



Strategies to Support Aging Virginians in their Communities

October 5, 2021

Commission Meeting

Study purpose

- Identify the necessary continuum of services to support older adults
- Understand the extent to which services vary across Virginia and ways services could be better coordinated
- Identify effective strategies that could better support older Virginians to “age in place”

NOTE: Study mandate approved by the Commission on December 15, 2020.

Findings in brief

An increasing number of older Virginians need aging supports

Majority of Virginians needing aging supports are not Medicaid-eligible, but non-Medicaid funding has decreased in real terms

Home care and affordable housing are the greatest needs for older Virginians across the state.

Enhancing current programs can help address unmet needs

Policy options in brief

Provide additional funding for home care and home modification programs and direct DARS to track unmet needs

Leverage Medicaid to provide limited HCBS to individuals with higher incomes and moderate functional needs

Provide financial assistance to unpaid caregivers through tax credits, respite care, and grants to community organizations

Direct DHCD to include older adults as a target population in current work to expand affordable housing

DARS = Department of Aging and Rehabilitative Services; HCBS = Home and community-based services

DHCD = Department of Housing and Community Development

Agenda

Demand and funding for aging services in Virginia

Unmet needs for aging services in Virginia

Options to provide services to address unmet needs

Findings

Number of older Virginians ages 65 and older is growing faster than any other age group, increasing the need for public programs

Older Virginians, on average, have limited financial resources, and may rely on public programs at some point throughout their lifespan

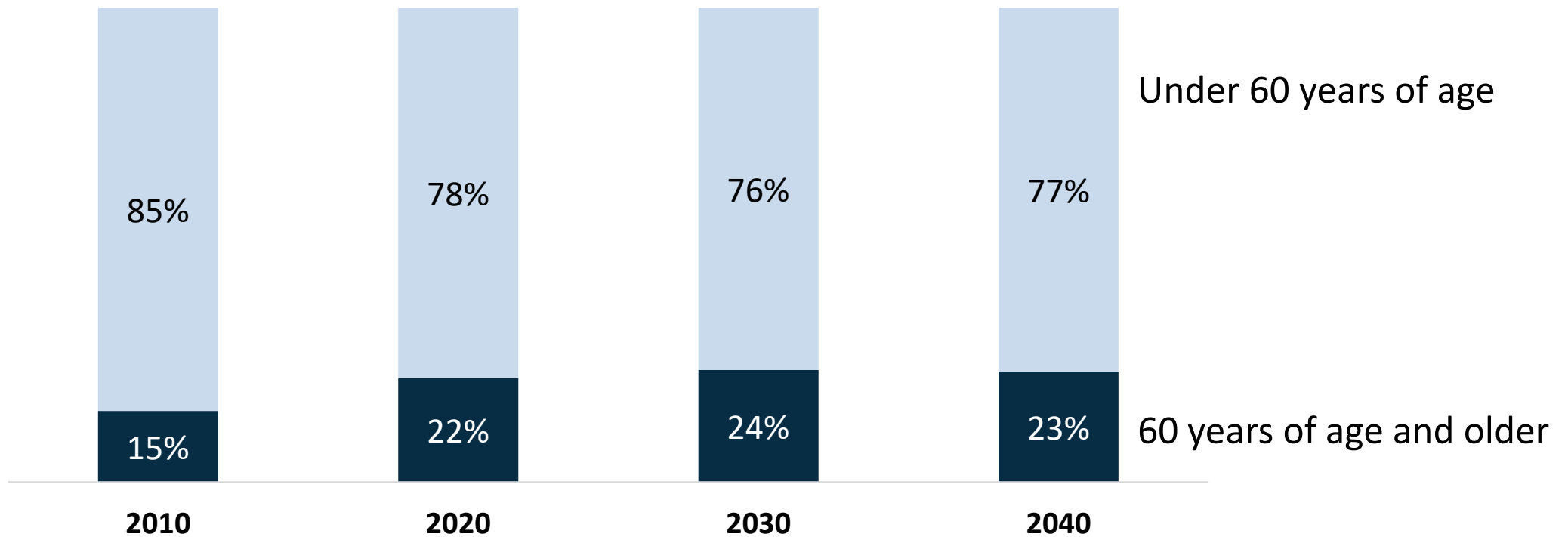
An estimated 200,000 older Virginians need aging supports

- Chances of needing long-term services and supports (LTSS) increases with age
- Those turning 65 in 2020 have a 70% chance of needing some form of LTSS in their lifetime
- Older adults who do not have the financial means to afford private LTSS will rely on public resources and unpaid caregivers

SOURCE: Administration for Community Living
LTSS = long-term services and supports

The population of older Virginians is expected to continue increasing

Percent of Virginia's total population



SOURCE: 5-year ACS Estimates and UVA Weldon Cooper Center Population Projections

Many Virginians are not prepared for retirement

- 1.2 million Virginia workers (45% of total working population) do not have access to retirement savings through their employers
- Virginians who lack access to retirement savings are more likely to rely on state and federal public programs
- Black, Asian, and Latino groups have less access and participation in retirement plans compared to all employees

Most older Virginians rely on Social Security, despite rising health care expenses with age

- The average monthly social security benefit is \$1,543/month (\$18,500/year)
- Average annual expenses are over \$47,000/year for this population
 - \$6,668/year on total health care expenses
 - \$17,435/year on housing

SOURCE: Social Security Administration; Consumer Expenditure Surveys, U.S. Bureau of Labor Statistics, September, 2021.

Findings

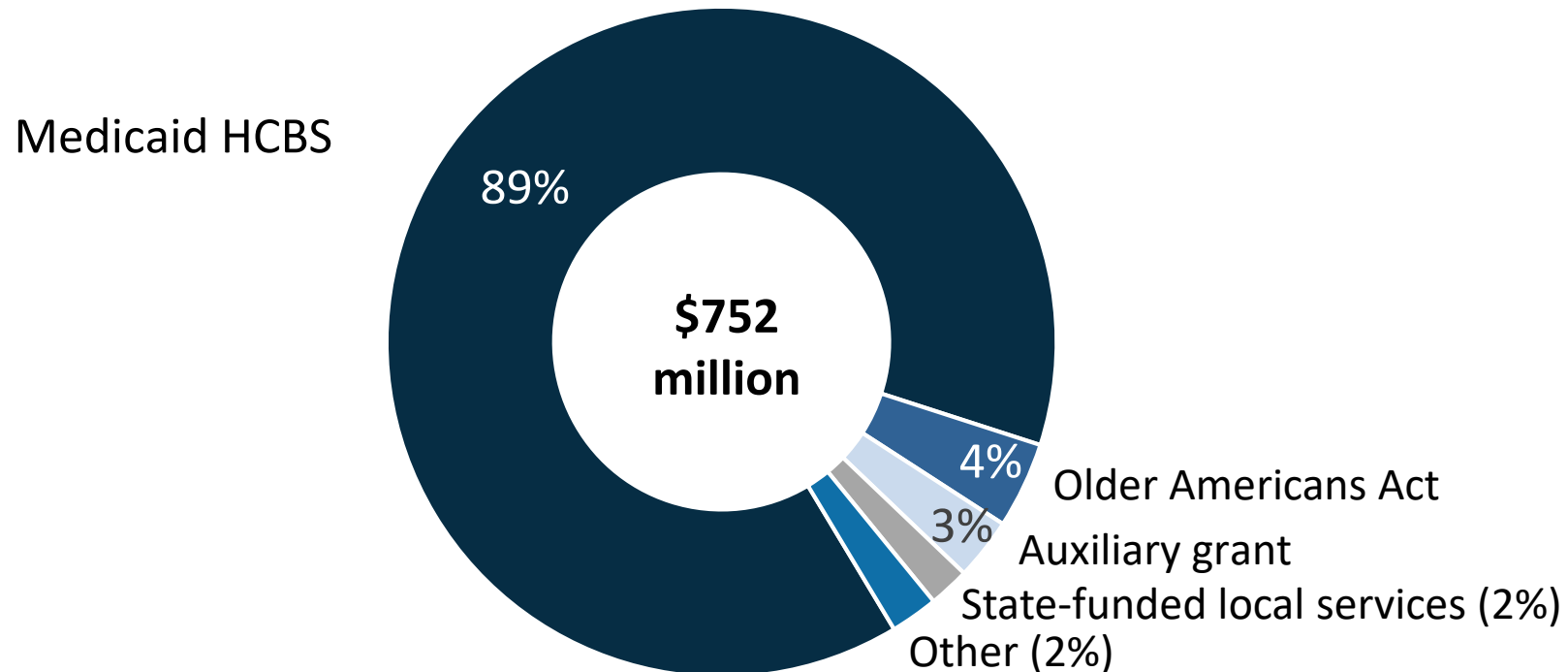
Non-Medicaid spending on aging services decreased over the last 10 years, when adjusted for inflation

Medicaid spending increased over the last 10 years, due to more eligible recipients

Middle income older adults have difficulty accessing LTSS

Virginia Spent \$752M on community-based LTSS, primarily through Medicaid

Spending on aging services FFY20



SOURCE: JCHC staff analysis of spending data from DMAS, DARS, and VDSS.

NOTE: Spending does not include federal COVID-19 relief funding which was \$24.1 million FY20.

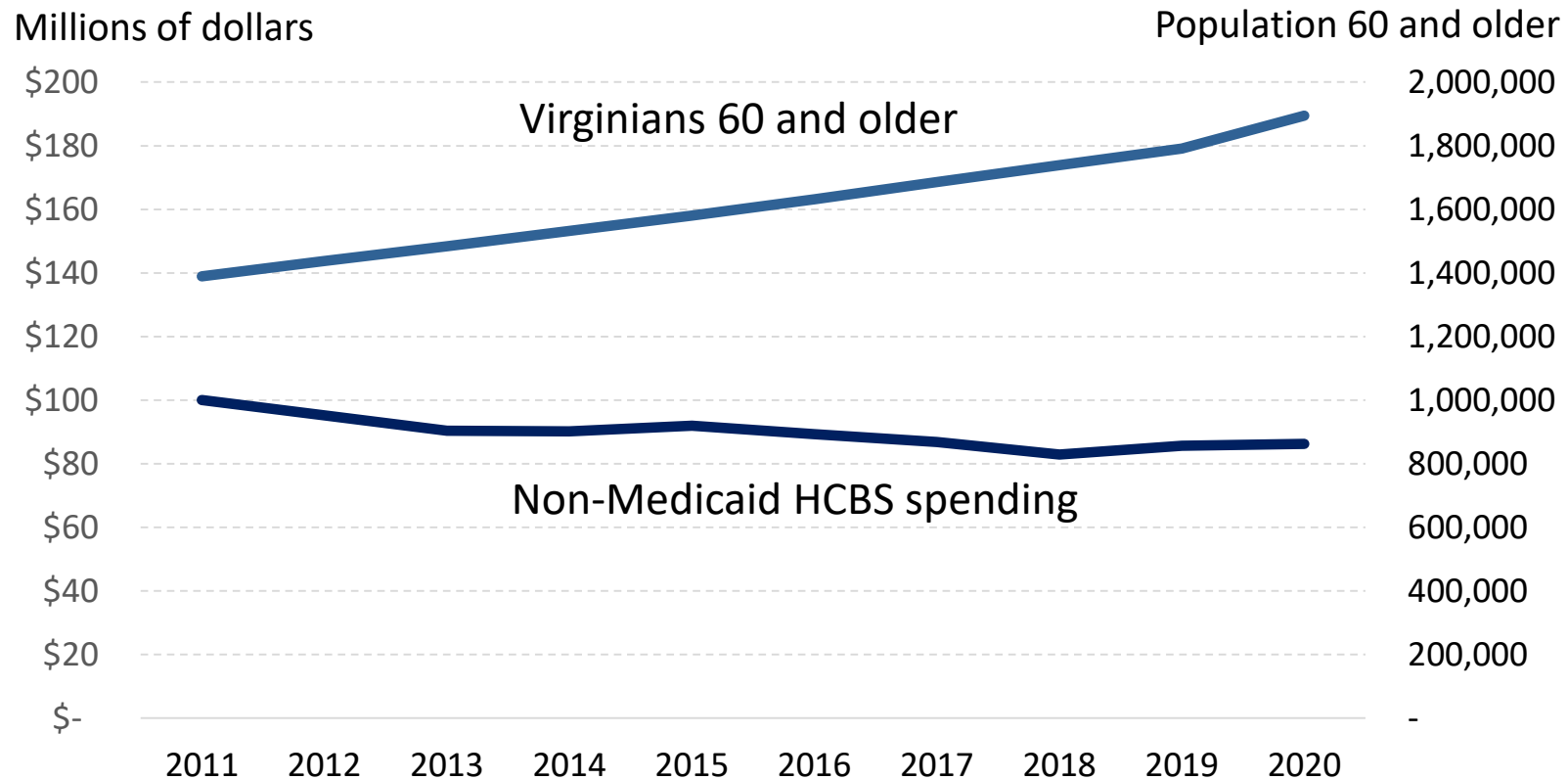
The majority of aging services goes to 12% of Virginians needing LTSS

- Only 12% of older Virginians in need of aging services are currently Medicaid-eligible for community-based LTSS
 - Average of \$26,117/person
- The remaining population access non-Medicaid funded community-based LTSS
 - Average of \$431/person

Funding for non-Medicaid LTSS has decreased, while the number of older adults is increasing

- Non-Medicaid spending decreased by \$14 million (14%) over the last 10 years when adjusted for inflation
- As a result, there are less resources available to serve a growing number of older Virginians

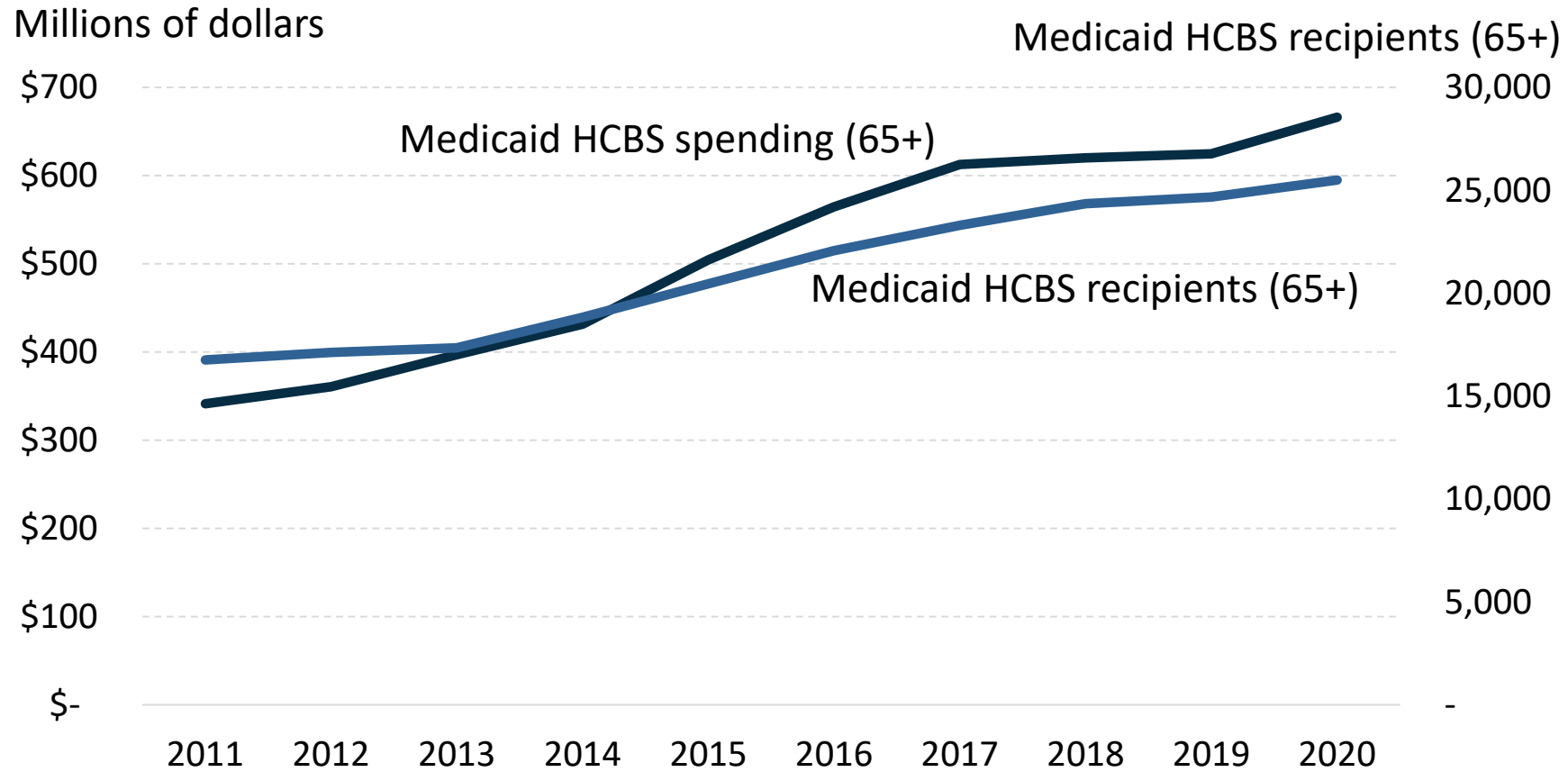
Virginia's older population is outpacing non-Medicaid spending on aging services



SOURCE: JCHC staff analysis of spending data from DARS and DSS, and population data from the US Census Bureau.

NOTE: Spending does not include federal COVID-19 relief funding, which was \$24.1 million FY20.

Medicaid HCBS spending has increased due to more eligible recipients



SOURCE: JCHC analysis of DMAS spending and enrollment data. HCBS = Home and community-based services

“Middle income” older Virginians have difficulty accessing home and community-based services

- Many older adults are not eligible for Medicaid because:
 - Income/assets are too high
 - Functional need is too low
- This “middle income” group is often underserved because they can’t afford private LTSS and have limited access through public programs

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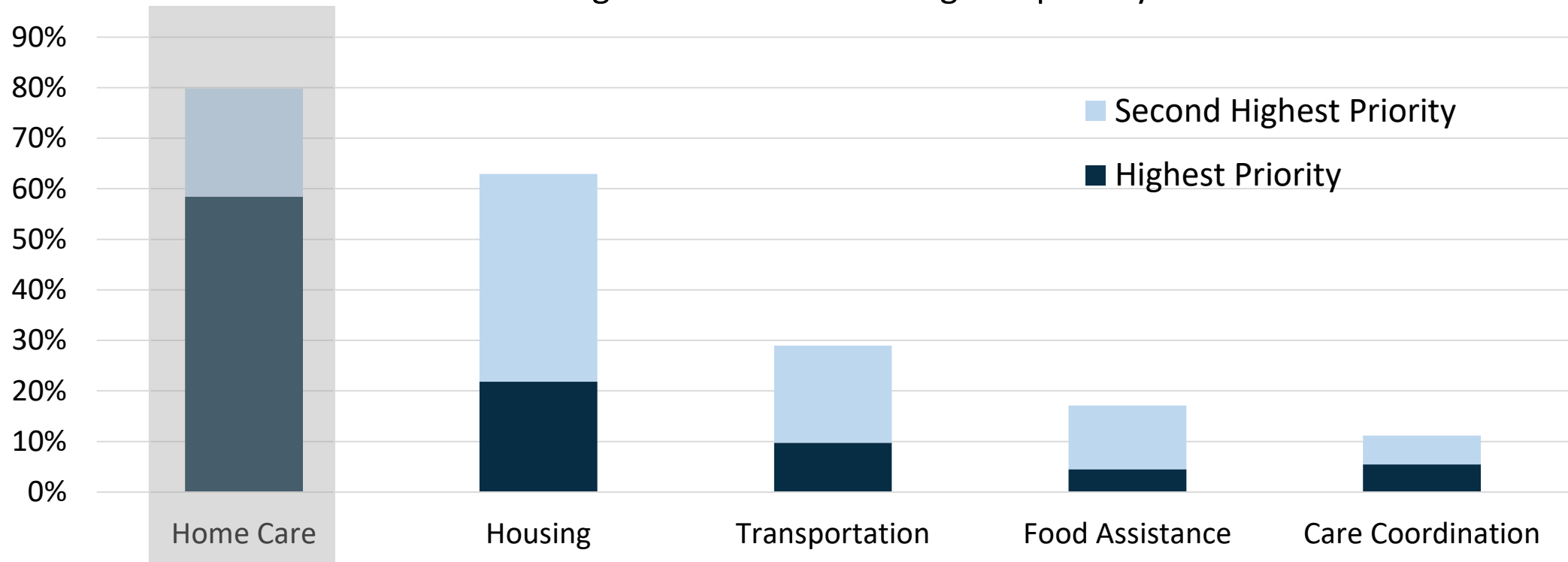
Findings

Home care services were the highest priority need for older Virginians to remain in their community

Companion, homemaker, and personal care services were most commonly requested types of home care

76% of local staff indicated home care services were either the greatest or second greatest need

Percent of AAA and LDSS staff listing home care or housing as a priority need



SOURCE: JCHC survey of area agencies on aging (AAA) and local department of social services (LDSS) staff.

Home care includes multiple types of services

Home care needs

- Personal care (assistance with ADLs)
- Homemaker (meal prep, groceries)
- Companion (basic supervision, socialization)
- Chore (yard work, cleaning)
- Home health (skilled nursing)

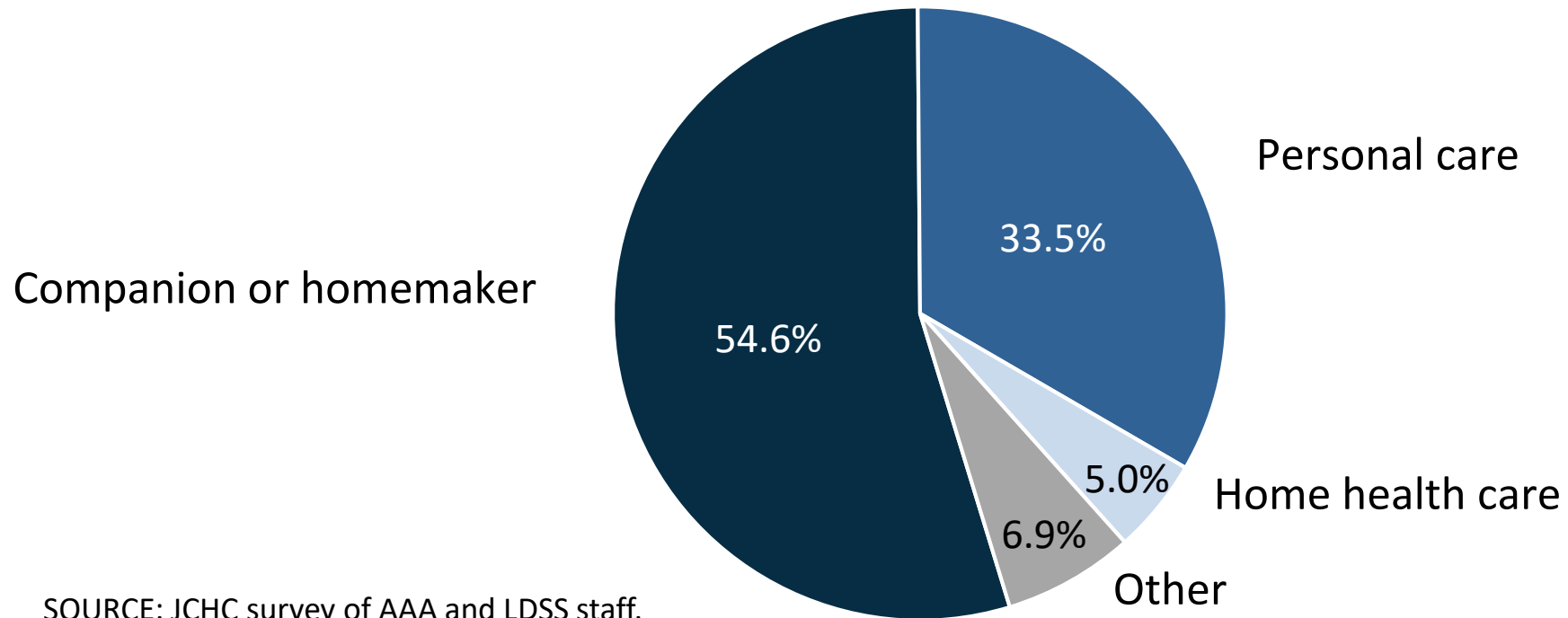
Most older adults need unskilled home care to age in the community

- Within home care, companion, homemaker, and personal care are most common
 - 54% cited companion or homemaker services as the greatest need
 - 34% cited personal care as the greatest need

AAA = Area agencies on aging; LDSS = Local departments of social services

Companion or homemaker services are the most commonly requested service

Highest priority types of home care services



SOURCE: JCHC survey of AAA and LDSS staff.

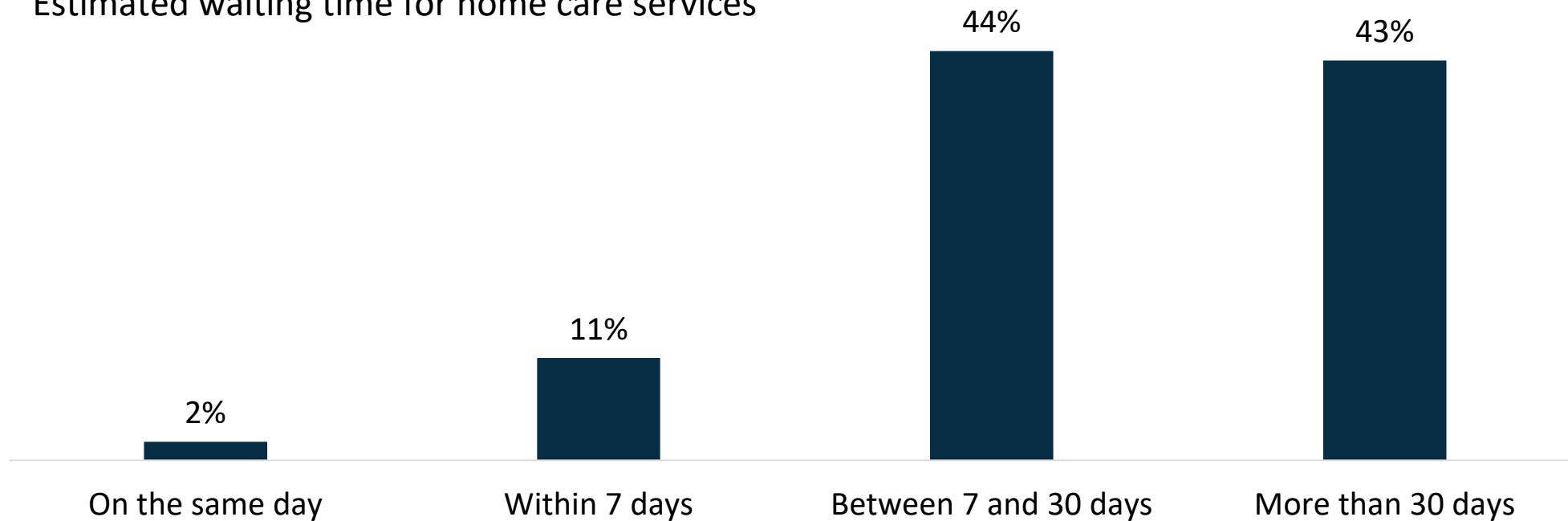
NOTE: Other includes respondents who listed multiple types of services as a priority, and those who indicated they were not sure what the highest priority is. Chore services were not explicitly asked about in the survey of local staff because it is similar to homemaker services. Also, companion services are included in the Adult Services program, but it is not included in the AAA-funded services.

Services are often delayed or not available at all

- Many older Virginians seeking services are on waiting lists due to:
 - Insufficient funding for services
 - Insufficient capacity to provide service
- Some services do not keep waiting list due to unrealistic chance of getting services
- Some older Virginians are ineligible for Medicaid and other public programs

Nearly half of older Virginians wait more than 30 days for home care

Estimated waiting time for home care services



SOURCE: JCHC survey of AAA and LDSS staff.

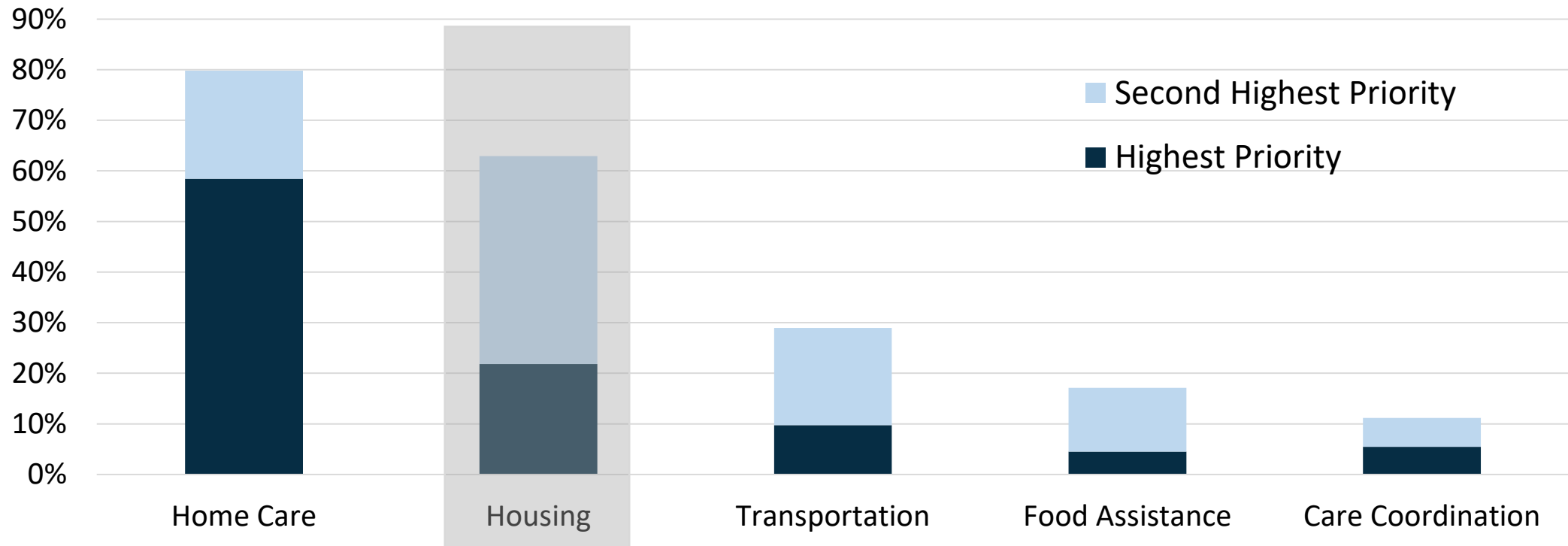
Findings

Housing support is the second most common need for older Virginians

Older adults who need affordable permanent supportive housing and home modifications often experience delays

Over 60% of local staff ranked housing as the highest or second highest priority service need

Percent of AAA and LDSS staff listing home care or housing as a priority need



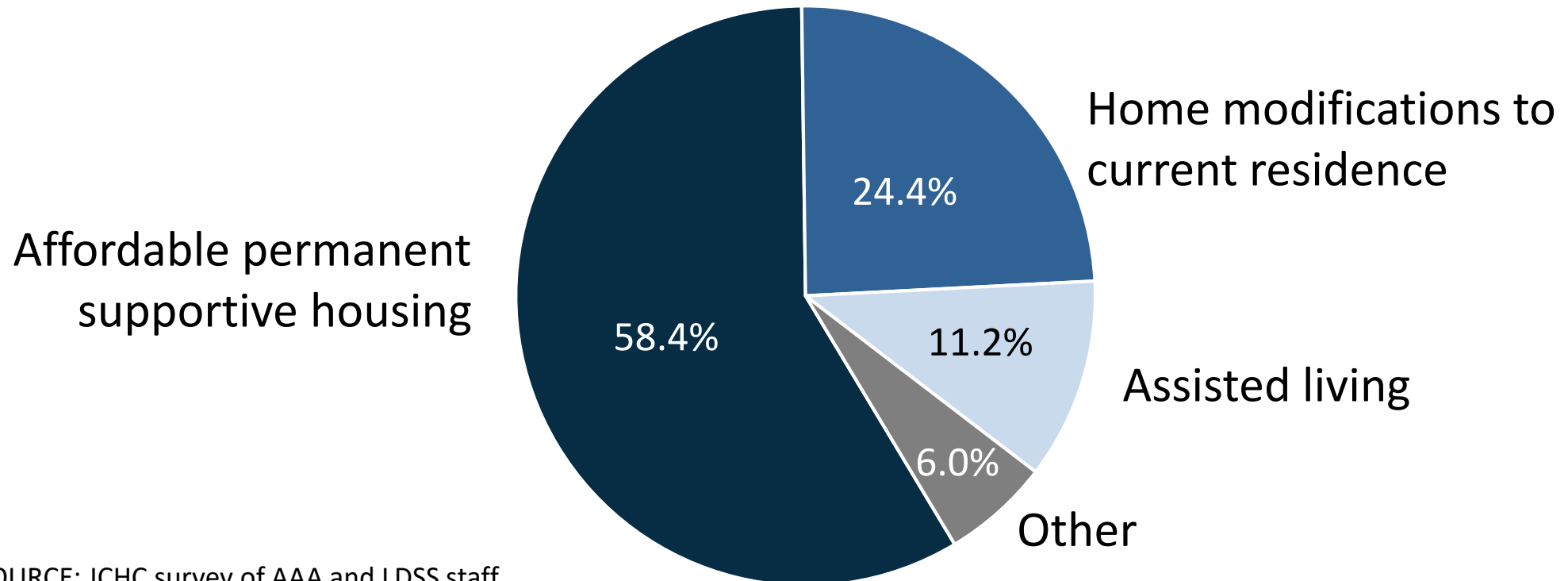
SOURCE: JCHC survey of area agencies on aging (AAA) and local department of social services (LDSS) staff.

Older Virginians with housing needs generally fall into two categories

- Those who need stable, affordable housing
- Those who have stable housing but require home modifications

Affordable permanent supportive housing is the greatest housing need

Highest priority housing needs



SOURCE: JCHC survey of AAA and LDSS staff.

NOTE: Other includes respondents who listed multiple types of services as a priority, and those who indicated they were unsure what the highest priority is.

Housing needs defined

Home modifications

- Maintain current residence
- Adhere to minimum housing standards
- Adapt residence to meet needs as an individual ages

Permanent supportive housing

- Prioritizes housing stability and supportive services
- Targets those at-risk of homelessness
- Aims to reduce barriers to independent living

Home modification programs require payment and then reimburse costs

- Public home modification programs usually offer support through a tax credit or reimbursement after the project has been approved or completed
- Up front costs needed to access these programs are a barrier for “middle income” older Virginians

Affordable PSH for older Virginians is limited

- Older adults and people with disabilities make up 22% of Virginia's population, yet 44% of the total ELI renter households
- Older adults are more likely to be living on fixed income
- Social Security income benefits have not risen at the same rate as the cost of housing
- Out-of-pocket health care expenses tend to rise with age, limiting ability to pay for housing and other aging supports

PSH = permanent supportive housing

ELI = Extremely Low-Income and defined as incomes at or below the poverty guideline or 30% of their area median income (AMI).

SOURCE: National Low-Income Housing Coalition

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Opportunities exist to increase aging services across current programs

- Leverage Medicaid funds to:
 - Expand eligibility to a moderate need population
 - Provide housing-related supports
- Expand current state programs for older adults
- Support the work of unpaid caregivers

Policy options expand existing programs to address unmet community needs

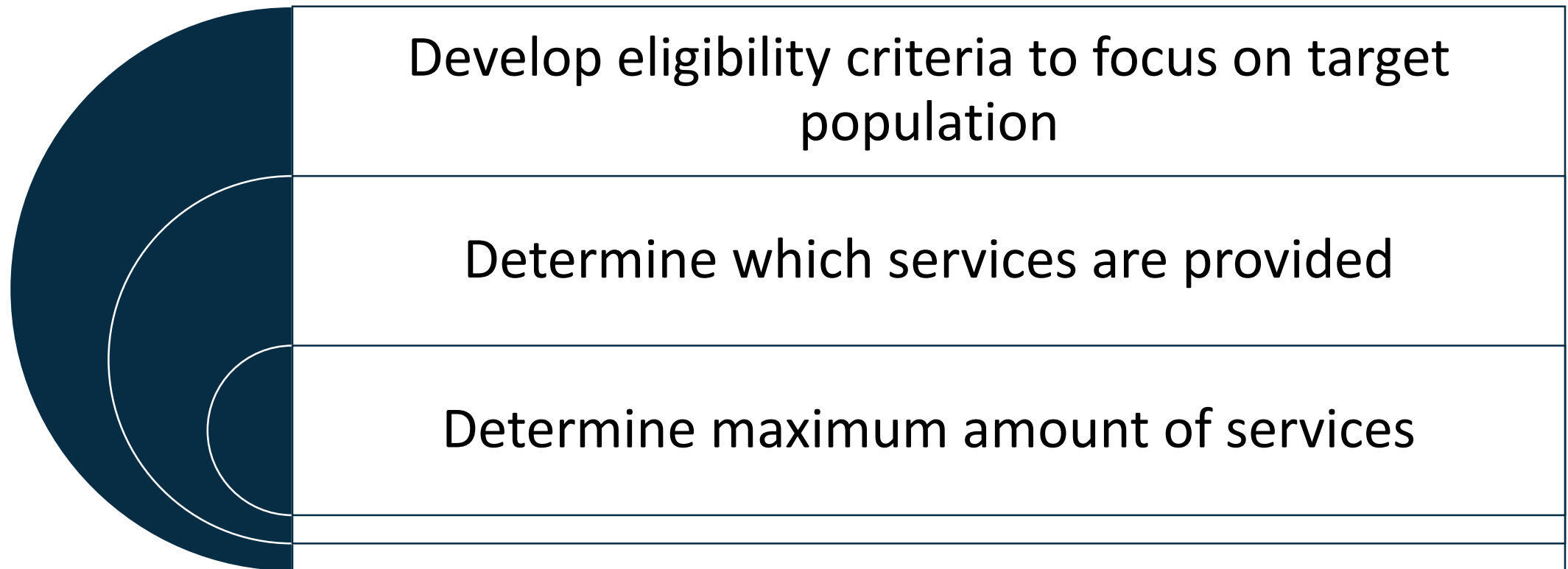
Identified need	Target population		
	Middle income individuals	Functional need too low for Medicaid HCBS	Medicaid recipients
Affordable housing	<ul style="list-style-type: none"> Develop PSH proposals (Opt. 7) 	<ul style="list-style-type: none"> Develop PSH proposals (Opt. 7) 	<ul style="list-style-type: none"> Implement high needs supports (Opt. 1)
Home modifications	<ul style="list-style-type: none"> Expand AAA/LDSS programs (Opt. 3) 	<ul style="list-style-type: none"> Expand AAA/LDSS programs (Opt. 3) Expand Medicaid population (Opt. 2) 	<ul style="list-style-type: none"> Implement high needs supports (Opt. 1)
Home care	<ul style="list-style-type: none"> Expand AAA programs (Opt. 3) Support caregivers (Opts. 4-6) 	<ul style="list-style-type: none"> Expand Medicaid population (Opt. 2) Support caregivers (Opts. 4-6) 	

Medicaid can be expanded to provide limited community-based services to more older adults

- Develop HCBS benefits for specific populations who do not yet meet full Medicaid criteria
- States can determine:
 - Covered benefits
 - Reimbursement for covered benefits
 - Consumer-direction for some or all services

NOTE: Limited benefit would be through an 1915(i) state plan amendment

States can not cap enrollment, but can manage enrollees with program design levers



Other states provide limited services to those with moderate functional needs

Connecticut home care program for elders

Nevada state plan option

Washington D.C. state plan option

JCHC policy option 1

JCHC Members could direct DMAS to develop a 1915(i) state plan amendment to provide limited HCBS. The plan should include the eligibility criteria, intended services provided, utilization limits, and estimated costs for each service.

Medicaid can pay for some housing-related services

Individual housing transition services

- Direct support services
- Examples: tenant screening and housing assessments, tenant search and application

Individual housing and tenancy sustaining services

- Activities aimed at helping maintain tenancy once secured
- Example: assistance with resolving disputes with landlords and/or neighbors

State-level housing services

- Activities aimed at finding and securing housing resources for future planning and development
- Example: DHCD Interagency Leadership Team for Housing and Supportive Services

NOTE: Federal rules prohibit Medicaid from paying rent.

Other states leverage Medicaid to cover some housing-related services

North Carolina Healthy Opportunities Pilot

Louisiana Medicaid PSH Waiver

NOTE: PSH = permanent supportive housing

Virginia is in the process of implementing High Needs Supports Medicaid Waiver

- This waiver will provide housing and employment supports to Medicaid enrollees 18+ who have at least one need:
 - Behavioral health need
 - ADL need
 - Complex physical health need
- Must also have at least one housing or employment risk factor
- This program is not targeted to older adults, however older adults could fall into the eligibility criteria

NOTE: The High Needs Support waiver would be a section 1115 Medicaid waiver
HNS = High Needs Supports

DMAS has legislative authority and CMS approval for HNS waiver

- Next steps for HNS implementation:
 - DMAS needs to conduct a rate study to determine how much services will cost
 - DMAS estimates the rate study will cost approximately \$500,000
 - Use currently available data to estimate the total waiver population

HNS = High Needs Supports

JCHC policy option 2

JCHC Members could appropriate funds to DMAS to conduct a rate study for the High Needs Supports waiver

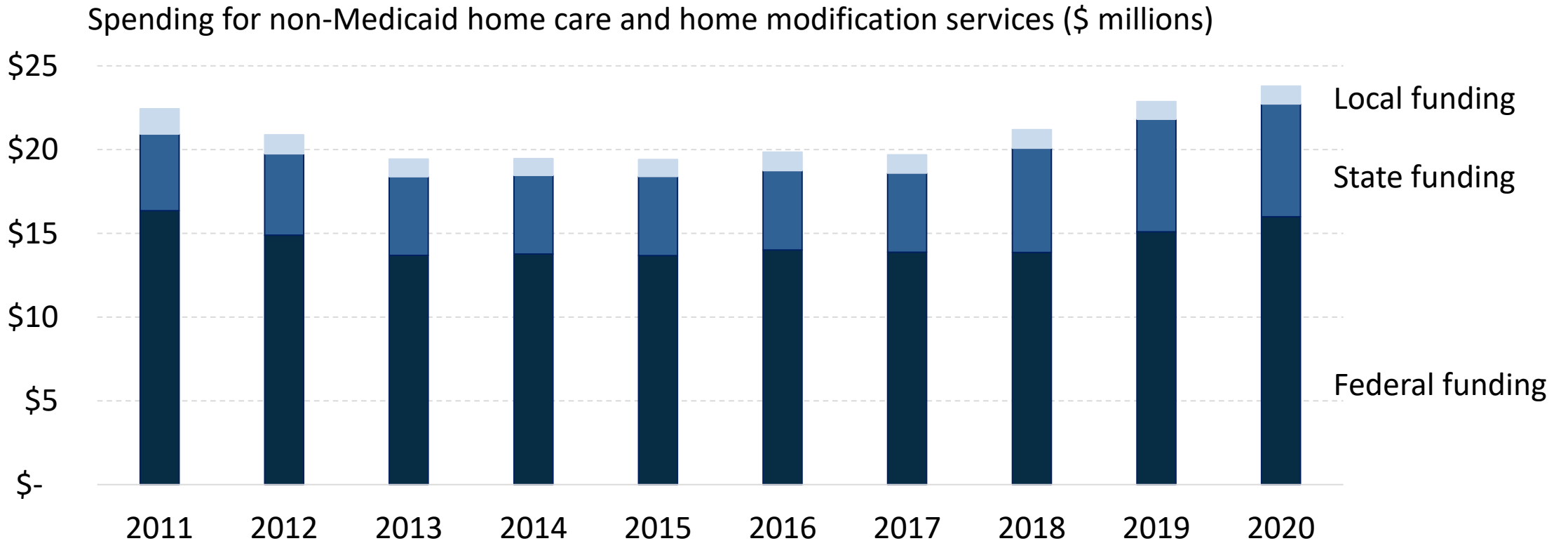
Opportunities to expand current state programs that serve “middle income” older adults

- Additional funds for home care and home modifications would directly target the highest priority needs
- The mechanisms already exist to administer these programs
- Additional funding would enable AAAs and LDSS offices to provide these needed services to more individuals

AAA = Area Agencies on Aging

LDSS = Local departments of social services

Funding for highest priority services has not increased in the last decade



SOURCE: JCHC analysis of DMAS, DARS, and DSS budget data.

Unclear how much more funding is needed, but local staff can track services and waiting lists

- Data does not currently exist to estimate how much additional funding is required to address unmet needs
- State agencies can provide support to local staff to begin tracking waiting lists
- Funding can still be appropriated in the interim
 - DARS can review total current spending and develop an estimate of the initial amount of funding needed

JCHC policy option 3

JCHC Members could appropriate state funding for home care and home modification services and direct DARS to estimate the amount of additional state funding necessary to address the current unmet need.

Supporting unpaid caregivers can expand capacity to meet community needs

- Unpaid caregivers can take on the role of health care providers and direct care workers
- The work of unpaid family caregivers provides significant cost savings to the health care system
- The overall shortage in the LTSS direct care workforce increases the need for unpaid family caregivers
- Caregiving takes a negative toll on an individual's physical and mental well-being

Federal programs already exist to support family caregivers

- Respite care provides short-term temporary relief for family caregivers, which can reduce strain on caregiver
 - Respite can include short-term institutional stays or adult day care to provide caregivers a break
- The Virginia Lifespan Respite Voucher Program provides up to \$595 for caregiver respite services on a first-come first-serve basis

Family caregiver tax credit can help offset financial burden of caregiving

- Unpaid family caregivers generally spend their own money on loved ones
- Previous legislation at federal and state levels proposed tax credit to eligible working family caregivers
- Potentially model policy after HB 361 (Rasoul, 2020)

JCHC policy options 4 & 5

JCHC Members could provide state funding for the Virginia Lifespan Respite Voucher Program

JCHC Members could introduce legislation to provide a tax credit to eligible working family caregivers to offset the cost of select caregiving expenses

Supporting volunteer organizations that provide caregiver services would expand access

- Supporting community-based, volunteer organizations would bolster community support without creating new programs
- Grants could target funding to organizations that meet a specific criteria, such as serving those with limited income
- Grants can require an evaluation to assess the value of continuing to invest in these organizations

JCHC policy option 6

The JCHC could introduce legislation to create a grant program to expand the work of community-based volunteer organizations that provide caregiver-like services in their communities

Increasing affordable housing requires interagency coordination

- Housing programs are complex and require multiple state agencies and local partners
- Current programs to increase affordable housing for older adults in other states are:
 - Usually limited to specific cities or regions
 - Often complex partnerships between multiple public and private entities

DHCD collaborates with other state agencies to improve service coordination and outcomes

- The Housing and Supportive Services Interagency Leadership Team (ILT) is comprised of state agency leaders
- ILT is focused on integrating community-based housing and services for certain at risk populations
- The ILT currently does not have older adults as a target population

DHCD = Department of Housing and Community Development

JCHC Policy Option 7

The JCHC could direct DHCD to update the current Housing and Supportive Services Interagency Leadership Team to include older Virginians as a target population, add appropriate stakeholders, and increase the supply of PSH for older Virginians

Opportunities for public comment

- Submit written public comments by close of business on Friday, October 15

Email: jchcpubliccomments@jchc.Virginia.gov

Fax: 804-786-5538

Mail: PO Box 1322
Richmond, VA 23218

- Sign up to provide public comments at the JCHC workgroup meeting on Monday, October 18 at 9:00 AM

NOTE: All public comments are subject to FOIA and must be released upon request.



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