



## Indiana Association of Area Agencies on Aging 2012 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 rebalance Indiana's long-term care investment, generate federal and state level savings in Medicaid and Medicare and increase the availability of and access to home and community-based services.**

In September 2011, the *State Long-Term Services and Supports (LTSS) Scorecard*<sup>1</sup>, a multidimensional approach to measure state-level performance of LTSS systems that provide assistance to older people and adults with disabilities, ranked Indiana 47<sup>th</sup> in the nation for its efforts. The *Scorecard* examines state performance across four key dimensions of LTSS system performance: (1) affordability and access; (2) choice of setting and provider; (3) quality of life and quality of care; and (4) support for family caregivers. It is designed to help states improve the performance of their LTSS systems. It also underscores the need for states to develop better measures of performance over a broader range of services and collect data to more comprehensively assess the adequacy of their LTSS systems.

### **ESTABLISH REGULAR PUBLIC REPORTING TO MONITOR THE STATE'S LONG-TERM CARE REBALANCING EFFORTS**

**Position:** In 2003, Indiana enacted SEA 493. The law provided for the creation of a comprehensive system of home and community-based long term care services. By expanding access to Home and Community-Based Care (HCBS), the quality of long-term care would be increased and the public cost of long term care would be reduced. The law established a full array of services that included the CHOICE program, adult foster care, adult day care, assisted living, personal care services and other services necessary to keep persons out of institutions. States that have expanded access to HCBS have experienced higher quality of care and lower costs per person for long-term care.

Indiana made significant progress in expanding access to home and community-based care through 2009, but more recently, access to services has slowed and the number of persons receiving services through CHOICE and various Medicaid Waiver programs has declined. Waiting lists for Medicaid A&D Waivers were eliminated in 2008, however today more than 7,000 people are on waiting lists for services statewide.

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<sup>1</sup> Reinhard, Susan C., et. al. *Raising Expectations: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers*. AARP, The Commonwealth Fund, and The SCAN Foundation, September 2011. [www.longtermscorecard.org](http://www.longtermscorecard.org).



## Indiana Association of Area Agencies on Aging 2012 Public Policy Agenda

Indiana does not currently provide public data on long-term care in the state. This makes it difficult to track the effectiveness of these programs in reducing institutionalization, improving quality of care or reducing costs. IAAAA supports routine (quarterly) public reporting on long-term care services in the state, including but not limited to:

- The number of persons being served through publicly-funded long-term care for all institutional and HCBS programs.
- The number of active Medicaid Waivers in use.
- The average cost of care for persons receiving services in nursing homes, through Waivers and the CHOICE program.
- The number of nursing home admission screenings (PAS) conducted.
- The number of persons diverted to HCBS through PAS.
- The number of people waiting for HCBS through Waivers, CHOICE, etc.
- The number of people removed from the waiting lists and the reason for their removal, including the number who began receiving HCBS or whose condition improved, as well as those who died, went into a nursing home, etc.

IAAAA supports accountability and transparency in long-term care services in Indiana.

### **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.

To control Medicaid spending, the State of Indiana has 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.

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.



## Indiana Association of Area Agencies on Aging 2012 Public Policy Agenda

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. Other states are reaping the financial rewards of investing Medicaid funding in home care rather than nursing home care, but Indiana is slipping backward.

IAAAA supports aggressive rebalancing through the immediate shifting of more Medicaid long-term care expenditures from institutional care to home and community based care to fund a substantial increase in Aged and Disabled Waiver slots.

### **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, including the Aged and Disabled Waiver, cannot adequately serve. AAAs can deploy CHOICE funds quickly to address emergency situations and prevent clients from declining into a nursing home level of care.

Unlike some other long-term care funding source, CHOICE serves Indiana residents ages 0-100+. According to the Division of Aging, the typical CHOICE client in FY 2010 was a female in her eighties, who lived alone in her own home, and was unable to perform three or more essential activities of daily living.

Unlike the Aged and Disabled Waiver, CHOICE also 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.



## Indiana Association of Area Agencies on Aging 2012 Public Policy Agenda

IAAAA supports the maintenance of CHOICE program at or above current funding levels, and the use of CHOICE solely for clients unable to receive services through the Medicaid Aged & Disabled waiver as the result of their level-of-care, income and/or service needs.

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

**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 and their families to consider all options for providing for their long-term care needs.

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. Indiana's ADRC's report that the number of Hoosiers seeking Options Counseling is increasing exponentially.

Indiana's ADRC's are also pro-actively strengthening their relationships with their local hospitals and health care providers to better coordinate transitions in care from hospitals back to consumer's own homes. Care transitions coordination will help improve health outcomes and reduce hospital readmissions, resulting in decreased costs for Medicare and Medicaid.

Despite its value to long-term care planning and coordination, the federal government currently does not guarantee Options Counseling funding through Medicare, Medicaid or other programs. Options Counseling funding has not kept pace with the increasing demand, and funding may not be available in the future. Indiana must replace its current pilot funding with a commitment to on-going funding to ensure this key service can continue.

IAAAA supports the provision of dedicated, adequate on-going funding for Indiana's ADRCs and Options Counseling.

### **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.



## Indiana Association of Area Agencies on Aging 2012 Public Policy Agenda

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.

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

### **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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