

# Long-Term Services and Supports

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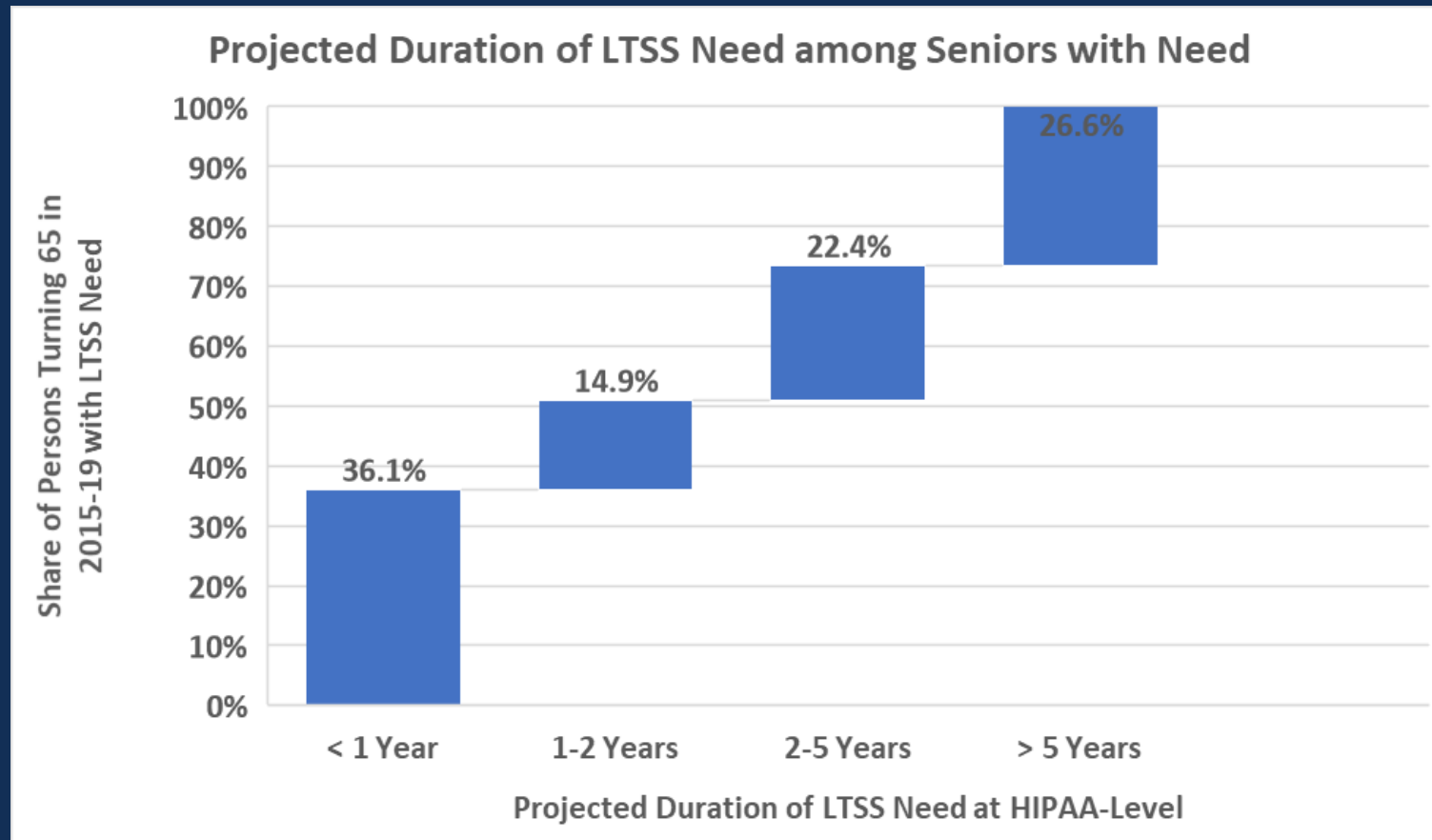
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# Key Social Insurance Program Structure Considerations

- Social insurance approach
- Eligible population
- Generational transition issues
- Timing and duration of coverage
  - First dollar (front-end coverage)
  - Catastrophic Coverage (back-end)
  - Comprehensive coverage
- Benefit eligibility criteria
- Level of benefit payment
- Form of benefit (cash-service reimbursement continuum)

# Who Would Benefit from Alternative Coverage Durations and Start Times?



Source: Melissa Favreault and Judith Dey, "Long-Term Services and Supports for Older Americans: Risks and Financing Research Brief," Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, Washington, D.C., February, 2016,

# Financing Sources and Considerations

## Sources

### Existing Federal Social Insurance Programs

- Social Security
- Medicare Part A
- Medicare Parts B and D
- Medicare net investment income tax

### Existing State Social Insurance Programs

- Workers compensation
- Unemployment insurance
- Paid family and medical leave

### Additional Potential Funding Approaches

- Taxes
- Fees
- Premiums

## Considerations

- Pay As You Go vs. Pre-Funding
- Size of tax base
- Fiscal sustainability
- Political sustainability
- Affordability
- Connection with program benefits
- Using more than one funding source

# Payment & Delivery System Integration

## Coordination of benefits with other payers

- Who is second payer?
- Coordination of benefits with private insurance

## Federal Medicaid funding issues

- How to assure no loss of Federal Matching
- Are program benefits considered income?

## Integration of LTSS and medical care

- How to integrate with coordinated delivery systems?

# Ultimate Goals

- **Improving access to LTSS.** To what extent does the additional money brought into the LTSS system allow the purchase of additional services?
- **Reducing family out-of-pocket spending.** To what extent does the program provide financial relief?
- **Reducing Medicaid spending.** To what extent does the program reduce budgetary pressure on Medicaid?
- **Financial sustainability/stability.** Can the program be paid for over the long term in a stable manner?
- **Political support and sustainability.** Is the program structured in a way that will garner broad public support, likely to persist over time?