

Report Highlights

Long Term Care For the Elderly in Pennsylvania

House Resolution 618 calls on the LB&FC to review the Commonwealth's system for providing long term care to the elderly and to examine demographic data to assess future service demand.

Findings:

- **The Commonwealth spends over \$2.7 billion in federal and state funds to provide long term care services to the state's elderly.** Most (\$2.4 billion) goes for nursing facility care—a service all states must provide as part of their Medicaid programs. The majority of the remaining funds are spent for home health, hospice, personal care, and other services intended to forestall placement in a nursing facility.
- **Medicaid “waiver” funds are used to care for persons who might otherwise be placed in a nursing facility.** Medicaid's Home and Community-Based Services Waiver for the Elderly, a program administered through the Department of Aging, has grown from less than \$20 million in FY 1997-98 to over \$100 million in FY 2002-03. In FY 2002-03, 56% of these expenditures were for personal care supervised by nurses, 8% for licensed home health services, 7% for licensed adult day care, and 5% for personal assistance services.
- **State funds provide supplemental payments to SSI recipients.** PA, like 35 other states, provides optional state funding to persons receiving federal Supplemental Security Income and living in domiciliary care and licensed personal care homes. Approximately 12,000 individuals in personal care and domiciliary care receive the \$394.30 monthly supplement, at a cost of about \$57 million.
- **PA's nursing facility census has been declining, but occupancy rates have remained at 90 percent.** Since the mid-1990s, PA nursing facility census and beds have declined (about 7% and 5%, respectively), but admissions and discharges have increased (about 20 percent). The intensity of care required by nursing facility residents has also increased substantially. These trends reflect the evolution of nursing facilities and their temporary use following hospitalization.
- **Commonwealth programs differ in the training and supervision requirements of “hands on” staff.** Personal care home and agency-employed workers must participate in training programs and undergo and pass a criminal background check. However, under the PDA waiver, consumers can select their own “personal assistance” worker. Such workers are not required to be similarly trained or undergo a criminal background check. Their care is not supervised by nurses, even though such consumers must have needs sufficient to qualify for 24-hour nursing and medical care to participate in the waiver.
- **The increase in the Commonwealth's population of persons 85 and older will moderate through 2020.** Between 1990 and 2004, the Commonwealth's 85+ population grew by 83%. Over the next 15 years, this age group will increase by only an additional 13%. This slow-down, combined with medical advances and other factors, may help moderate the rate of increase in the cost of long term care during this period.

Recommendations:

- **DPW and PDA should gather additional data to facilitate planning.** Relatively little is known about the medical and functional needs of persons receiving community long term care services in PA. Such information is necessary to assess the types and costs of programs that might be needed in the future. PDA has contracted for a new computer system that should begin to provide at least some of this information.
- **DPW and PDA should review current safeguards for PDA waiver services.** Many clients receiving PDA waiver services are vulnerable to abuse. Current policies that allow services to be provided by workers who do not take part in training programs or undergo criminal background checks should be reviewed.