

The Business Case

Home and Community Services for Elders Save Money



An open letter to the:

Honorable Rick Scott, *Governor*

Honorable Mike Haridopolis, *President of the Florida Senate*

Honorable Dean Cannon, *Speaker of the Florida House of Representatives*

Long Term Care. Florida has over 4.4 million seniors. Over the next 20 years, Florida's population will grow by 5.1 million. Over 64% of this new population growth will be comprised of seniors. Over 64%.

While nursing homes represent a vital component of the long term care system, unless we look toward less costly alternatives such as home and community care, Florida's tax payers will be unable to afford long term care.

Florida's Aging Network, comprised of mostly not-for-profit home and community care providers, employ thousands of Floridians who are your best solution for reducing the rate of growth in long term care costs, period.

Our #1 mission is to help frail seniors remain at home safely and with dignity to avoid or delay the need for more costly nursing home care. We succeed at our mission every single day.

It's just that simple. For over 40 years, Florida's Aging Network has helped millions of frail seniors stay at home by managing their home care needs and by providing meals, personal care, day care, transportation and other help that frail seniors need to remain at home.

We are the least costly, most efficient long term care solution and we are ready, willing and able to help you tackle Florida's growing long term care challenges because, quite frankly, our state and our budget can no longer afford to wait.

Respectfully,
Florida's Aging Network

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\$8,475 Average Annual Cost of Care

**Home and Community Care
Costs Less**



\$58,055 Average Annual Cost of Care

**Medicaid
Nursing Home Care**

Quick Statistics

- 1) Nearly 4.4 million seniors call Florida home – 23% of our state’s total population.
- 2) Many of these seniors are now in their 80’s, 90’s, and 100’s – those MOST at risk of nursing home placement.
- 3) To have a strong viable long-term care system, Florida must invest in home and community *and* adequately fund quality assisted living and nursing home care.
- 4) Without home care assistance, seniors are left with one choice – more costly nursing home care.
- 5) Florida’s 10 year nursing home bed moratorium has successfully limited access to only those most in need.
- 6) As of November 24, 2010 over 63,000 seniors are on waiting lists for home care programs.

Home & Community Care Services

	Older Americans Act Programs	Local Service Programs	Alzheimer’s Disease Initiative & Respite Care	Home Care for the Elderly Program	Community Care Services
Average Annual Cost of Care *	\$4,066	\$325	\$6,447	\$3,341	\$5,982
Total Clients Served (FY 2010-11) *	85,646	21,561	6,578	3,994	15,376
Waiting List Count (as of 11/24/10)	19,551	91	1,554	2,100	21,892
Program Budgets FY 2010-11	\$97,090,726	\$7,465,811	\$11,790,148	\$7,903,357	\$40,479,600

*Projections from 2010 Department of Elder Affairs Summary of Program & Services
 **Average cost of care for nursing homes includes state & federal funding only. Does not include private pay.
 ***Annualized patient days paid by Medicaid

- Home care programs cost less and employ thousands of Floridians
- Home care programs delay the need for nursing home care
- Home care programs just make fiscal sense

How to Reduce Long Term Care Costs

Program	2009	2010	2011	2012	2013	Most Impaired & Highest Cost
Community Care for the Elderly Program	\$9,026	\$9,902	\$18,504	\$18,688	\$58,055	
Aged & Disabled Medicaid Waiver	10,551	3,607	19,869	550	15,557,043*** (days)	
Assisted Living for the Frail Elderly Medicaid Waiver	11,597	594	5,791	N/A	N/A	
Nursing Home Diversion Program	\$114,765,311	\$35,083,803	\$347,885,072	\$10,278,683	\$2,785,799,739	
Program of All Inclusive Care for the Elderly (PACE)						
Nursing Home Care**						

Source: Florida Department of Health, published March 2010 (Budget/Clients served #'s based on FY 2009-10 Budget)
 * Figures NOT include patient responsibility which is based on client income.

Coordinate services and provide a service seniors want – help to remain at home

What are the most cost effective, compelling solutions for Florida's Budget Crisis?

- 1) Community Care for the Elderly** – Assists functionally-impaired seniors to live at home by providing personal care (help with bathing, dressing), home repairs, home-delivered meals, caregiver respite, care management, adult day care, emergency alert response and medical transportation.
- 2) Home Care for the Elderly** – Helps Medicaid, nursing home-eligible seniors with a caregiver to live at home, by providing a stipend of \$106 per month for home care, nutritional supplements and incontinence products.
- 3) Local Service Programs** – Targets special needs in communities to help elders remain at home. Services include homemaker services, adult day care, meals and health monitoring.
- 4) Alzheimer's Disease Initiative, Respite Care and Memory Disorder Clinics** – Help individuals with Alzheimer's disease and their families through diagnosis, adult day care, respite for caregiver relief and caregiver training and support.
- 5) Aging and Disabled Medicaid Waiver** – Serves Medicaid, nursing home-eligible seniors/disabled individuals assessed as frail, functionally impaired and at risk of nursing home placement. Services include adult day health care, case management, emergency alert response, environmental modifications, family training/support, home-delivered meals, personal care, respite, skilled nursing and specialized medical equipment.



Waiting Lists = Increased Medicaid Costs = Higher Costs to Taxpayers

(General Revenue [GR] Only)						
Program	A	B	C	D	E	F
	Annual Cost of Home Care (GR Only)	Annual Cost of Nursing Home Care (GR Only) ⁽¹⁾	Seniors on Waiting Lists who entered a Nursing Home & GR costs of care ⁽²⁾	GR <u>Costs</u> to care for these same seniors IF they remained at home ⁽³⁾	GR Savings if these same seniors had remained at home	GR Funding needed to serve Seniors on Waiting Lists <u>MOST AT RISK</u> of Nursing Home Care ⁽⁴⁾
1 Community Care for the Elderly	\$5,982	\$25,579	\$76,404,473 (2987 seniors)	\$17,868,234	\$58,536,239	\$32,314,764 (5,402 seniors)
2 Home Care for the Elderly	\$3,341	\$25,579	\$7,622,542 (298 seniors)	\$995,618	\$6,626,924	\$2,863,237 (857 seniors)
3 Alzheimer's Respite Care & Memory Disorder Clinics	\$6,447	\$25,579	\$8,287,596 (324 seniors)	\$2,088,828	\$6,198,768	\$3,636,108 (564 seniors)
4 Aging and Disabled Medicaid Waiver ⁽¹⁾	\$3,977	\$25,579	\$33,610,806 (1,314 seniors)	\$5,225,778	\$28,385,028	\$12,575,274 (3,162 seniors)
Totals:			\$125,925,417 (4,923 seniors)	\$26,178,458	<u>\$99,746,959</u>	\$51,389,383 (9,985 seniors)

By appropriating \$51.4 million for home care, Florida could save up to \$204 million in additional nursing home care costs. ⁽³⁾

⁽¹⁾ General Revenue (GR) = 44.06%; Federal Matching Rate for Medicaid (FMAP) FY 2011-12 (55.94%). Annual nursing home bed costs (GR + FMAP) = \$58,055.

⁽²⁾ Data provided by the Florida Department of Elder Affairs - # of seniors entering a nursing home in 2008 and the cost to serve seniors on home care waiting lists that entered a nursing home. (Based on the projected FMAP rate 55.94%.)

⁽³⁾ FY 2011-12 projected GR cost savings to provide home care to 9,985 seniors most at risk of nursing home care.

⁽⁴⁾ Most at risk includes seniors assessed at levels 4 & 5.