organizations
  – Informal caregiving/family care

• Older Americans Act funding for the year is less than what CMS spends in Medicare in a day
Case Example: Senior Nutrition

• 9.6 million seniors face the threat of hunger
  – Since the recession, the number of seniors experiencing the threat of hunger increased by 56%
  – Most are not poor

• Proper nutrition has a direct and significant impact on health outcomes

• Many seniors are faced with the hard choice of buying food or paying utility bills, rent, etc. on a regular basis
Case Example: Senior Nutrition

71% of seniors needing meals on wheels self-report fair or poor health compared to 26% of average seniors.

Nearly twice as many seniors on meals on wheels waiting lists report depression and anxiety compared to average seniors.

79% of seniors needing meals on wheels indicate that their fear of falling limited their activities compared to 43% of average seniors.

87% of seniors needing meals on wheels are physically unable to shop for groceries compared to 23% of average seniors.

Source: Meals on Wheels America (2015). Available at: http://www.mealsonwheelsamerica.org/theissue/facts-resources/more-than-a-meal
Discussion

• The system we have is not producing the outcomes we want
• We need to develop more and better opportunities to meld medical and social services
• Growth in managed care to serve older adults is an opportunity to better align incentives to achieve desired outcomes but we have a long way to go
• Community-based organizations have a wealth of knowledge to support the social needs of older adults
Good Practices

• Joint planning for aging population at state, regional and local levels
  – Senior housing
  – Gap analysis of residents, providers and services
• Ensure recommendations reflect culturally competent services and patient centered planning and implementation
  – Level and availability matched to special populations then tailored to individuals and caregivers
• Develop performance incentive-based payment models
• Planning should include monitoring and addressing financial abuse of seniors
• Community-based organizations have a wealth of knowledge to support the social needs of older adults
Trends & Opportunities

- Public programs driving change
- States aggressively managing MCOs
- Medicaid enrollment and expenditures growing
  - States adding more populations and benefits to MCO responsibility
- Multiple demonstrations and innovations
  - Dual demonstrations
  - Health homes
  - State Innovation Models
  - Innovation Accelerator Program
  - Waivers
- Bundled and capitated payments allow for flexibility and creativity
  - Covering services not allowed in FFS
  - Engagement with community based organizations and non-profits
- Plans will be rated on quality, prevention, outcomes, and customer service.