

CT News Junkie

Connecticut Seeks To Rebalance Long-Term Care

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Christine Stuart photo

Gov. Dannel P. Malloy announces his long-term care plans at the Hartford Marriott

Many aging Connecticut residents would rather receive services in their home, which in the long run would be less expensive for the state. However, the current system favors nursing home care, which often is more expensive.

Last year, the state spent \$2.8 billion — or about 10 percent of the entire state budget — on long-term Medicaid services. But only 7 percent of Connecticut's Medicaid eligible population receive long-term care services. That 7 percent represent about 47 percent of the state's total Medicaid expenditures.

Those are the kinds of numbers that Gov. Dannel P. Malloy's administration wants to turn on their head by attempting to rebalance the state's long-term care system and keep more people in their homes for longer periods of time. It also doesn't hurt that it will save the state money.

“We live in a time and a place where revenue is becoming constrained, repeated on a year-to-year basis, in a society which becomes more anti-tax every single day,” Malloy said.

But unlike other portions of the budget, rebalancing long-term care is a long-term problem for the state and won’t immediately yield any budget savings.

Malloy told a group of social service employees and their nonprofit and federal partners Tuesday that he plans to spend \$3 million in operating funds and \$10 million in bond funds next year to help nursing facilities “right-size” by diversifying care models, downsizing, and modernizing. The [proposal](#) will be part of the two-year budget he will unveil Feb. 6.

He cautioned that this is not about “becoming all of one thing, or all of another . . . this is about providing a continuum of care.”

Malloy also stressed that he wants the state to be a partner in helping nursing home providers find a new way of doing business.

“The overriding goal is to support personal choice, and it’s a happy coincidence that when that choice can involve staying in ones home longer. We can serve more people with the dollars if we do this right,” Malloy said. “With Medicaid continuing to pressure the budget this is especially critical in Connecticut.”

The goal is to provide the greatest number of services “for the least amount of money,” Malloy said.

Connecticut anticipates a 25 percent increase in the number of long-term care users from the current rate of approximately 38,800 users to a rate of 48,600 users in 2025. It plans on encouraging the nursing homes to transition their business models to accommodate shorter stays and more community support. The state’s consultant on the project also believes it can transition 5,200 people from nursing homes to the community by 2016.

The federal Centers for Medicare and Medicaid Services will be helping the state out with up to \$72.8 million in additional Medicaid reimbursements.

“This funding will be an important component of the state’s rebalancing agenda, including transitioning over 1,400 individuals to date from institutional settings to the community,” Kate McEvoy, Department of Social Services Interim Health Services Director, said. “Connecticut is also working with and providing funding to nursing facilities to help them diversify their services; a major workforce development effort; and engaging in a public education campaign.”

Matthew Barrett, executive vice president of the Connecticut Association of Health Care Facilities, said the nursing homes facilities have acknowledged that if the state continues

to “overly rely” on nursing facilities as the elderly population grows then it will have a system that’s not affordable for anyone.

The population over the age of 65 in Connecticut is expected to grow nearly 12 percent by 2015.

Barrett, who attended Tuesday’s announcement, cautioned that the transition needs to be thoughtful.

“Long-term care rebalancing is incremental change,” Barrett said. “The savings associated with rebalancing are not short-term savings. So while Connecticut is heading in this direction it’s important not to overshoot.”

He said hospitalization costs will go through the roof if you try to make the transition too quickly.

But even after the transition to more home and community-based care, “there will be a really strong demand for vibrant, high-quality nursing homes in the continuum of care,” Barrett said.