



The Changing Patterns of Long-Term Services and Supports Use in Washington State

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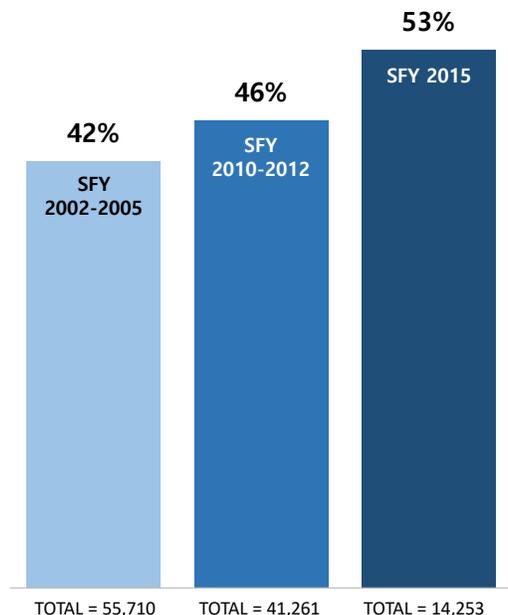
Report to the DSHS Aging and Long-Term Support Administration

MEDICAID IS THE PRIMARY PAYER FOR LONG-TERM SERVICES AND SUPPORTS (LTSS) for people who experience difficulty living independently and completing daily self-care activities as a result of cognitive disabilities or physical impairments (1). Medicaid LTSS services are delivered to persons living in their own home, in institutional settings (nursing facilities), and in community residential settings including adult family homes and assisted living facilities. Nursing facility services are mandatory under Medicaid, whereas most home- and community-based services (HCBS) are optional. As a result, states' LTSS spending has been historically weighted towards institutional care. However, over the past few decades states have worked to rebalance LTSS spending towards HCBS services, and Washington State has been a leader in this effort. In this policy brief, we examine changing patterns of LTSS use in Washington State, including client demographics, duration of use of Medicaid-paid LTSS services, and client transitions between LTSS service modalities.

Key Findings

- Compared to earlier cohorts, more clients are now starting their LTSS service experience receiving in-home care, rather than nursing facility services, and
- Compared to earlier cohorts, fewer clients now starting their LTSS service experience in HCBS settings transition to nursing facility care, and a higher proportion of clients starting their LTSS service experience in a nursing facility setting now transition to HCBS settings.
- Recent cohorts of new LTSS clients are more diverse in race/ethnicity.
- A higher proportion of new LTSS clients are age 55 to 74, and a lower proportion are 75 or above.
- Most clients currently receiving Medicaid-paid LTSS services have received more than 36 months of LTSS services in their lifetime. About 1 in 5 clients currently receiving Medicaid-paid LTSS services have to date received no more than 12 months of LTSS services.

FIGURE 1.
More Clients Are Beginning LTSS Services with In-Home Care



Methods

Study Population: People who started an episode of LTSS services were defined as those who received in-home personal care, adult residential care, adult family home, assisted living, or nursing home services paid for by the Aging and Long-Term Supports Administration of DSHS. Clients were categorized into three mutually exclusive groups based on their initial LTSS service modality:

- In-home personal care services,
- Community residential services (adult family home, assisted living, or adult residential care services), or
- Nursing home services.

Three cohorts (SFY 2002-2005, SFY 2010-2012, and SFY 2015) were analyzed to examine changes in demography and in initial LTSS service modality over time. We excluded persons who received any LTSS services in the prior fiscal year to ensure a consistent “initial service episode” definition across all cohorts.

To understand patterns of long-term service use for persons just starting to receive LTSS services, the cohort starting a new LTSS episode in the SFY 2002-2005 period was followed prospectively through June 2015. In addition, to understand the duration of prior LTSS service use for persons currently receiving Medicaid-paid LTSS services, we looked retrospectively at prior LTSS service use back to July 2000 for the cohort of LTSS service recipients in SFY 2014 and SFY 2015.

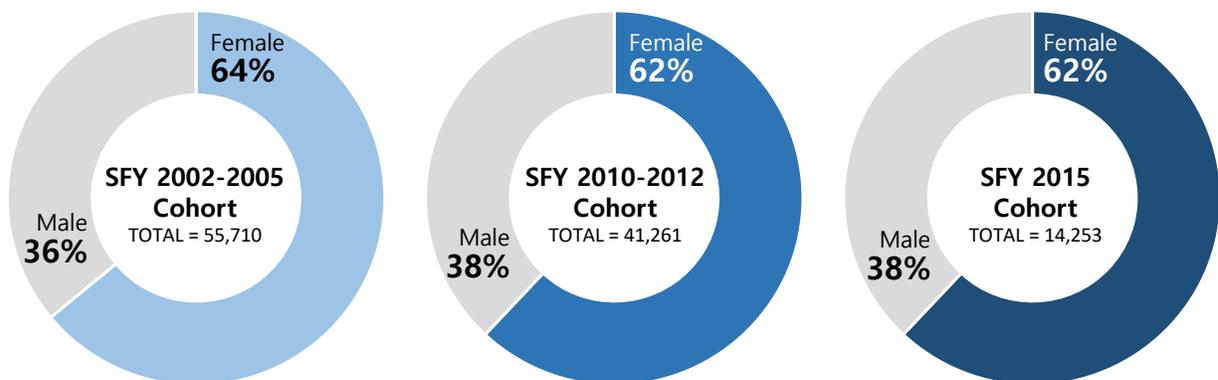
Results

Demographic Characteristics of LTSS Clients Over Time

Over time, the gender balance of LTSS recipients has remained relatively stable. Although the female proportion of LTSS clients slightly decreased from 64 percent in the SFY 2002-2005 to 62 percent in the SFY 2015, the majority of LTSS clients in Washington continue to be female.

FIGURE 2.

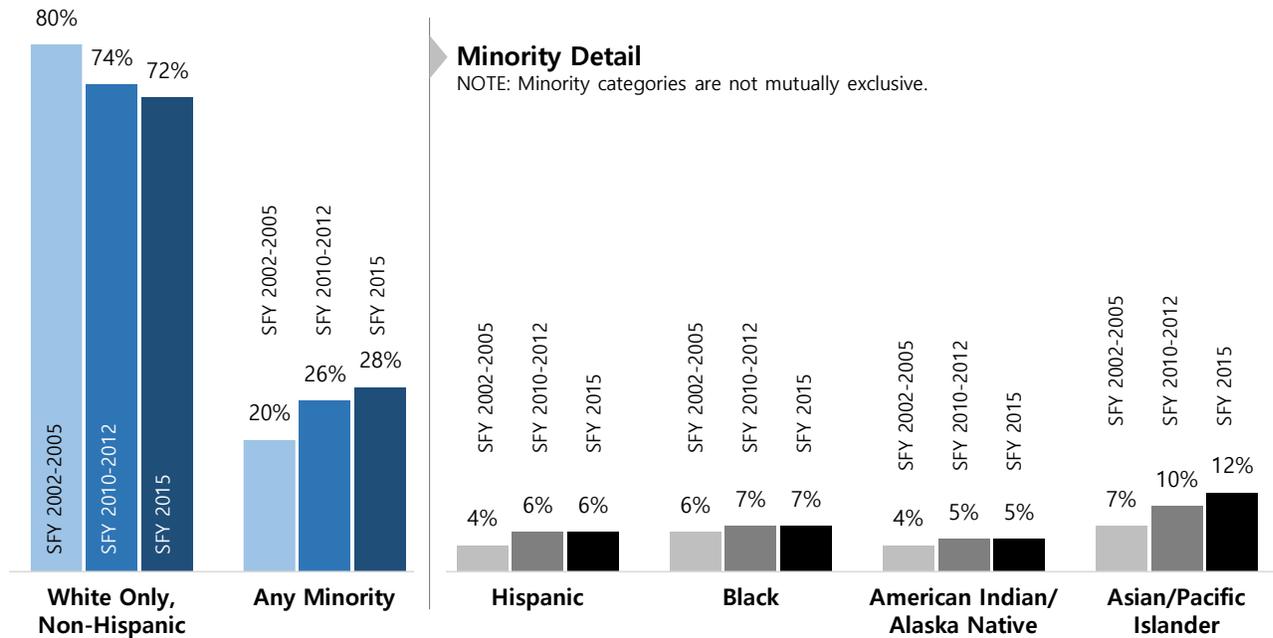
Gender Distribution of LTSS Clients Has Remained Relatively Stable Over Time



The LTSS client population is growing more racially and ethnically diverse. The proportion of clients of minority background increased from 20 percent in the SFY 2002-2005 cohort to 28 percent in the SFY 2015 cohort. The largest increase has been among the Asian/Pacific Islander group.

FIGURE 3.

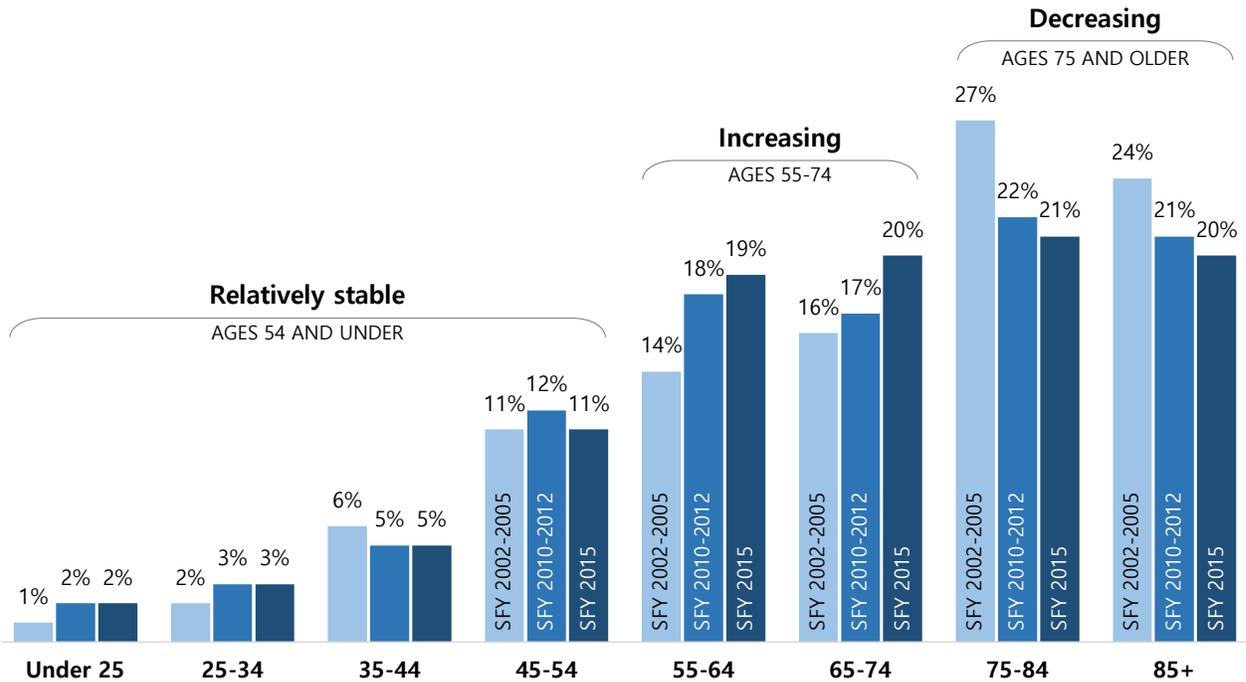
Diversity of LTSS Clients Has Increased Over Time



Most clients start to receive LTSS services at the age of 65 or older. From SFY 2002-2005 to SFY 2015, the proportion of clients age 55 to 74 increased from 30 percent to 39 percent, while the share of clients age 75 and older decreased from 51 percent to 41 percent. The proportion of clients age 54 and younger remained relatively stable over time.

FIGURE 4.

Age at First Use of LTSS Services Has Decreased Over Time



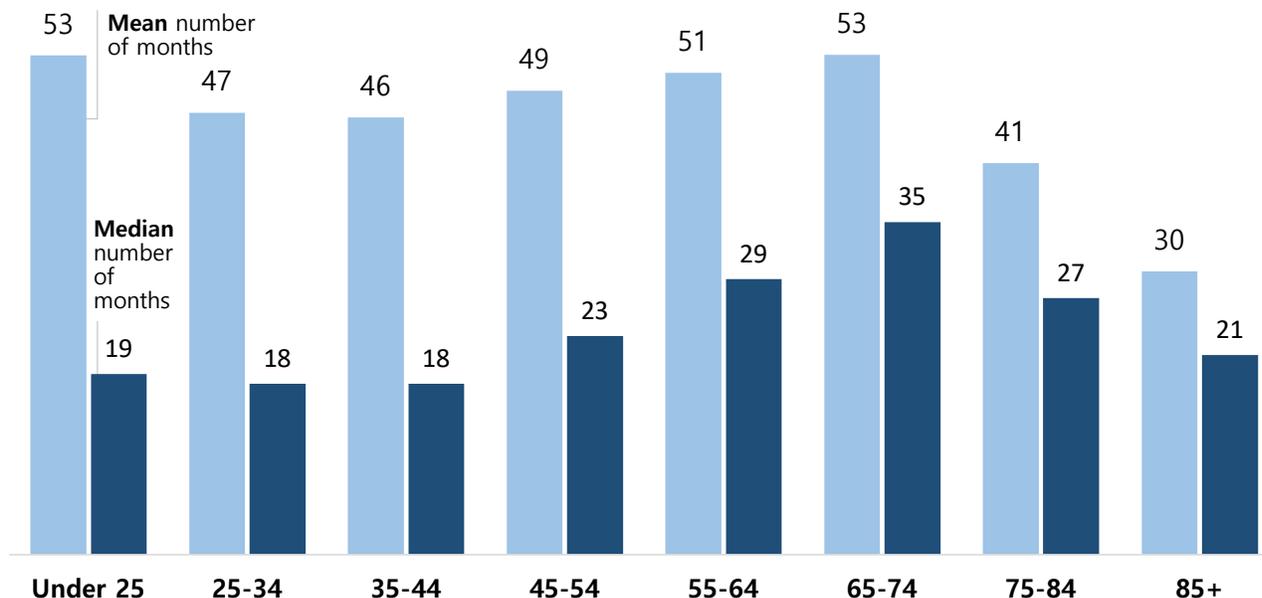
Duration of Use of LTSS Services

The average duration of use of LTSS services varies by the age of first use. Clients starting LTSS services when they are under the age of 25 or age 65 to 74 have the longest duration of use of Medicaid-paid LTSS services (average of 53 months). Although people age 75 and older are more likely to need LTSS services, they on average, use LTSS services for a shorter period of time. The average duration of LTSS service receipt was 41 months and 30 months for clients starting LTSS services when they were age 75 to 84 and 85 and older, respectively.

FIGURE 5.

Duration of Use of LTSS Varies with Age at First Use

SFY 2002-2005 Cohort—Months of LTSS services used through June 2015, by age at first use



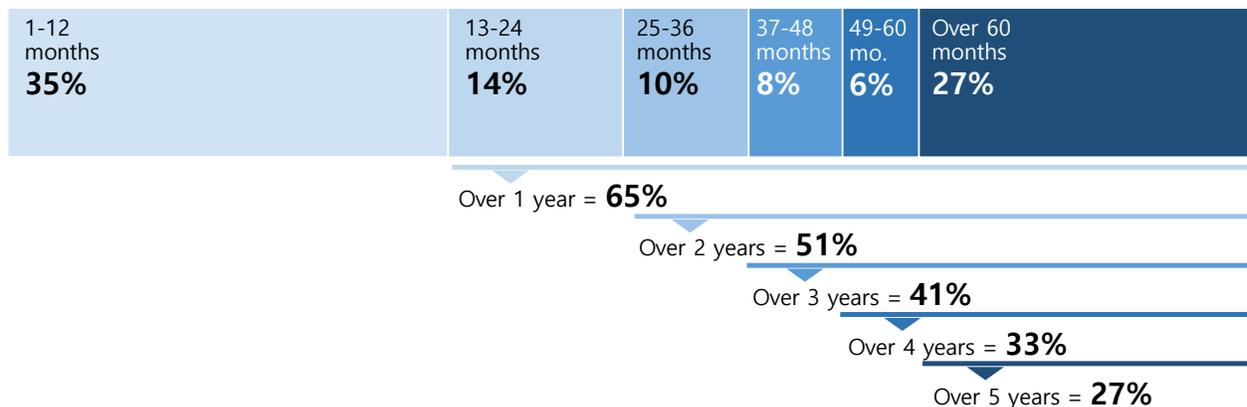
NOTE: 121-168 months of potential follow-up time.

Figure 6 shows that about one third of LTSS clients who started LTSS services in SFY 2002-2005 used LTSS services for no more than 12 months. About half of LTSS clients received services for more than 2 years. The proportion of clients receiving LTSS services for 3 years or more was 41 percent.

FIGURE 6.

A Substantial Percent of Clients Use LTSS for an Extended Period of Time

Distribution of LTSS recipients (SFY 2002-2005) by number of months of service use

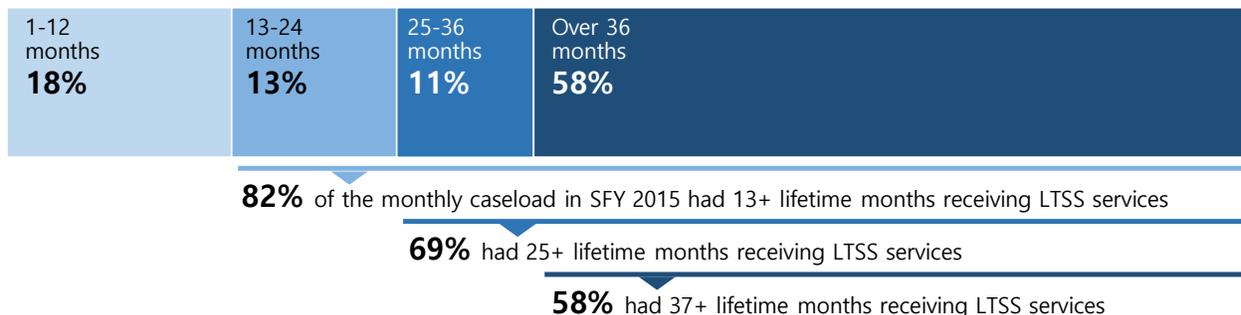


Compared to a prospective cohort of new entrants to LTSS services, the current LTSS caseload is comprised of a higher proportion of people who have used LTSS services for longer periods of time. Notably, more than half (58 percent) of the SFY 2014-2015 LTSS service population used LTSS services for more than 36 months over the period of measurement extending back to SFY 2001. This reflects a general empirical relationship between “new entrant” and “current caseload” cohorts that is not specific to LTSS services, and does not imply that current new entrants to LTSS services will have a longer duration of LTSS service use than earlier cohorts of new entrants to LTSS services.

FIGURE 7.

A High Proportion of the Current LTSS Caseload Uses LTSS for More than 36 Months

Distribution of SFY 2014-2015 monthly LTSS caseload by cumulative months receiving LTSS services



NOTE: Includes use of in-home personal care, community residential, and nursing home services.

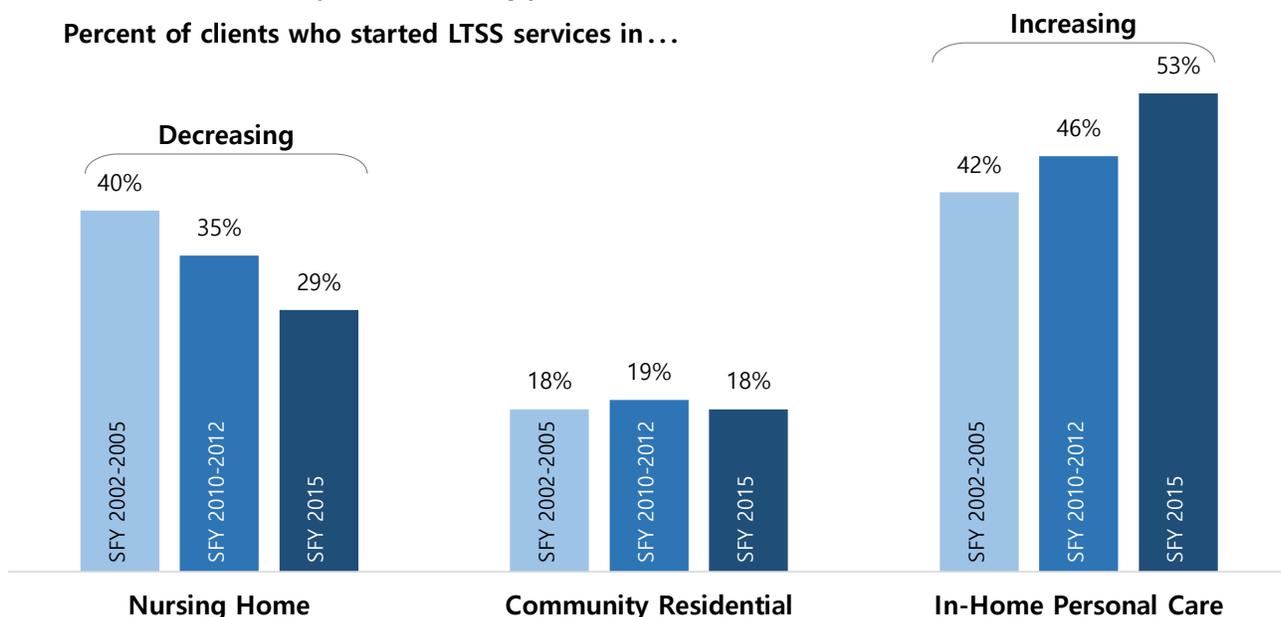
Initial Service Modality

Initial service modality continues to shift away from nursing home care to in-home personal care. In the SFY 2002-2005 cohort, 42 percent of clients who started to receive LTSS service received in-home personal care. That share increased to 53 percent in the SFY 2015 cohort. During the same period of time, the proportion of clients starting LTSS services in nursing home care decreased from 40 percent to 29 percent. The proportion of clients starting LTSS in community residential services has remained relatively stable over time.

FIGURE 8.

Initial Service Modality is Increasingly In-Home Personal Care

Percent of clients who started LTSS services in...



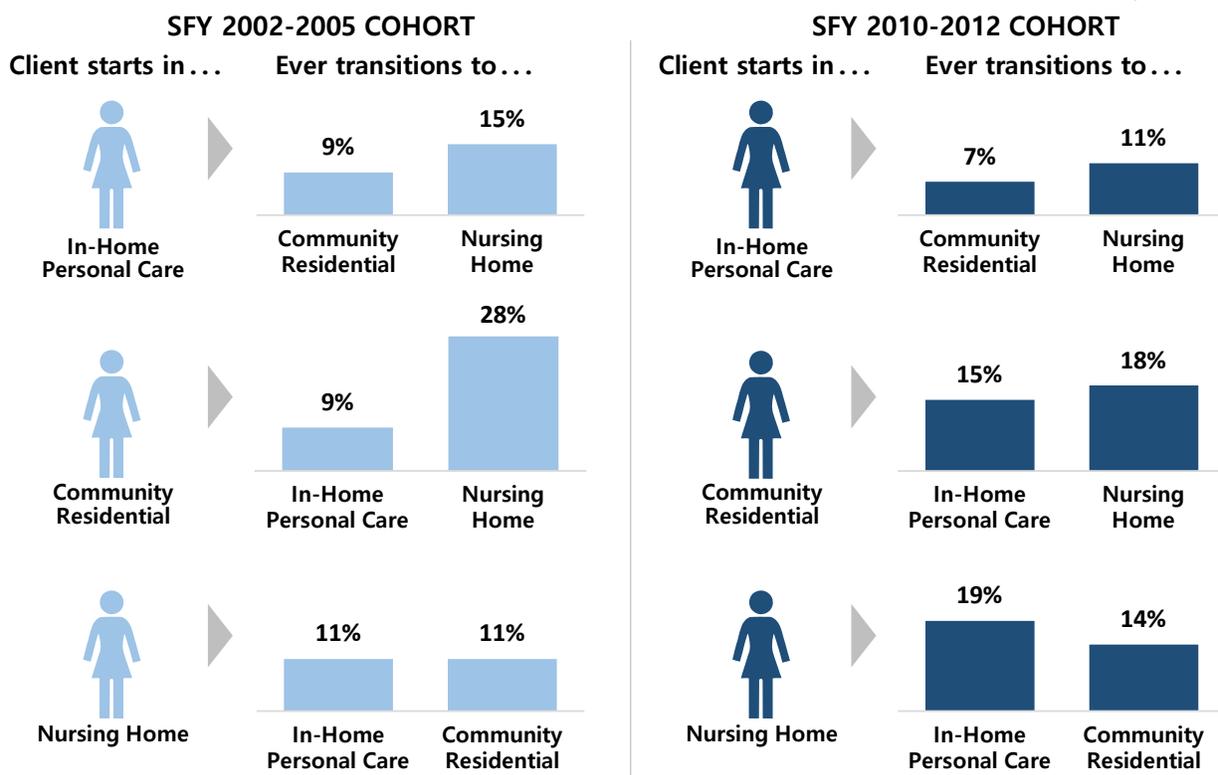
Transitions Between LTSS Service Modalities

Compared to the clients who started with in-home personal care or community residential care in SFY 2002-2005, clients who started to receive in-home personal care or community residential care in SFY 2010-2012 were less likely to transition to nursing homes during the 3-year follow-up period. In the SFY 2002-2005 cohort, 28 percent of clients who started to use community residential care had a nursing home stay within the following 3 years. That proportion dropped to 18 percent in the SFY 2010-2012 cohort. In contrast, clients who first used nursing home care in SFY 2010-2012 were more likely to transition to in-home personal care (19 percent vs 11 percent) and community residential care (14 percent vs 11 percent), relative to those receiving nursing home care in SFY 2002-2005.

FIGURE 9.

HCBS Clients are Now Less Likely to Transition to Nursing Homes

Transitions between LTSS service modalities for SFY 2002-2005 and SFY 2010-2012 cohorts, 36-month follow-up window



Discussion

The increase in the proportion of LTSS clients age 55 to 74 is a consequence of the aging of the baby boomers (those born between 1946 and 1964). As baby boomers continue to age into older adulthood (2), considerable growth in the number of people who will need LTSS is expected in the coming decades. According to 2012 estimates, among people age 65 and over, an estimated 70 percent will use LTSS, and people age 85 and over are four times more likely to need LTSS compared to people age 65 to 84 (3,4). An effective system of LTSS is essential to meet the challenges associated with the aging of the baby boom generation.

As with the general population in Washington state, LTSS clients are growing more racially and ethnically diverse, which may have important implications for future LTSS service planning. For example, race and ethnicity may define groups of individuals that share common sociocultural factors (e.g., family structures or preferences regarding living arrangement).

Our findings show the effects of long-term rebalancing of LTSS service use away from institutional nursing facility care, and towards HCBS services. In the SFY 2015 cohort, the majority of clients started LTSS services through home- and community-based services. Compared to earlier cohorts, recent clients starting in HCBS care were less likely to transition to nursing homes. On the other hand, more recent clients who started LTSS services in nursing home care were more likely to transition to in-home personal care or community residential care.

Washington State has a long record of success in providing HCBS services to older adults and persons with physical disabilities. Presumptive eligibility through fast-track processes, and the CARE assessment tool have allowed caseworkers to expedite access to in-home and residential services to clients (5). In 2007, Washington State was awarded a federal Money Follows the Person Demonstration for a “Roads to Community Living” project to help move nursing home residents to the community (6). The state is continuing to make more progress toward rebalancing LTSS spending. The newly approved 1115 Medicaid Transformation Waiver will broaden the array of LTSS service options that may enable individuals to stay at home and delay or avoid the need for more intensive care (7). Looking forward, continuing to ensure access to high quality care for those receiving LTSS—especially home and community-based care—will likely require ongoing innovation in an increasingly challenging budget environment.

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