

Testimony of
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Impact of Aging Baby Boomers in Pennsylvania
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Thank you Chairperson Mundy, Rep. Henessey and members of the committee for giving me the opportunity to present testimony this morning. I am the executive director of the Pennsylvania Homecare Association, a trade association representing 400 providers that deliver in-home medical, personal and end-of-life care to nearly 190,000 older and disabled Pennsylvanians on any given week.

I applaud the previous speakers who spoke at your last session. Each of them provided you with thoughtful suggestions on how we can harness the experience and knowledge of our older citizens and provide them with adequate care and support. From Harris Wofford's comments on welcoming retirees back to the workforce and Stuart Shapiro's message on shared responsibility for financing long-term care to AARP's emphasis on the opportunity our growing aging population presents, rather than its financial drain; are all perspectives we can agree with – the aging demographic is both a challenge and an opportunity.

Baby boomers possess an abundance of knowledge and experience; but this group will also face age-related illnesses. Government must address both issues: how to harness the great resource of older Pennsylvanians AND how to keep them healthy and living at home -- if we are committed to what Hubert Humphrey said decades ago:

The morale test of a government is how it treats those who are at the dawn of life, the children; those who are in the twilight of life, the aged; and those who are in the shadow of life, the sick and needy, and handicapped.

I would like to focus my remarks this morning on keeping people healthy and at home so they can continue to be independent, and actively participate in their communities. To accomplish this, our approaches to health and long-term care will need to change significantly to better reflect what consumers want and need.

Today's healthcare system is reactionary, inflexible, constraining and consumer un-friendly. We need a complete paradigm shift, which will be aggressively driven by our emerging baby boomers who will demand nothing less.

We must create a healthcare system that focuses more on prevention; and has the consumer and family at its center. This system will be built on: **consumer empowerment, chronic care management, technology and an emphasis on wellness and prevention.** I'd like to discuss each of these:

Consumer, Consumer Consumer

Consumers – YOU & Me. We want it our way and it's the baby boomers in particular that are going to drive this change. Today, boomers are seeing first-hand how the healthcare system responds to their aging parents. In fact, more than 50 percent of 60-year olds in this country have surviving parents. This experience with their parents is forcing them to look into the crystal ball of their future and I can assure you -- they don't like what they see. They see the barriers and rules that don't make sense and the frenzied confusion as they try to navigate the systems of Medicare and Medicaid.

Yes, we have made some progress here in Pennsylvania to alleviate some of those barriers, but we have a very long way to go. Despite the fact that 90 percent of Americans want to remain in their own home as they age, our focus on long-term care remains "reactionary." Pennsylvania's nursing home transition program, while successful, is a perfect example. Rather than keeping people at home and preventing admissions to nursing facilities, our state's efforts have been after the fact... allowing an individual to go into a nursing and then trying to transition them out. Wouldn't our efforts be better spent preventing their admission in the first place?

The Aging Waiver program does just that – it provides needed services to help the person remain at home for as long as possible. It has been heralded by state officials to be a win-win for both government and consumers. Consumers who prefer to remain at home can receive assistance and government wins because in-home care is much cheaper than institutional care. In fact, the Governor has said on numerous occasions that we can serve two older persons at home for the cost of serving one in a nursing facility. Medical Assistance reimburses \$55,892 for one year of nursing facility care and \$22,775 for one year of home and community-based care.

I'd like to tell you about a consumer in western Pennsylvania who is receiving care under the Aging Waiver program:

Mr. Blackstone has been a waiver consumer for three years. That means he has been assessed and found to be eligible for Medical Assistance and his condition would warrant his admission to a nursing home, but he wants to remain at home. He is quite debilitated and cannot be left alone. The homecare agency provides an aide, four hours a day, seven days a week. The aide helps him bathe, groom and get dressed. She also assists his elderly wife with laundry and grocery shopping. The agency receives \$15/hour or \$60 a day and for the last three years has received \$65,520 in Medicaid reimbursement. If we did not have the Aging waiver, Mr. Blackstone would have gone into a nursing home at a cost of \$167,676 for three years.

Despite this savings, the state has slashed the number of individuals receiving in-home care over the last two years and as a result the waiver allocation has been under spent by more than \$76 million. Cases like Mr. Blackstone have become the exception, not the rule under the state's care plan review process. Now, for \$60 a day, Mr. Blackstone's case would have to be reviewed by a regional consultant before services could be authorized. These restrictions and narrowing of eligibility that were implemented two years ago have had a dramatic impact on this program – a program that represents the type of services baby boomers will demand.

To many senior citizens like Mr. Blackstone, personal care is essential to helping him and his wife remain at home. As baby boomers begin to age, they too, will demand these types of services, brought to them and designed around their unique needs – in the comfort of their own

home. Here are three other solutions that would recognize the needs of the consumer and bring about a balance in our long-term care system:

- Add personal care to our state Medicaid plan. Pennsylvania should join the 30 other states already providing this type of care, which has proven to help people remain at home.
- Allow presumptive eligibility for homecare as we do for nursing home care. It can take weeks before a person can receive homecare. But in a matter of hours a hospital discharge planner can have a person placed in a nursing home.
- Entitle homecare, just as we now do nursing home care. It is cost effective. By allowing individuals who want in-home services to spend-down for Medicaid eligibility, both our system and consumers will benefit.

Role of Technology

If we are to continue down the path of independence and consumer-focused care, the use of technology is a main ingredient for our success. Technology's role not only addresses the critical workforce shortage that exists to care for individuals as they age; it is also a critical tool for both family and professional caregivers.

Here is where Pennsylvania is a leader. According to a University of Pittsburgh study, there are more than 7,000 telemonitoring units already in people's homes today in Pennsylvania. Thanks to three Congressional appropriations to our association, we have been able to provide seed money to help home health agencies purchase this equipment that monitors vital signs. Studies have shown that telemonitoring improves patient outcomes, detects problems before a visit to the ER is needed and promotes self-management.

Motion sensors and medication dispensers are other forms of technology now being used but will become common place in the next 5-10 years. The Quietcare system, developed by Drexel University professors, allows a family caregiver who might be three hours away, to log on to the internet each morning and see when their mother got out of bed and opened the refrigerator to prepare her breakfast.

At Carnegie Mellon and the University of Pittsburgh, scientists are looking at "Guido" an intelligent walker that provides navigation assistance for people who need a mobility aid and can adapt to the personal needs of the individual. Once again, technology is helping a person to remain active and part of the community.

But it is not just the consumer that demands our attention; it's the family too. The average female baby boomer will spend 17 years caring for a child and 18 years caring for an elderly parent. In fact, Georgetown University reports that 78 percent of all adults receiving long-term care at home rely exclusively on unpaid help and another 14 percent rely on both paid and unpaid help.

Government must do all it can to support this critical informal support system. Representative Mundy and this committee's support of the Family Caregiver program is a great first step. But we must also look at tax credits for family caregivers similar to our child care credits. With long-term care costs increasing, it makes good financial sense to support family caregivers as they strive to keep their parent home.

Chronic Care Management

Another issue that will impact the independence of our aging baby boomers is chronic conditions. Fifty percent of Americans in the 55-64 age group currently have high blood pressure and two in five are obese. While we acknowledge that there is absolutely a new look to 65, 70 and 85 year olds, the impact of chronic conditions holds true today and into the future.

Again, the good news is that the whole field of chronic care management is being revisited. Governor Rendell has addressed this in his Prescription for Pennsylvania and he has established the Chronic Care Commission to look at ways our state can address this issue that significantly impacts healthcare costs.

A team approach has proven successful in managing chronic illnesses and should be replicated. Carnegie Mellon conducted a study with Blue Shield of California to examine the impact of "patient-centered management" on 700 patients with chronic conditions. PCM includes a team approach consisting of healthcare professionals, including home health, hospice and social workers. The study results showed that there was a 38 percent decrease in hospital admissions, a 30 percent decrease in ER visits and a savings of \$18,000 per patient. But the most significant result was a 22 percent increase in homecare utilization.

The goal of home health care is to help the consumer recover and live independently at home. We assess, treat and teach. In fact, CMS judges home health agencies on how well they keep people out of the hospital. Pennsylvania's home health agencies are above the national average with 75 percent of our patients NOT returning to the hospital.

Thank you for this opportunity to present a glimpse of challenges that baby boomers will face as they try to remain active and at home. Mike Hall, deputy secretary for long-term living, has said on numerous occasions that the marketplace will demand many of these changes I have discussed. He says; trust the market and the consumers will tell us what they need. Consumers have done just that and they've waited long enough. It's time to put these services in place.