



## New Hampshire's Long Term Services & Supports System: Recommendations for Meeting the Needs of an Aging Population

### Introduction

There have never been as many older residents in our state as there are today, and this number will only increase. Based on the 2010 United States Census, New Hampshire has the fourth oldest population in the nation. With a median age of 41.1 years, only Maine (42.7 years), Vermont (41.5 years), and West Virginia (41.3 years) are older. From 2000 to 2010, New Hampshire's population over the age of 65 increased from 12% to 12.8%, bringing its national ranking in this category up from 42<sup>nd</sup> to 20<sup>th</sup>. The Granite State is slated to have unprecedented growth in its number of older adults. By 2030, it is estimated that the number of New Hampshire residents 65 and older will have increased 138% and the population over the age of 85 - the group most likely to experience some type of disability or chronic health condition - will have grown by 146%.

While there has been significant focus on the impact that aging baby boomers (those born between 1946 and 1964) are having on Medicare and Social Security, little attention has been paid to the challenges an increasingly older population poses to our system of Long Term Services and Supports (LTSS)<sup>1</sup>. For purposes of this paper we refer to LTSS as a broad array of publicly and privately funded supportive medical, personal, and social services needed when a person's ability to care for themselves is limited due to a chronic illness, disability, or frailty. A rapidly aging populace presents critical public policy issues for New Hampshire and inevitably will put increased

pressure on State agencies, communities, and local providers. Over the next 25 years New Hampshire will most certainly face an unparalleled demand for LTSS and the time to begin addressing this issue is *now*.

In the fall of 2012, the Center on Aging and Community Living (CACL) at UNH, with funding from the New Hampshire Endowment for Health, convened a series of meetings with key stakeholders to consider the future of New Hampshire's system of Long Term Services and Supports. This paper summarizes that work.

In response to mounting concerns about the impact of an aging population on our state, the New Hampshire Center for Public Policy Studies (NHCPPS) produced two reports - *New Hampshire's Silver Tsunami: Aging and the Health Care System*<sup>2</sup> and *Aging and the Public Long Term Care System*.<sup>3</sup> These reports frame the issues that New Hampshire is facing as it confronts the challenge of meeting the needs of an increasingly older population.

Published in September of 2011, *New Hampshire's Silver Tsunami: Aging and the Health Care System* presents an analysis of how the increasing number of older adults will reshape the way New Hampshire pays for and delivers health care and projects costs for meeting future health care needs. The paper provoked significant discussion about the need for New Hampshire's health care system to ramp up in order to respond to this changing demographic. The report, however, did not

address the implications of an aging population on our system of Long Term Services and Supports.

The Center on Aging and Community Living, in collaboration with the NH Department of Health and Human Services, and with funding from the US Administration on Aging, commissioned the NHCPPS to complete a similar study projecting costs within the public LTSS system in New Hampshire. This report, *Aging and the Public Long Term Care System*, published in November of 2012, reviews the degree to which an aging population could potentially affect State spending for LTSS and considers how to support New Hampshire citizens to remain in their communities as they age.

**The report's major findings include:**

- **Demand for long term care services will increase significantly** - Assuming that New Hampshire residents over the age of 65 who are eligible for the state's Medicaid program in 2020 will use services at the same rate as their counterparts did in 2011, the number of individuals participating in the program will increase slightly more than 30 percent over the next decade.
- **Long term care spending will rise steadily** - Annual increases of 4 percent spending for long term care are projected over the next 10 years; when an inflation factor is included, this projection comes in even higher at slightly more than 7 percent. This projected increase in spending far exceeds historic growth in State revenues and raises questions about the financial sustainability of New Hampshire's long term care system.
- **Focus on expanding home and community based care** – Projections based on expanding the availability of home and community based care services indicate substantial savings relative to increased reliance on nursing home services. However, these savings assume there is an investment in developing the capacity of

home and community based services to meet New Hampshire's growing demand for long term care.

- **Meeting the needs of aging population will require a unified effort** – New Hampshire's older adults receive supports and services from a wide range of organizations including among others, the State's Bureau of Elderly and Adult Services, ServiceLink Aging and Disability Resource Centers, community-based agencies, nursing facilities, the New Hampshire Housing Finance Authority, and New Hampshire Legal Services. Organizations serving New Hampshire's older adults independently track service data, develop strategic plans, and identify priorities for meeting the needs of this population. However, there is little coordinated effort to develop a comprehensive approach for serving this population. There has not been an assessment of how public sector services for older adults are, or should be, integrated across the LTSS system. The report concluded that a unified vision of LTSS across providers, policy makers, consumers, and payers would be an important first step to addressing this issue.
- **There is significant geographic variation in the way New Hampshire communities are aging** - Northern counties are aging more rapidly than southern counties, and southeastern communities are younger than southwestern communities. These variations are the result of a complex set of factors, including in-migration of older retirees, aging in place of older residents, and out-migration of younger families. These factors vary across communities in NH and suggest that the needs of an aging population will differ across the state and "one size fits all" solutions will not work.

## Starting a Conversation

In an effort to develop a unified approach for meeting the needs of New Hampshire's aging population, the UNH Center on Aging and Community Living brought together representatives from AARP New Hampshire, the State Committee on Aging, EngAGING NH, and the New Hampshire Bureau of Elderly and Adult Services. The group began with a review of the findings presented in the New Hampshire Center for Public Policy Studies' reports. They identified further research questions, engaged in solution-based discussions, and committed to developing a coordinated response to address the impending crisis in New Hampshire's LTSS system.

With financial support from the New Hampshire Endowment for Health, the convening group hosted stakeholder sessions to explore the public policy issues associated with LTSS. The intent of these sessions was to:

- Identify those factors influencing the future of the LTSS system in New Hampshire
- Consider how to integrate the components of the public LTSS system
- Outline the policy implications related to the public LTSS system
- Propose policy solutions for improving New Hampshire's system for LTSS.

The convening group held two stakeholder sessions with State agency staff, service providers, advocates, community members, and consumers. The purpose of these sessions was to look at the challenges to providing quality LTSS from different perspectives, share insights, and generate potential solutions for meeting the needs of New Hampshire's aging population. The ideas and information generated in these sessions were used to develop recommendations to be presented to New Hampshire Legislators.

## Moving Forward

In the two stakeholder sessions, participants reviewed the issues raised by the NHCPPS's report, *Aging and the Public Long Term Care System*, and engaged in discussions about what they viewed as the implications for the future of LTSS in New Hampshire. Moving forward, stakeholders recommended the following:

- Develop regionally-based solutions to address the regional differences in the need for LTSS
- Adopt a person-centered focus for planning and providing LTSS
- Consider the needs of persons with disabilities and non-Medicaid populations in developing LTSS
- Provide education and outreach to consumers, communities, providers, State agencies, and legislators about the challenges posed by an aging population and the options for improving LTSS
- Bring together providers, payers, policy makers, and consumers to create a unified vision for LTSS
- Increase and enhance the supports available for family caregivers
- Assure that the voice of persons who need long term services and supports, as well as their family caregivers, is included in policy and program development

### Develop Regionally-Based Solutions

The aging of New Hampshire's population varies significantly from county to county. For example, Carroll County is projected to have the highest percentage of residents over the age of 65, primarily due to retirees moving into the region. This presents a very different picture from Coos County, which also is on target to see a sharp increase in its over 65 population, but due to the out-migration of younger families and an increase in the number of older adults aging in place. Similarly, poverty rates for older adults vary by region, with higher rates found

in the more rural parts of the state. A regional approach will be required to adequately address the long term care needs of New Hampshire's older residents.

### Adopt a Person-Centered Focus

The complex nature of aging and the diverse needs of those seeking long term care call for solutions that are multi-faceted and individualized. Limited resources, rigid funding structures, and a silo service structure all present challenges to developing a responsive LTSS system. Adopting a person-centered approach to planning and delivering services is an effective way to meet the increased demands for long term care. Successful person-centered approaches support informed decision-making, creative problem solving, and effective utilization of natural supports and community resources. A person-centered focus includes negotiated service agreements that are designed to meet the unique needs of the individual.<sup>4</sup> This approach not only offers the most personalized care, it also has the potential to be the most cost effective method for providing LTSS.

### Include All Populations

In stakeholder sessions, participants expressed concern that policies and programs developed in response to expanding the New Hampshire's LTSS system not be limited to addressing the needs of Medicaid recipients. The State should also take into consideration the needs of individuals who do not qualify for publicly funded services, but whose personal resources are not sufficient to cover the cost of needed care. Policy solutions should encompass the entire population of persons in need of Long Term Services and Supports, and include services and support that can help prevent or delay the need for more costly long-term care services.

### Provide Education and Outreach

Providing community outreach and public education about practices for healthy aging and options for LTSS is a sound investment. Outreach should target a range of audiences including older adults, family members, community members,

service providers, State agency staff, policy makers, and legislators. An effective public education campaign would promote wellness and provide information about home and community based options for LTSS. The campaign should emphasize the following:

- A positive perspective on aging
- The valuable contributions and positive roles of older adults
- The importance of a community response to address issues associated with aging
- Recognition that older adults need access to community resources, caregiver supports, social services, as well as good medical care
- Promotion of community-based prevention and wellness programs

### Create a Unified Vision

Stakeholders acknowledged that New Hampshire needs a unified vision for its LTSS system and a plan to implement that vision. The Bureau of Elderly Adult Services' State Plan on Aging can provide a framework for articulating this vision. In addition, the New Hampshire Department of Health and Human Service, through the Balancing Incentive Program and the State Innovation Model, has the resources to bring stakeholders together to set a vision for a quality system of LTSS. Stakeholders recommended that a unified vision include the following elements:

- Identification of long term care options available through State agencies, the private sector, and the community
- A focus on prevention and wellness
- A plan to support family caregivers
- A holistic approach to LTSS (expanding the focus beyond health care)
- Integration of acute and long term care services
- A coordinated approach for planning and delivering LTSS

## Enhance Support for Family Caregivers

While the spotlight has been on the service system, the lion's share of long term supports are provided by informal family caregivers. A family caregiver is anyone who provides regular, unpaid care for a spouse, parent, relative, partner, or friend. Supporting these caregivers with services such as respite care, home modifications, and education and support; is cost-effective, helps to delay or prevent nursing home placement, and saves taxpayer dollars. With family caregivers providing 80% of long term care<sup>5</sup>, a commitment to supporting these caregivers should be a critical component of any LTSS system.

## Payment Mechanisms

Payment for LTSS is drawn from a complex array of funding sources, each with its own eligibility criteria. In addition, a significant number of individuals receiving services and/or their families privately pay for LTSS. The *Kaiser Commission Report on Medicaid and the Uninsured* found that in 2004, 28% of nursing home costs and 23% of long term care costs were funded out of pocket. More importantly, 36% of long term care costs are offset by informal caregiving.<sup>6</sup> Funding issues that should be considered in planning for New Hampshire's LTSS system include:

- Adequate reimbursement rates for home and community based services, as well as nursing home care
- State and county funding formulas for LTSS
- Incentives for individuals to purchase long term care insurance and develop health savings plans
- Availability and funding for a workforce, both direct care and professional staff, that can meet the growing need for LTSS
- Impact of Medicaid Managed Care
- Cost of care for the private pay market
- Financial implications of family caregiving

## Getting Out the Message

Advocacy efforts within the aging community have lagged far behind efforts in the disability

community. As a result, New Hampshire is poorly positioned to respond to the growing needs of its aging population. Policy makers, service providers, and the general public need better information, more resources, and effective strategies for providing support if New Hampshire is to move towards a more effective LTSS system. The work done by the New Hampshire Center for Public Policy Studies on this issue, along with input from key stakeholders, can help inform public policy moving forward.

In addressing aging issues with elected representatives or presenting information to the general public, it is important to have a consistent, strong message about how to meet the needs of New Hampshire's aging population. Stakeholders recommended that this message include the following key points:

- All New Hampshire residents should have the supports they need to age with purpose and dignity.
- New Hampshire needs a strong public policy that addresses the needs of older adults. Responsibility for developing this policy should not be limited to the Department of Health and Human Services, but include leadership and coordination from departments across State government.
- We need to do a better job promoting the benefits of aging and sharing the positive contributions of older adults.
- Support for family caregivers needs to be expanded and enhanced across the lifespan.
- We need to work towards creating strong, inclusive communities where all residents, regardless of age or disability, enjoy a high quality of life.

In January 2013, a joint meeting was held with the House Committee on Health and Human Services and the House Committee on Finance. Steve Norton, Executive Director of the New Hampshire Center for Public Policy Studies presented findings from his report, *Aging and the Public Long Term Care System*. Following this



presentation, Susan Fox, Co-Director for the UNH Center on Aging and Community Living, presented the recommendations for LTSS system reform that emerged from the work of the convening group and the stakeholder sessions. A summary of these recommendations follows.

## Conclusions & Recommendations

New Hampshire must act now to develop a plan for meeting the needs of an increasingly older population. The NHCPPS' report, *Aging and the Public Long Term Care System*, warns that, with the projected growth in the number of older adults, New Hampshire will not be able to sustain its current LTSS system. If no changes are made to the existing service structure and if persons over the age of 65 continue to access services at today's rates, the cost to the State will be prohibitive. If we are to successfully meet the looming crisis in long term care, we will need an approach that includes more than just increasing funding for community service programs or adding more nursing home beds.

New Hampshire must find new ways to meet the needs of its older adults. It is critical that we adopt a person-centered approach to planning and delivering Long Term Services and Supports. New Hampshire also must focus on promoting wellness and prevention and work with local communities to develop and fund lower cost supportive services such as caregiver supports, Senior Volunteers programs, Senior Centers, and nutrition programs. There is a need for a strong, regionally based infrastructure to support the coordination and delivery of LTSS. Based on the variations in aging demographics across counties, it is important that local communities be engaged in planning and coordinating LTSS across all medical and social services. In states where there has been an investment in home and community based services, particularly home delivered meal programs, there has been a significant reduction in the number of nursing home placements for low-care individuals.<sup>7</sup>

The contribution of family caregivers must be recognized as a core component of New

Hampshire's LTSS system. Unpaid family caregivers provide the vast majority – over 80% - of care and support for older adults. The AARP Public Policy Institute estimates that there are 147,000 informal family caregivers in New Hampshire; the estimated economic value of this care is \$1.6 billion.<sup>8</sup> It is imperative that we increase and strengthen supports for family caregivers. It is in the best interest of both the State and those needing long term care to support family caregivers to maintain their family members at home as long as possible.

New Hampshire needs a unified vision and a comprehensive plan for addressing the LTSS needs of its residents. The State Plan on Aging, produced by the New Hampshire Bureau of Elderly Adult Services, considers the long term care needs of older adults, however, there is no comparable mechanism to plan for LTSS across all populations. Currently there is no legislatively authorized body to help New Hampshire meet the growing need for LTSS. Establishing in statute a Long Term Services and Supports Commission would help ensure that New Hampshire engages in the planning and oversight that will be required to meet the increasing demand for long term services and supports.

Finally, New Hampshire must develop a strong, statewide advocacy network for LTSS. This network should include representation from State agencies, service providers, advocacy organizations, policy makers, legislators, and persons in need of LTSS and their families. A number of groups including AARP New Hampshire, EngAGING NH, the Elder Rights Coalition, the State Committee on Aging, and the UNH Center on Aging and Community Living can be tapped to provide leadership for this effort. Over the coming years, an effective advocacy network can play a critical role in assuring that New Hampshire engages in a collaborative effort to develop a responsive and coordinated system of Long Term Supports and Services.

## Endnotes

<sup>1</sup> Van Kleunen, A. & Wilner, M.A. (2000). Who will care for mother tomorrow? *Journal of Aging and Social Policy*, 11, 115-126.

<sup>2</sup> Norton, S. (2011). *New Hampshire's silver tsunami: Aging and the health care system*. Retrieved from NH Center for Public Policy Studies website: [http://www.nhpolicy.org/UploadedFiles/Reports/aging\\_and\\_the\\_healthcare\\_system\\_final.pdf](http://www.nhpolicy.org/UploadedFiles/Reports/aging_and_the_healthcare_system_final.pdf)

<sup>3</sup> Norton, S. (2012). *Aging and the public long term care system*. Retrieved from NH Center for Public Policy Studies website: [http://www.nhpolicy.org/UploadedFiles/Reports/Aging\\_and\\_the\\_LTC\\_Systemv5test.pdf](http://www.nhpolicy.org/UploadedFiles/Reports/Aging_and_the_LTC_Systemv5test.pdf)

<sup>4</sup> Cotton, P. & Fox, S. (2011). *Navigating choice and change in later life: Frameworks for facilitating person-centered planning*. Durham, New Hampshire: University of New Hampshire, Institute on Disability.

<sup>5</sup> Thompson, L. (2004). *Long-term care: Support for family caregivers*. (Issue Brief). Retrieved from Georgetown University Long-Term Care Financing Project website: <http://ltc.georgetown.edu/pdfs/caregivers.pdf>

<sup>6</sup> Lyons, B., Schneider, A. & Desmond, K. (2005). *The distribution of assets in the elderly population living in the community*. Retrieved from Kaiser Commission on Medicaid and the Uninsured website: <http://kaiserfamilyfoundation.files.wordpress.com/2013/01/the-distribution-of-assets-in-the-elderly-population-living-in-the-community-issue-paper.pdf>

<sup>7</sup> Thomas, K.S. & Mor, V. (2013). The relationship between Older Americans Act Title III state expenditures and prevalence of low-care nursing home residents. *Health Services Research*, 48,(3) 1215-1226. doi:10.1111/1475-6773.12015. Article first published online December 2012.

<sup>8</sup> Houser, A. & Gibson M. (2008). *Valuing the invaluable: A new look at state estimates of the economic value of family caregiving*. Washington, DC: AARP Public Policy Institute.

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CACL is a collaboration between the Institute on Disability (IOD) and the New Hampshire Institute for Health Policy and Practice (NHIHPP) at the University of New Hampshire (UNH). CACL constructively engages partners within and outside the University in applied research that advances sustainable, person-centered options for aging and community living

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