

Pittsburgh Post-Gazette

Let's be honest about home health care

It's great for many of our elderly, but how are we going to finance it for so many Pennsylvanians?

Wednesday, June 20, 2007

By Dr. Stuart H. Shapiro

A recent University of Pittsburgh study on home care for the elderly in Pennsylvania reported that most citizens prefer to age at home. That is certainly my preference up to the point that more intensive care is needed.

While I believe that everyone should be able to age in the appropriate place that brings the best care and quality of life, the question is: Who shall pay?

Pennsylvania is at the forefront of this national discussion as we currently rank third nationally in percent of population over 65 and fourth over age 85.

For three decades, lawmakers at the federal and state levels have supported a Medicaid entitlement for the sickest and frailest elderly in America's nursing homes. The issue now before Pennsylvania legislators, as they finalize next year's budget, is whether they should expand a new "entitlement" under Medicaid for those less sick and less frail elderly who can be cared for at home.

Historically, most of these individuals have been cared for by family, friends and their communities, without government support. Because that is changing, it is now time for Pennsylvanians to talk honestly, and seriously, about whether home care should continue to expand, and whether commonwealth taxpayers are willing to pay for it.

Well-intentioned policy makers motivated by the desire to provide alternatives to nursing homes harbor the false belief that expansion of home-care programs will keep elderly and disabled people from entering nursing homes and that ultimately, the Medicaid system will save money since home care is less expensive. Unfortunately, both the facts in Pennsylvania and experiences in other states prove that theory false.

In Pennsylvania, the number of people receiving care at home nearly doubled between 2002 and 2007. During this same period, the state's nursing home population remained constant. Many assume that's because the over-65 population had increased and that home care therefore was keeping some of those people out of nursing homes. But according to U.S. Census data, the

Dr. Stuart H. Shapiro is president and CEO of the Pennsylvania Health Care Association (sshapiro@phca.org). Based in Harrisburg, the association represents more than 300 nonprofit and for-profit nursing facilities, personal care homes, continuing care retirement communities and businesses that provide related goods and services.

commonwealth's senior population actually decreased over this period, and this will reverse when the baby boom generation begins turning 65 in 2011.

What's happened is that individuals previously cared for by family and friends are now "coming out of the woodwork" and receiving Medicaid dollars to hire someone to provide home care. Despite vigorous efforts by the Pennsylvania Area Agencies on Aging, very few people who have been living in nursing homes have been able to be moved back to their communities.

Other states, including New Mexico, Oregon, Virginia and North Carolina, have already witnessed this "woodwork effect" whereby skyrocketing, unchecked demand for home and community-based care results in unexpectedly higher state government health-care costs. Some have halted further expansion until the funding issues are resolved.

Make no mistake -- home care programs are tremendous for the families they serve. But if Pennsylvania is to seriously address the long-term care funding crisis that looms ahead, we must acknowledge the facts: We have created a new home-care "entitlement," and we have no means of paying for it.

The challenge now is to continue to promote citizens' access to the care setting that best suits their needs while ensuring adequate funding to nursing homes -- keeping in mind that because people are staying home longer, those who enter nursing homes are now sicker and more expensive to care for than in years past.

Before legislators approve Gov. Ed Rendell's proposed expansion of the home-care "entitlement," they need to honor their commitment to those already living in nursing homes and provide the funding necessary to ensure that they continue to receive high-quality care.

Our elderly are not served if we build a strong home-care system, but fail to adequately support the skilled nursing centers that provide their care when home care no longer can meet their needs. Two out of three nursing home residents are Medicaid residents. Since reimbursements are on average \$13 per day per resident lower than the actual cost of providing care, nursing homes lose an estimated \$4,700 annually for caring for a Medicaid resident. We must reverse the budget scenario in which we rob Peter to pay Paul.

One would hope that if elected officials and public health advocates find home care to be socially and politically desirable, they would honestly advocate on those grounds and make the case for expanding the Medicaid entitlement rather than sustaining the mythology that providing more home care will magically lower costs.