



Medicaid Long Term Care Spending in New York

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Outline

- **Define LTC as two components of Medicaid**
- **Medicaid spending and recent growth**
- **Mainstream LTC residential and home-based services**
- **Comparing New York to other states**

Define LTC as two components of Medicaid

Medicaid beneficiaries who rely on long term care

Mainstream LTC

- Frail elderly
- Elderly with cognitive impairments
- Physically disabled adults and children

Specialized LTC

- Individuals with mental retardation
- Individuals with developmental disabilities
- Long-term mental health inpatients

Medicaid beneficiaries using long term care services

Mainstream LTC

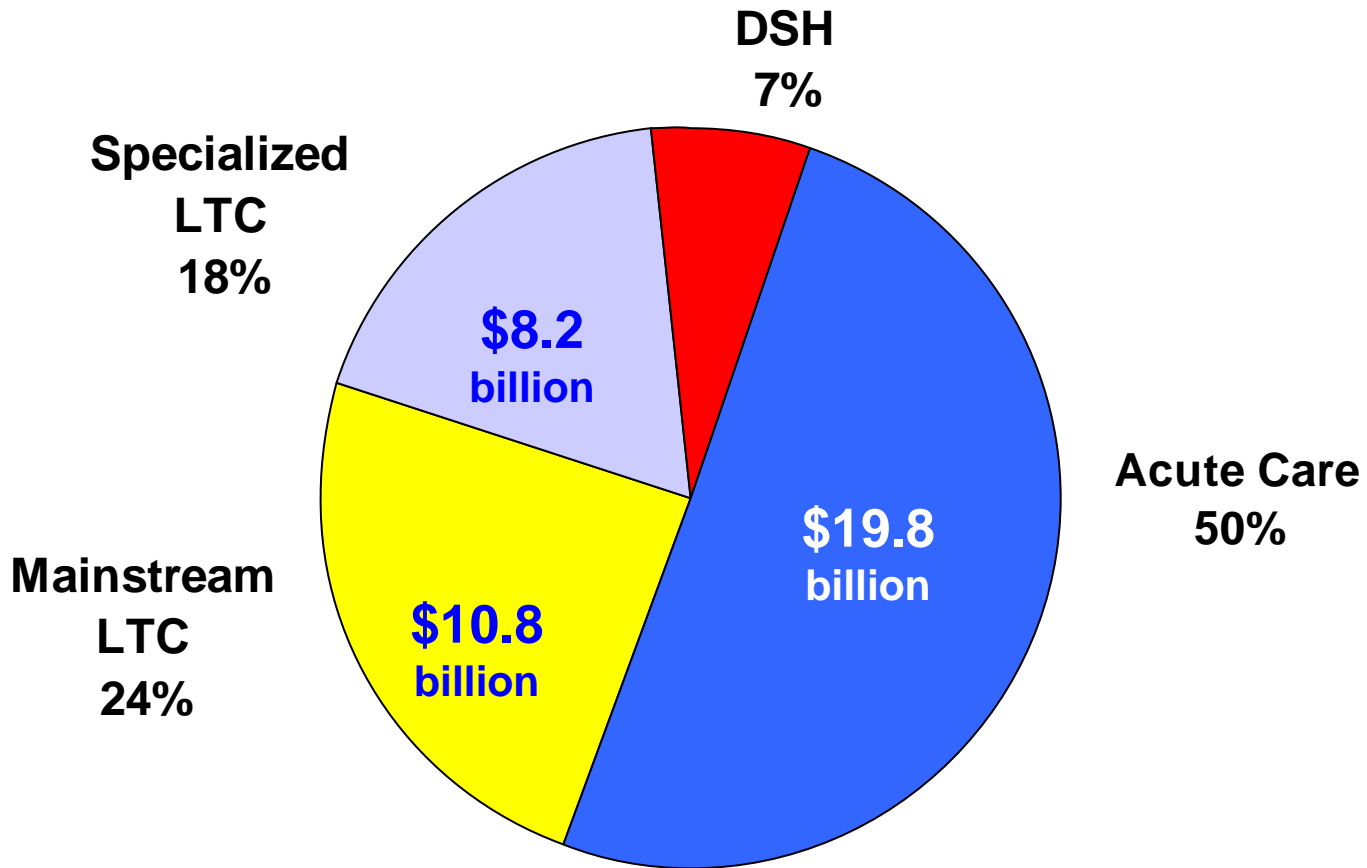
- **Skilled nursing facilities:** 147,000 residents/patients
- **Home health services:** 176,000 recipients
- **Personal care:** 102,000 recipients

Specialized LTC

- **Intermediate care facilities:** 10,000 residents
- **Home/community services:** 50,000 recipients
- **Psychiatric hospitals:** 10,000 residents

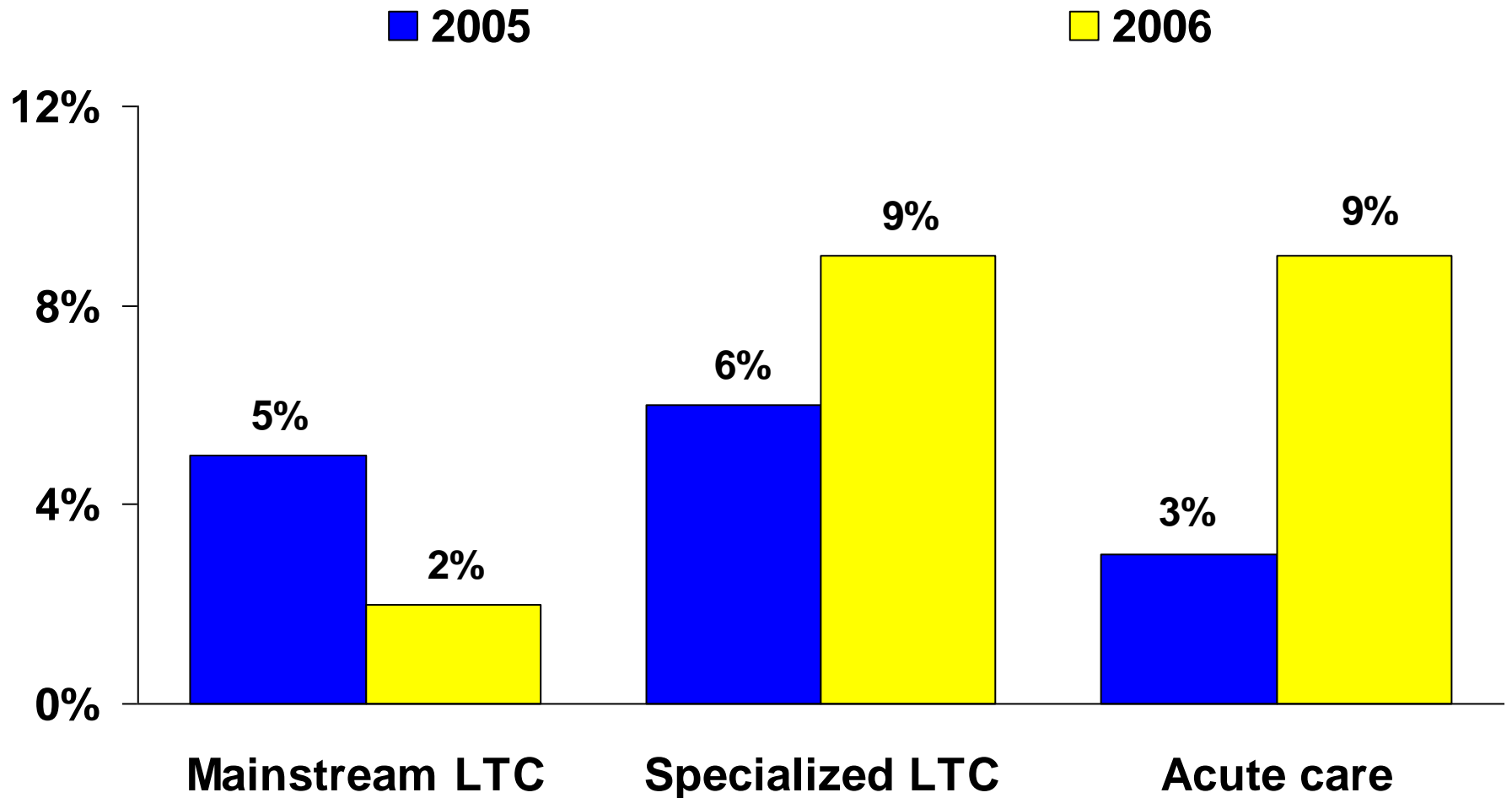
Medicaid spending and recent growth

Medicaid spending in New York

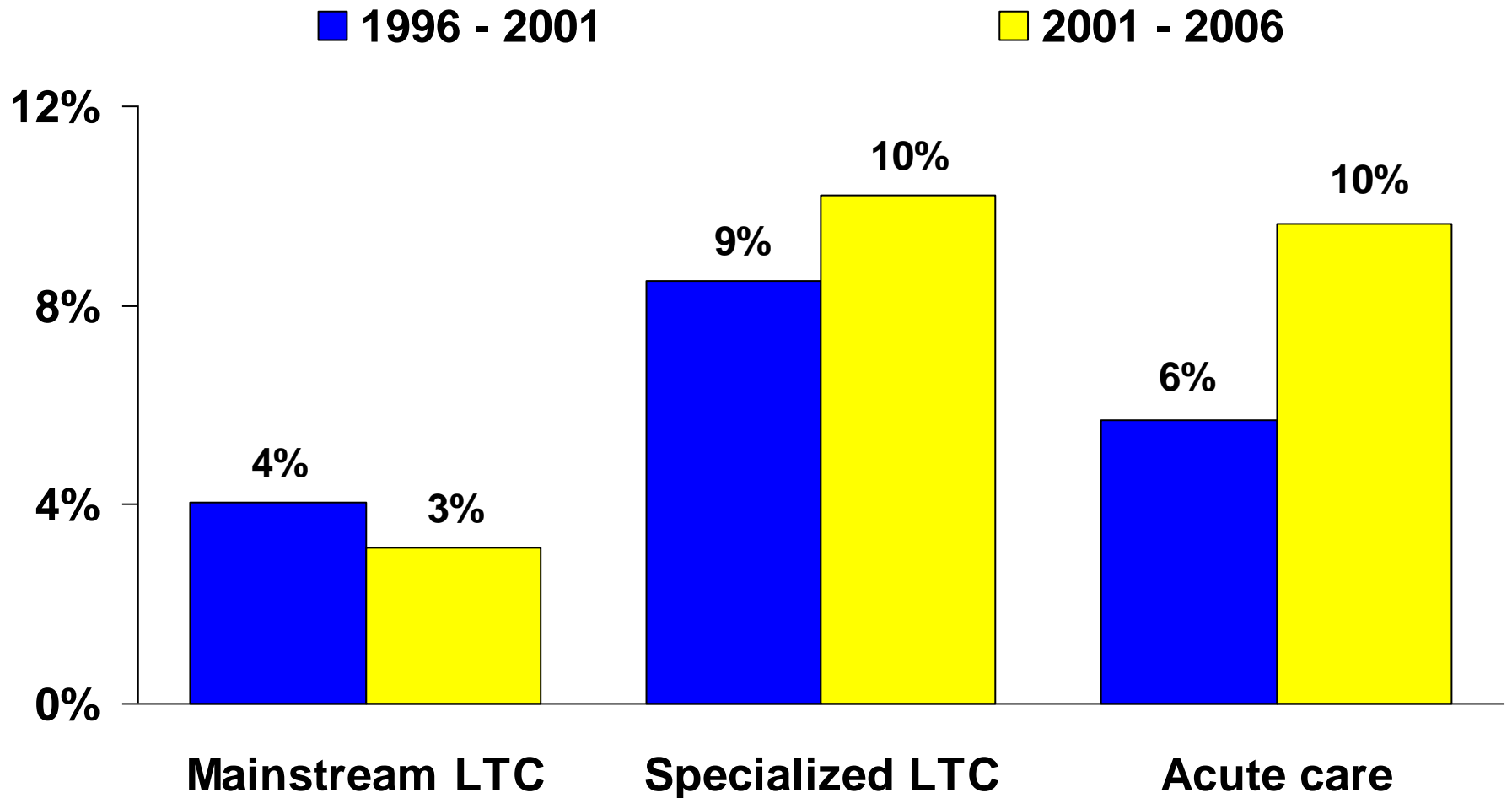


\$44.7 billion in 2006

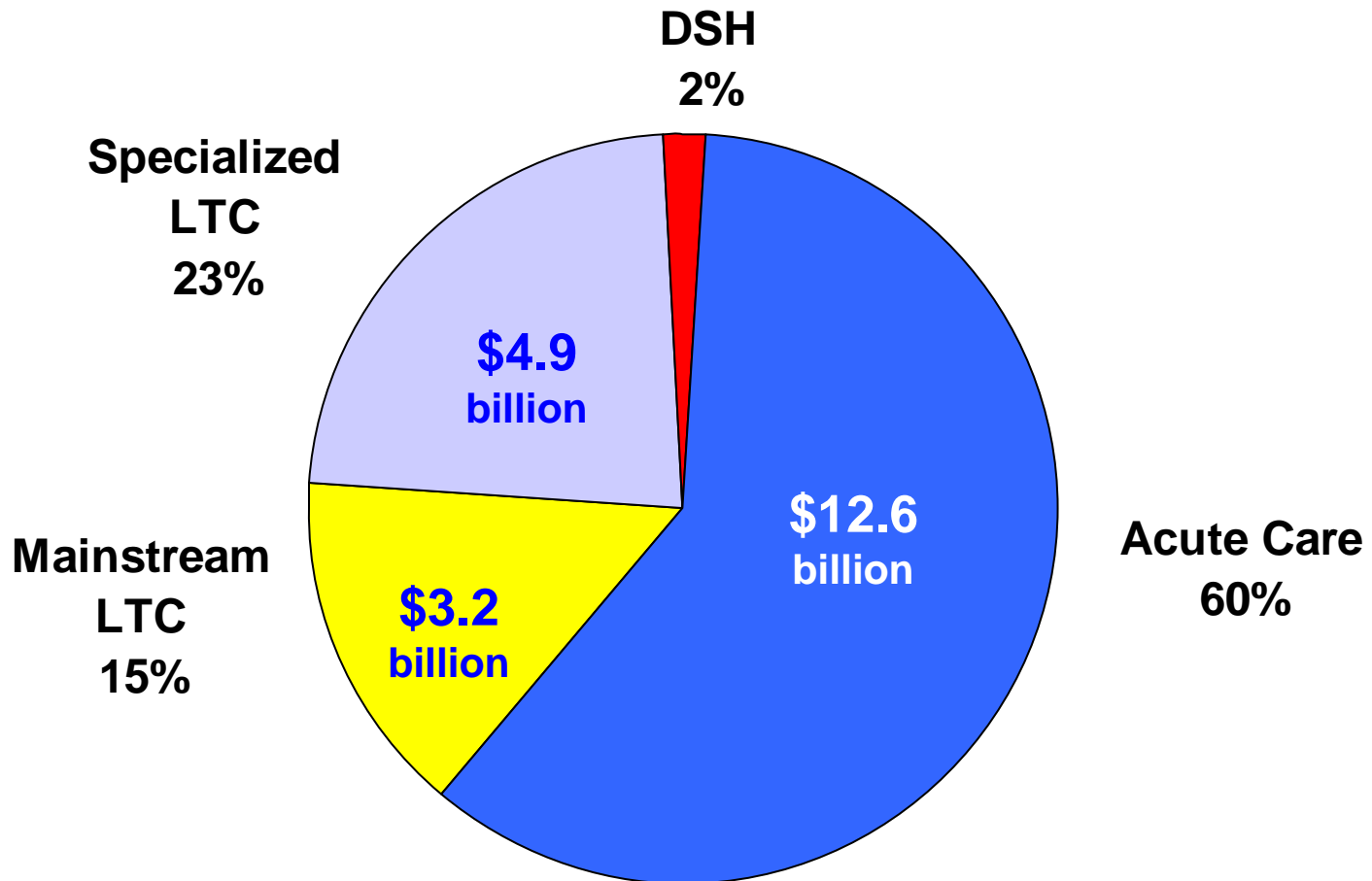
Medicaid spending growth in 2005 and 2006



Medicaid spending growth over 10 years



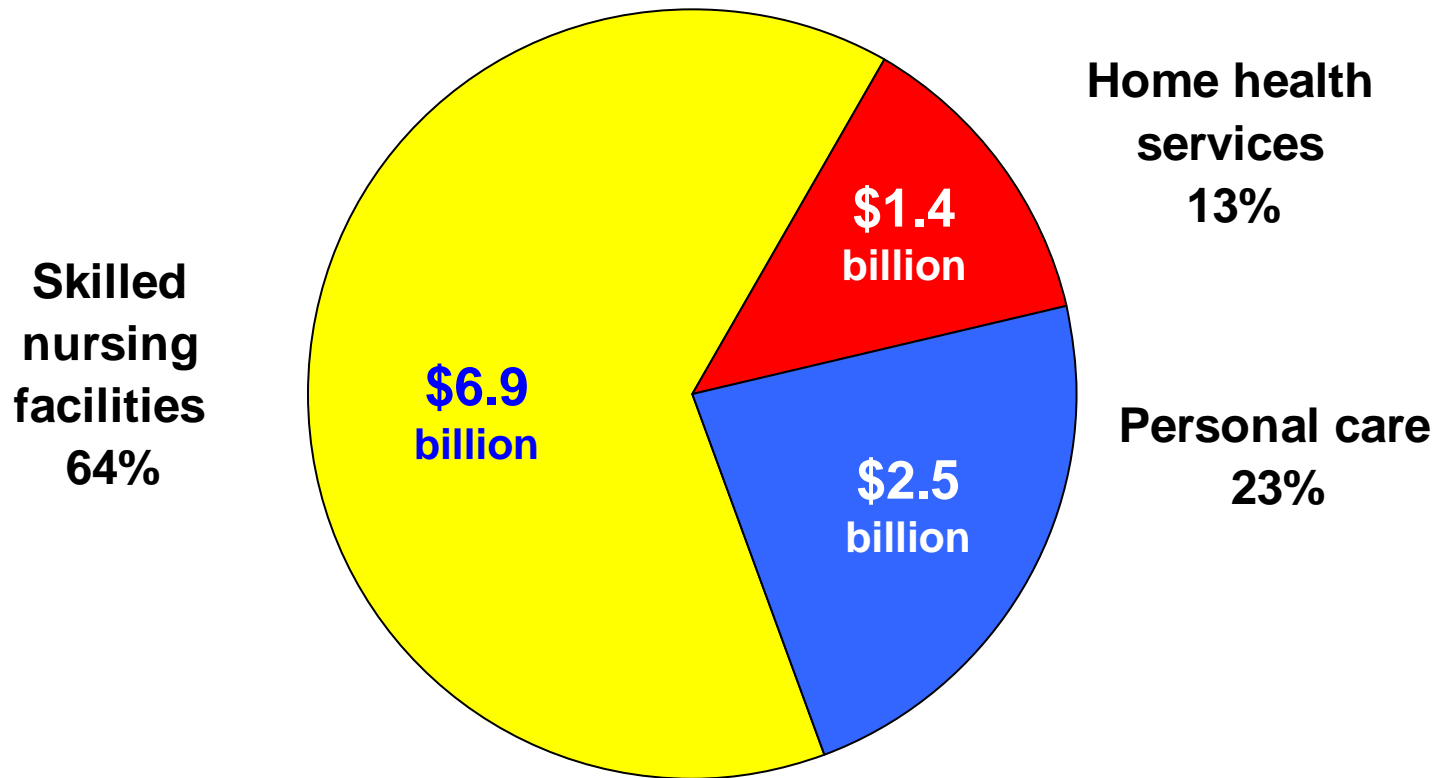
Increase in Medicaid spending over ten years



\$21.1 billion (adjusted) increase: 1996 - 2006

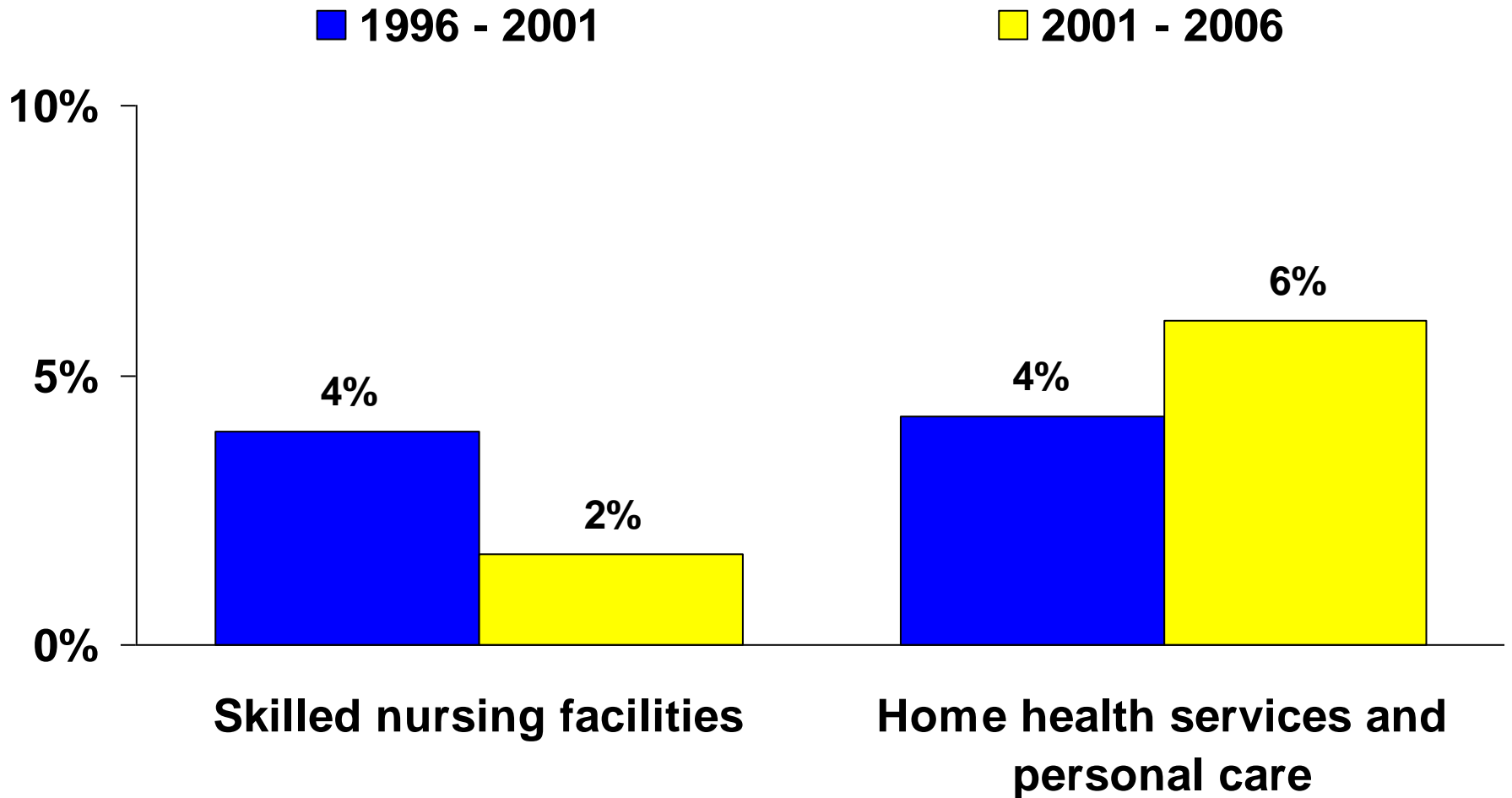
Mainstream LTC residential and home-based services

Medicaid mainstream LTC spending in New York



\$10.8 billion in 2006

Medicaid spending growth over 10 years: residential and home-based LTC



Several factors will limit Medicaid savings from moving patients from nursing homes into their homes.

- **Only a small share of nursing home residents can be moved.**
- **Complex LTC needs are costly to address in both settings.**
- **There is regional variation in the availability and cost of home-based services.**

Comparing New York to other states

Differences in Medicaid LTC spending across states are challenging to interpret.

- **How many residents receive LTC?**
 - Demographics
 - Eligibility

- **How much LTC do they receive?**
 - Open-ended commitment to services?
 - Workforce availability

- **Price of services**
 - Wage levels
 - Land and capital costs

- **Role of Medicaid**
 - Other state-only and county-based programs
 - Compliance with Supreme Court ruling (Olmstead) on federal law (ADA)

Example: home health services in Florida

“Marlon [Barrera, age 23] can barely move, and he breathes with the assistance of a ventilator....

“Doctors [at the hospital] say the young man is now stable enough to be discharged. They want to return him to his mother’s Little Havana house, with a portable breathing machine and regular visits from a skilled nurse.

“But officials with the [Florida] Department of Children & Families... insist Barrera go instead to a nursing home at perhaps double the cost, while he becomes one of more than 3,000 Floridians on a waiting list for home-based healthcare.

“Floridians who wish to be treated in their own home invariably are put on a waiting list, sometimes for years or decades.”

Miami Herald, April 10, 2006

Example: Medicaid waiting lists in Texas

How many elderly and physically disabled Medicaid beneficiaries are on waiting lists for home and community-based services?

In New York: 0

In Texas: 70,987

Takeaways

- **Mainstream LTC accounts for a quarter of New York's Medicaid spending.**
- **Mainstream LTC spending has grown slower than spending on other major components of Medicaid.**
- **Spending on home health and personal care has grown faster recently, but nursing homes account for most mainstream LTC spending.**
- **Comparing New York to other states is complicated.**