



## Indiana Association of Area Agencies on Aging 2011 Public Policy Agenda

**In support of older adults and individuals with physical disabilities who overwhelmingly prefer to age successfully in their own homes and communities, the Indiana Association of Area Agencies on Aging (IAAAA) is committed to developing a coordinated long-term care strategy for Indiana that will generate federal and state level savings in Medicaid and Medicare while increasing the availability of and access to home and community-based services.**

### **FUNDING THE CHOICE PROGRAM AT OR ABOVE CURRENT LEVELS**

**Position:** The CHOICE (Community and Home Options to Institutional Care of the Elderly and Disabled) program is a key component of Indiana's long-term care system. Indiana's older adult population will only continue to increase; therefore, the Area Agencies on Aging (AAAs) strongly recommend that CHOICE program funding continue at or above current levels. CHOICE is a wise fiscal option – it is proven to prevent the need to access more costly nursing home care, and it requires those who are financially able to contribute proportionately to the cost of their own care.

The Indiana legislature's establishment of CHOICE was a landmark decision at the time, one of the most forward thinking older adult programs in the country. Indiana's sixteen AAAs have administered the CHOICE program since its inception in 1987.

The CHOICE program helps a unique population that other funding sources could not adequately serve. Unlike any other long-term care funding source, CHOICE serves Indiana residents ages 0-100+. According to the Division of Aging, the average CHOICE client in FY 2009 was a female at least eighty-five years old who lived alone in her own home. Additionally, she would be unable to perform three or more essential activities of daily living and have circulatory, nervous, and/or muscular impairments.

CHOICE helps to protect the modest assets of Hoosiers like the woman described above by providing supports that prevent or delay the level of impoverishment that Medicaid services require. An older adult lacking the means to repair a roof will eventually be forced to leave her home. With CHOICE, she can repair her roof, maintain a portion of her savings and remain safely at home.

Caring for its most vulnerable citizens should be a basic concern of any state. At a time when Indiana's leaders are re-evaluating all programs for their essential impact, CHOICE stands out as a premier investment.

IAAAA supports the maintenance of CHOICE program at or above current funding levels.



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### IMMEDIATE ACCESS TO MEDICAID AGED AND DISABLED WAIVERS

**Position:** The Medicaid Aged and Disabled Waiver allows individuals to use Medicaid funds to pay for long-term care services in their own homes rather than in a nursing home. Despite strong evidence that individuals prefer home and community-based services, Medicaid's only long-term care entitlement is nursing home care. During the last several years, Indiana has increased Waiver funding for home and community-based services. Despite this progress, in December 2009, the Division of Aging reported that Indiana spent only 24% of its long-term care dollars on services in the home and community. Nationally, average state spending for such services was 37%, ranking Indiana 45<sup>th</sup> in the country.<sup>1</sup>

Indiana's AAAs use the Waiver to keep consumers at home longer, return people home from nursing homes and transition those who are leaving the hospital safely back home. Indiana recently passed a rule that creates a financial disincentive for nursing homes to keep individuals with less intensive health care needs. Without the "safety net" of home care services to support persons in their homes, they are more likely to fail and increase the burden on hospital emergency rooms, and prompt more costly hospital and nursing home re-admissions.

To control Medicaid spending, the State of Indiana has significantly limited the number of people that the Waiver may serve even though it is a less costly alternative to nursing home care. Increasing the number of Waivers would be a more effective cost control. With the savings realized by keeping individuals from more costly nursing home care, the state could compound its investment by funding additional Waiver slots, ultimately bending its long-term care cost curve.

In September 2010, the Division of Aging released just 250 Waiver slots despite a remaining statewide waitlist of 4,147. There are limited options for older adults who have no resources to pay for long-term care in their own homes. Without long-term waiver assistance, their only option will be a nursing home. The other 45 states in the country are now reaping the financial rewards of investing Medicaid funding in home care rather than nursing home care, but Indiana is slipping backward.

IAAA supports providing the state administration the flexibility it needs to shift more Medicaid long-term care expenditures immediately from institutional care to home and community based care, and to apply for and fund more Aged and Disabled Waiver slots.

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<sup>1</sup> Laird, Faith. Director, Division of Aging, Indiana Family and Social Services Administration. *Rebalancing Long Term Care – Phase 2* presentation. December 2009, p. 6.



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### **SUPPORT FOR INDIANA'S AGING AND DISABILITY RESOURCE CENTERS**

**Position:** Indiana made a landmark commitment to its older adult citizens when it required that its AAAs become Aging and Disability Resource Centers (ADRCs). ADRCs provide Options Counseling that supports and empowers consumers to consider all options for providing for their long-term care needs. Funding for this program may not be available in the future. Indiana must replace pilot funding with a commitment to on-going funding to ensure this key service can continue.

Importantly, Indiana's ADRCs help reduce institutional care and related costs by helping families and their loved ones responsibly use their own resources to meet their long-term care needs. ADRCs offer consumers one-stop access to information, support and linkages to local, state and national care services while reducing service fragmentation and simplifying access to long term supports and services.

IAAA supports the provision of dedicated, adequate on-going funding for Indiana's ADRCs.

### **SUPPORT A SINGLE POINT OF ENTRY THROUGH THE AREA AGENCIES ON AGING**

**Position:** Research shows that consumers prefer the single point of entry model for its ease and simplicity of access. A single point of entry also allows agencies to leverage additional resources from local, state and federal sources, including the use of volunteers.

A single point of entry through the AAAs is the best means to ensure an efficient and effective delivery system. For the elderly and their caregivers who may struggle with navigating more complex systems, it is an essential element to linking the consumer with the care they require.

Hallmarks of this system include:

- Seamless transition from inquiry to services;
- Quick access to information and services;
- Ability to target eligible individuals to receive services;
- Up-to-date information on aging services and aging issues;
- Access to the most comprehensive aging resource database;
- Provision of Options Counseling; and
- Local recognition as the one place to go for information.

IAAA supports a single point of entry to services for older adults and people with disabilities of any age.



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### MAXIMIZE STATE AND FEDERAL RESOURCES FOR HEALTH PROMOTION

**Position:** A variety of evidence-based non-medical interventions have proven to help older Hoosiers make healthier choices. With sufficient health promotion funding, AAAs can provide effective intervention programs to help older adults prevent and manage chronic diseases.

Adults who exercise regularly and adopt healthy eating habits have a lower risk of chronic disease, lower rates of disability, better mental health and cognitive function, and lower health care costs. Many older Hoosiers do not engage in healthy behaviors because of multiple barriers and suffer increased negative health consequences as a result. Obesity often leads to increased risk of cardiovascular disease, diabetes, high blood pressure and arthritis-related disabilities.

Further, falls are the leading cause of injury and deaths among older adults, and death rates from falls increase with age. Compelling data show that minimizing the risk of falls through prevention and education can lead to older adults living longer and healthier lives.

To decrease chronic disease management and long-term care costs, and increase longevity and quality of life, AAAs encourage the establishment of a permanent, fully funded program of specific prevention and education programs to be implemented by AAAs and their community partners.

IAAAA supports the maximization of state and federal resources for health promotion.

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