

# Talking Points for Expanding Pennsylvania's Home and Community Care OPTIONS

**Legislators should use the unprecedented Lottery Fund surplus to expand home and community care programs by \$45 million in the 2006-07 state budget, including:**

- **Increasing the state's OPTIONS Program by \$30 million.**
- **Allocating an additional \$8 million for senior center operations.**
- **Increasing funding for transportation services by \$5 million.**
- **Providing \$2 million for training home health care workers.**

## **Here's Why Expanding Home and Community Care Programs Is Important *Right Now*:**

*Pennsylvania faces a gathering storm caring for the health and well-being of our older population.*

- PA is the nation's third oldest state, according to census data.
- PA's fastest growing age group is 85+, who are most likely to require some form of care.
- Medicaid spending for PA seniors consumes an increasing portion of the overall state budget.

*Pennsylvania's long-term care system has not kept pace with what seniors want.*

*According to an AARP survey:*

- 43% would prefer to receive care at home with a nurse or personal care aide.
- 36% would prefer to live in an apartment-like location with supports.
- 8% would prefer to receive care at home with family or friend providing all support.
- 5% would prefer to live a nursing facility.

*How care for older Pennsylvanians is actually delivered does not reflect seniors' preferences.*

- 70.5% of 2003 Pennsylvania Medicaid spending for senior services went to nursing facilities, well above the national average of 53%.

*Nor does it reflect the most efficient use of taxpayer dollars.*

- PA Medicaid nursing home expenditures have risen more than \$400 million from 2002-2006
- Number of nursing home residents in PA dropped 6.1% from 1998-2003.
- Home and community care programs represented only 20.7% of the 2003 state Medicaid budget for seniors, well below national average of 33%.

*Home and community care programs are an increasingly popular alternative to nursing homes.*

*Experts agree that PA must increase spending for home and community care.*

- Although the number of PA seniors receiving state assistance for home and community care has risen dramatically over the past few years, the Commonwealth still ranks among the bottom 10 states in support for home and community care programs.
- Even a recent study released by the PA Health Care Association, an organization representing nursing facilities, called for increasing home and community-based care spending by at least 5% annually just to keep nursing home bed use constant.

*PA currently enjoys a unique opportunity to better balance programs serving older residents by combining the new Medicare prescription drug program and PACE/PACENET.*

- The Lottery Fund currently operates with an unprecedented \$400 million surplus.
- Expected legislative approval of the PACE/ Medicare Part D wraparound legislation (SB1188) will generate additional Lottery Fund savings of as much as \$190 million annually.

*Governor Rendell currently has directed the full PACE/Medicare Part D savings to the long-term care portion of the state's 2006-2007 Medicaid budget. Such a plan preserves the status quo, and further funds nursing home care at the expense of home and community care programs.*

- Nursing facilities require adequate funding to care for their residents, improve facilities and cope with the increasing costs of health care.
- The Governor's proposal prevents Pennsylvania from modernizing our long-term care system.

*Older Pennsylvanians above Medicaid income limits also need assistance with home and community care programs. Pennsylvania's OPTIONS program represents an underfunded resource that provides home and community care programs to seniors not eligible for Medicaid.*

- Modest state investment delays Medicaid enrollment for seniors.
- Currently serves 75,000 older Pennsylvanians not eligible for Medicaid.
- Program has waiting lists in many counties across the Commonwealth.
- Total spending was \$60 million in 2005-2006.

*Increasing the OPTIONS program by just \$30 million.*

- Provides in-home care to more seniors above Medicaid limits.
- Eliminates waiting lists in many counties.
- Expands the number of seniors served by an estimated 30,000.
- Allows seniors to remain in the community.

*Senior Centers represent another crucial component of the home and community care funding equation. More than 650 senior centers help over 135,000 older Pennsylvanians stay active and productive by supplying a wide range of health and wellness activities.*

- Senior centers have not received a funding increase for years.
- Senior Centers require an additional \$8 million increase to sustain daily operations.
- Up to one-third of any additional funding should be used for Capital Assistance Grants to improve and upgrade facilities.

*Skyrocketing gasoline prices threaten restrict transportation services for many older Pennsylvanians.*

- Increasing transportation service funding by \$5 million will allow home and community care programs to maintain current service levels.

*Expansions of home and community care programs for both Medicaid and non-Medicaid patients will generate new employment and training requirements.*

- Providing \$2 million for training of home health care workers will ensure seniors receive skilled care from knowledgeable professionals.

*Organizations serving PA seniors want legislators to pass SB 1188 and use the Lottery Fund windfall to expand programs that help older residents find cost-effective alternatives to nursing home care.*