

National Governors Association

Medicaid , LTC & DRA

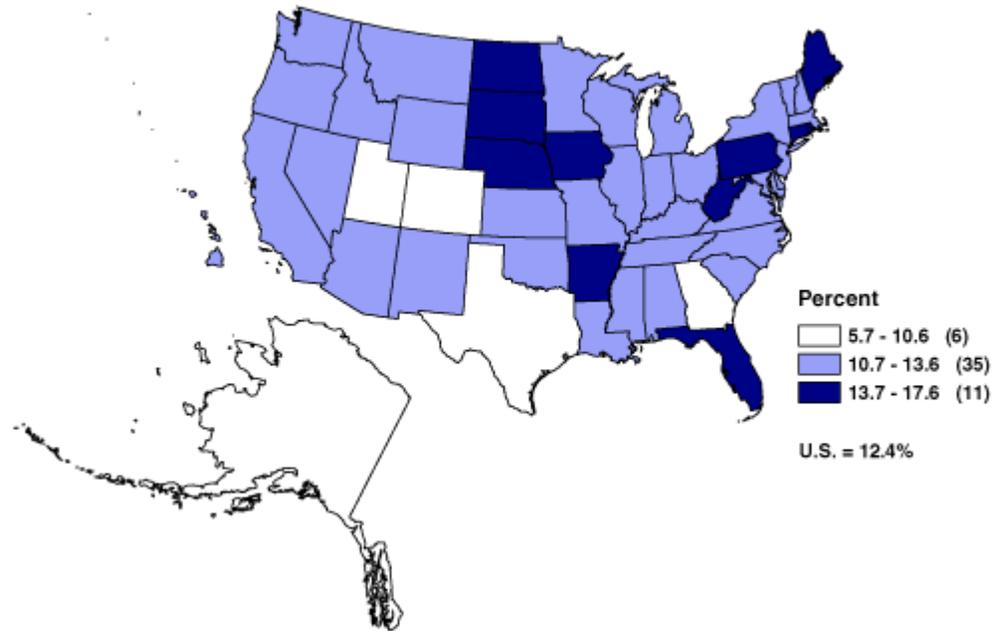
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Introduction

- National Governors Association
- NGA Center for Best Practices

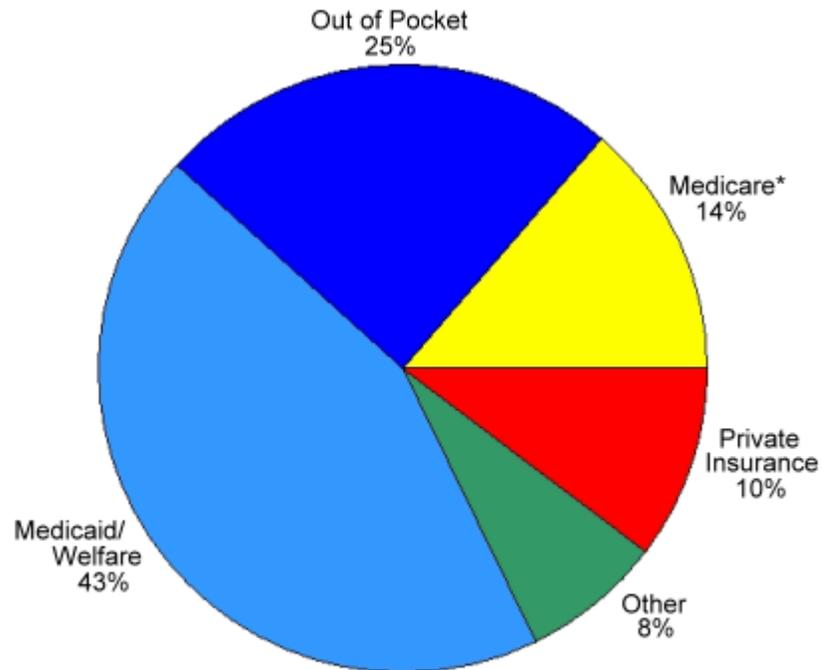
What the US population looks like now -

Percent of Total Population Age 65 or Older 2000
United States



Source: USDC, Bureau of the Census, Census of Population and Housing [2000 SF1]
Prepared by: University Outreach and Extension, Office of Social and Economic Data Analysis - (OSED)
Map Generated on 9.27.02

Who pays?



*Medicare provided skilled home care and short-term care following a hospital stay
Data Source: Department of Health and Human Services, 2001

Paying for Long Term Care

- Medicaid
- Out of Pocket
- Medicare
- Private Insurance
- Other

Activities to Assist States

- Partner to Educate Consumers on the costs of Long Term Care
- Researching into Reverse Mortgage and Long Term Care Insurance options
- Helping states to plan for cost impacts now

DRA 2005 Provisions

- State Long Term Care Insurance Partnerships
- Expansion of Home and Community Based Services without a waiver
- Money Follows the Person demonstration
- Cash and Counseling

State Long Term Care Insurance Partnerships

- Four States
 - California
 - Connecticut
 - Indiana
 - New York
- Follow up states

Expansion of Home and Community Based Services without a waiver

- No longer necessary to use a waiver
- State Plan Amendments

Consumer Self Direction

- Money Follows the Person demonstration
- Cash and Counseling

Medicaid Reform

- Some states are beginning to reform Medicaid, such as
 - Idaho
 - Kentucky
 - Vermont
 - And others

Long-Term Care – “Sticks”

- Requires applicants to declare all annuities; states may deny eligibility based on generated income
- Changes “look back” period from three to five years for transfer of assets.
- Penalty begins at time of application, not transfer

Long-Term Care – “Sticks” cont.

- Excludes home equity to \$500,000 or \$750,000 at state option for determining eligibility
- Mandatory changes states must adopt

Next Step: Implementation

- Favorable implementation is critical to maximize benefits of new reforms.
- CMS guidance – formal and informal.
- State implementation once finalized.

Outlook for Medicaid Reform

- President's Fiscal Year 2007 Budget includes more than \$12 billion (over 5 years) in savings from regulatory proposals
- Administration's Medicaid Commission
- Long-term reform
- Broader health system reform

Concluding Thoughts

Timing of Projects – i.e. Long Term Care Awareness Campaign (7/14/06), release of RFA around aging and chronic disease yesterday by AoA (8/16/06).

Blending Funding

Waiting, but Preparing

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