AMERICAN SENIORS HOUSING ASSOCIATION
Living Longer Better

ASHA's Tax Counsel Participates in Milken Institute Event on Long Term Care Financing and Delivery

The Milken Institute's Center for the Future of Aging on Oct. 14 hosted an "Innovations Lab" about Long-Term Care Financing and Delivery.

These events are intended to bring together a diverse group of stakeholders to devise new business models and policy recommendations. The event involved about 40 diverse stakeholders, including Juniper Communities CEO Lynne Katzmann; NIC's Bob Kramer; and ASHA tax counsel Randy Hardock.

Based stakeholder interviews conducted over more than the past year, the Institute produced an analysis of potential ways to remove current barriers to affordable LTC financing and service delivery. The purpose of the lab was to identify and prioritize the potential paths forward. Not surprisingly, there was general agreement that dealing with the problems of LTC financing and delivery would require actions on a number of fronts. However, the goal of this lab was to identify two or three potential approaches that would be the subject of more intense study and working sessions with the goal of producing a report that details the possible solutions and implementation plans.

Although this was a diverse group, the discussion prioritized two general areas for further study:

- *Access to Better Integrated Health and Home Care:* There was general agreement that the U.S. health system does not reward integrated, coordinated service and care delivery between traditional health care and LTC. Better integration of health care and home care (and the transitions between the two) would improve outcomes and cut costs. In particular, the discussion focused on the need for further exploration and expansion of the ability of Medicare Advantage plans to provide non-medical services to the chronically ill. Similarly, there was strong interest in financing prevention, not just intervention in and moving generally toward a capitated financing model and away from uncoordinated fee-for-service financing. There was also general agreement on benefits of ramping up funding for certain successful pilot programs that integrate various types of care and services (e.g., PACE and CAPABLE), including through the use of tax-exempt bonds. There was also discussion of the need to ensure that "home care" needed to be broadly defined to refer to all types of non-institutional care, as appropriate for the needs of the individual and that integrated care would also lead to better incentives to implement new, more efficient, technologies.

- *Coordination of Public and Private Financing of LTC Costs:* Although the advantages of an integrated care model were seen to provide immediate benefits, there was also strong sentiment that we not lose sight of the fact that current financial resources are not adequate to meet the need (and that this problem is only getting worse). There appeared to be a general consensus on the need for a larger public role, especially in connection with the lower income population (e.g., Medicare and Medicaid expansion), but also that avenues should be explored for better preparing the middle market from future LTC costs (e.g., through better tax rules and more attractive private insurance products). Moreover, there was considerable discussion of the need to coordinate these public and private roles so that individuals would know how to plan.