

November 2019

Long-Term Care Services and Supports Advisory Committee Report

A Plan for Aging in Oklahoma
The Possibilities for the Future

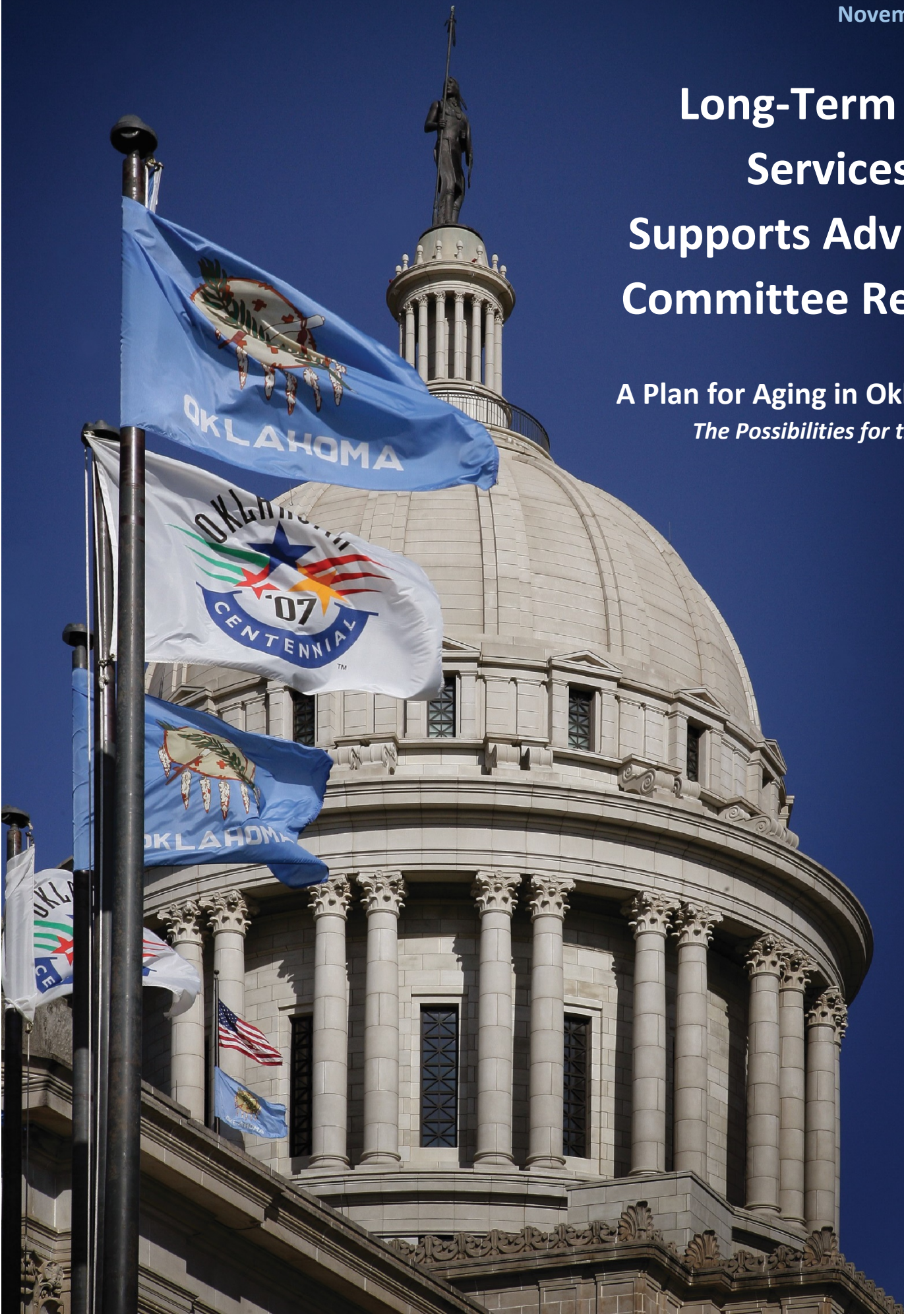


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INTRODUCTION

Oklahoma's population is aging at an unprecedented rate. Each day, 100 Oklahomans turn 65 years old. Oklahoma's elected officials and policymakers face significant challenges in addressing the needs of Oklahoma's seniors as their numbers burgeon by 40% in the next 15 years. **By 2030, seniors will outnumber children for the first time in history**, yet only 16% of retirees are confident they can afford long-term care. Oklahoma is on the brink of a crisis as the **silver tsunami** looms ever closer on the horizon.

We must act now to prevent an impending crisis. House Bill 3289 was signed into law in May 2018, creating the Oklahoma Long-Term Care Services and Supports Advisory Committee. The law directed the committee to develop a long-range plan for long-term care services and supports, to assess the financial impact of these services and to create a long-range plan for stable, sustainable funding to support these services in Oklahoma now and in the future.

The committee is comprised of 13 individuals representing seniors, providers, consumers and advocates. Over the course of the last year, the members have extensively evaluated the needs of Oklahoma's seniors, the services available, the services needed and the barriers to service. The committee has, per statutory direction, also examined possible solutions, detailed in this report. Expanding wellness programs and options for lower-cost home and community-based services will help Oklahoma begin to move in the right direction to fund needed services. Currently, state funds are expended at an approximate rate of 30% for home and community-based services and 70% for long-term care facilities. Increasing funding through a dedicated funding source is necessary to meet the growing demand for services in the years ahead. Increasing the use of home and community-based services will ensure stewardship of the dollars invested in serving others.

Oklahoma is, and historically has been, one of the worst in the country when it comes to caring for its seniors. Its life expectancy is among the bottom five in the U.S., and citizens persistently lack adequate access and funding for most long-term care settings. **Today's elected officials have an opportunity to address changes to achieve dramatic improvement that will benefit all Oklahomans.**

“We don't just have the opportunity to optimize health and aging in Oklahoma, we have the responsibility to do so.”

– Erin Martin, gerontologist

Olmstead Decision

A 1999 U.S. Supreme Court decision held that people with disabilities have a right to receive state-funded support and services in the community when those services are appropriate and are a reasonable accommodation. The Olmstead decision, based on the Americans with Disabilities Act, increases choice and enables services to be received in the most appropriate setting. **It is the basis for a nationwide move toward the use of home and community-based services.**

**It is the right thing to do, and
it will save money in the process.**

In Plain English

The state is not prepared to serve aging Oklahomans. Action must be taken now, and in the future, to fund wellness programs and HCBS. The return on investment for HCBS is 11 to 1. Our state must begin to take positive action steps to care for the elderly in Oklahoma.



A Network of Aging Services in Oklahoma

HCBS would ideally be one of the first options for senior citizens and their families to consider. Services can be, but are not limited to: delivering a meal, providing homemaker services, laundry, or bathing and grooming. Typically with services coming into the home, or outside of the home such as adult day services or PACE, the individual is able to live longer and more independently in their home and community.

Once individuals can no longer live in their homes safely, an option could be to move in with a member of the family (the family member becomes the primary caregiver) or move into an assisted living facility. Both options present their own challenges. Family caregivers and assisted living facilities have limits on the care they can provide and the situation is dependent on the level of care needed.

Nursing facilities are primarily designed to manage complex medical and care needs. These facilities are ideally not the first step in long-term care.

Every situation is different, and every family has unique needs and challenges. Individuals and families should explore all options before making decisions about each level of care.

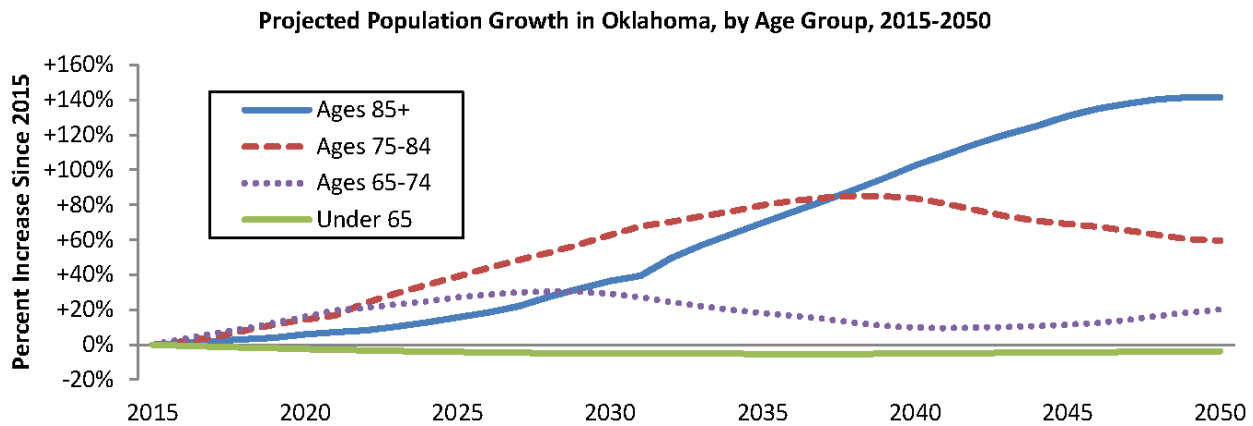
Network of Services in Oklahoma:



This is not a complete list of services that are available in Oklahoma.

THE AGING ISSUE

The demands on aging services will increase significantly in the coming years. Projections published by AARP demonstrate that the growing number of people 65 and older will place tremendous strain on state funding, aging services providers and the workforce that supports aging services. The unprecedented growth of this demographic is often referred to as the **silver tsunami**, and this description is apt. The 85 and older demographic is the highest utilizer of aging services, and this age group will continue to increase beyond the year 2050.



Source: "Across the States 2018: Profile of Long-Term Services and Supports in Oklahoma"
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The advisory committee members analyzed the issues, researched alternatives and arrived at recommendations aimed at making a course correction. One fact that has become apparent during our yearlong process is **continuing along the current path is financially unsustainable for the State of Oklahoma**. A fundamental change in programming and funding is required.

**By 2040, the 85 and older group is projected to
increase by 123%.**

In 2018, statistics published by AARP illustrate that in Oklahoma 22.8% of our nursing home residents have low-care needs as compared to a national average of 11.5%. Low-care needs are defined as having difficulty with no more than two activities of daily living. In some cases, these individuals might be appropriately served with assistance from HCBS.

There will always be a need for nursing home level services, but the citizens of our state should be able to access the full array of services they need, when they need them and in the place they call home, when possible.

One area where Oklahoma excels, compared to the rest of the nation, is in the area of family caregivers. Oklahoma does an extraordinary job of taking care of its own. It is important to realize HCBS are often used to simply support or supplement family caregiving. In these situations, the state is able to leverage the family's contribution toward care (room and board, transportation, meals, medical expenses, etc.), which provides a great return for every dollar spent on HCBS.

HCBS are options for person-centered care delivered in the home and community. These programs address the needs of people with functional limitations who need assistance with everyday activities (e.g., getting dressed, bathing, grooming, etc.).

79% of middle-income baby boomers have no savings for retirement care.

Examples of Home and Community-Based Services:

- Case Management
- Adult Day Services (licensed adult daycare)
- PACE (Program of All-inclusive Care for the Elderly)
- Home Care
- Senior Centers
- Caregiver Training and Respite
- Health Promotion and Disease Prevention
- Hospice Care
- Congregate Meal/Nutrition Sites
- Home Delivered Meal Programs
- Personal Care (dressing, bathing, etc.)
- Transportation
- Information and Referral Services

HCBS focus on creating a safe and healthy home environment, with emphasis on wellness and socialization. HCBS quality measures include improvement in quality of life, community integration and avoidance or delay of facility placement. The **early implementation of one or more HCBS helps to stabilize participants** through education, health care interventions, addressing food insecurity and nutritional needs, treating depression associated with being isolated, meeting social and spiritual needs, etc.

Currently our state spends approximately 70% of its aging services funds on nursing home expenses and 30% on HCBS. This needs to be adjusted to 30% on institutional care and 70% on HCBS. This adjustment should be made by **directly investing new funding** into HCBS programs, rather than shifting funding from the elderly who need nursing home care. In other states, the allocation of state funding for HCBS is much larger than their budgeted allocation for nursing home spending. In order to create a sustainable model, **the state must focus on providing more cost-effective HCBS options to a greater number of seniors** aimed at creating a culture of wellness within our state. Nursing home care will continue to be an important component in this new aging services model. However, with the rapidly expanding senior demographic, the sustainability of state-funded aging services will require the state to reserve nursing home funds for those who require that level of service. As a state, it is imperative that we begin making this shift in methodology toward more cost-effective solutions. Committee members will make themselves available to the legislature for further explanation, clarification or to answer questions.

An example of one disease and its impact on aging services: Alzheimer's

"In 2017, the number of deaths from Alzheimer's in Oklahoma was 1,752, a 175% increase from 2000. In Oklahoma, Medicare spending on people with dementia in 2018 totaled \$25,175 per capita, and Medicaid costs for caring for people with Alzheimer's in 2019 is expected to be \$499 million with a projected 21% increase in change of cost by 2025.

"In the U.S., 5.8 million Americans are living with Alzheimer's, and nearly 14 million will have the disease in 2050. The cost of caring for those with **Alzheimer's and other dementias is estimated to total \$290 billion in 2018, increasing to \$1.1 trillion (in 2019 dollars) by mid-century.** Nearly one in every three seniors who dies each year has Alzheimer's or another dementia." (Source: Alzheimer's Association: *2019 Alzheimer's Disease Facts and Figures* report at alz.org/facts)

Services people need, when they need them, in a place they call home.

Medicaid Spend-Down

Many people expect Medicare to cover their long-term care needs; however, this is not the case. Traditional Medicare may cover short-term skilled nursing facility care after a hospitalization (three months or less, with copays) but never covers long-term care costs of nursing facility placement. **Many people lack the hundreds of thousands of dollars in income and savings it can cost to cover a long-term nursing facility stay at private pay rates.** If financial assistance is required, individuals must apply for long-term care Medicaid. Medicaid for LTC (either for nursing facility care or ADvantage Waiver services) requires both medical and financial eligibility criteria to be met. For either setting, the person must meet the nursing home level of care standard. Financial eligibility counts all income, liquid assets, and the person must spend down all resources until they have no more than \$2,000 in available resources. Unless there is a spouse or dependent

child in the home, the person's house must be sold for commensurate return if the person is receiving long-term care services in a nursing facility paid by Medicaid.

In a nursing facility, an individual receiving Medicaid assistance must still pay all their monthly income (minus the \$75 personal needs allowance) to the facility, and Medicaid (federal and state funds) pays the difference up to the state rate.

In Plain English

It is more cost-effective for the state to provide supportive services in the home of aging individuals, enabling them to age in their own homes for as long as they choose. Many individuals and families think the first step is nursing home placement, which is often an incorrect assumption. Promoting wellness in the early years and providing guidance to ensure services can be delivered in the home at a fraction of the cost is vital. Even when individuals save for their retirement and long-term care, they often outlive those savings and then must rely on the state through Medicaid.

The 65 and older population is in the process of doubling in Oklahoma.



ACCESS TO SERVICES

The general population does not know where to turn when aging services are needed. When an elderly individual begins needing services and supports in their home, **access becomes the most important issue**. In general, people do not understand the aging process, services in their community and the options available. With the multitude of services available, finding the right ones to meet the needs of the elderly and families should not be complicated.

Adult day services are offered in a licensed care setting for individuals living with dementia, disabilities or care needs. Participants receive individualized therapeutic, social and health services. Participants receive up to three meals a day, snacks, medication management, wellness checks, activities and socialization in a wellness model. This is a cost-effective and consumer-preferred care option. ADS offer caregivers respite from the responsibilities of caregiving, enabling them to care for a family member in the home.

RECOMMENDATION: Expand adult day services funding by utilizing federal matching dollars through the Medicaid state plan.

In the past 10 years, the number of ADS providers in Oklahoma has been reduced from 40 to 26. These closures were primarily due to the lack of financial sustainability associated with current and past state funding models. **ADS is a key element of HCBS and instrumental in curbing Medicaid expenses**. The lack of availability of ADS in rural areas is a significant issue.

RECOMMENDATION: Create enhanced reimbursement for adult day services in rural areas of the state.

The Oklahoma legislature has approved options counseling through Senate Bill 888. Funding and implementation of this program will cost \$600,000 annually, according to estimates. Finding the appropriate HCBS optional services for even 1% of LTC Medicaid applicants annually would save the state's Medicaid system millions of dollars each year. Options counseling should be designed to provide a single point of access to aging services for elders and their families. A robust website with essential information regarding aging services options should be developed. Web-based information will continue to become more critical as our population ages and as future seniors enter this demographic with a higher comfort level with web-based research. Trained options counselors must also be available statewide.

RECOMMENDATION: Fund options counseling: fiscal impact with state dollars, \$600,000.

In Oregon, *options counseling* has yielded an 11 to 1 return on investment.

In the current regulatory environment, there are multiple assessment tools being used by aging services providers. Transferring clients from one aging services environment to another can be accomplished more efficiently with the use of a uniform assessment tool. This will provide more timely transitions for those being served, create a more efficient process and prevent unnecessary administrative expenses for providers. The information being collected on various assessment tools is similar. If applied to a uniform assessment tool, this document could simply follow the client from one provider to another with any appropriate updates to the condition.

RECOMMENDATION: Create a uniform assessment tool for all aging services providers.

Nutrition sites provide important resources to meet the nutritional needs of seniors as well as a place to socialize with peers. Both appropriate nutrition and socialization have been proven to be important contributors to improved health. There are also other benefits, under the Title III Older Americans Act, that support positive outcomes. Nutrition sites are a low-cost, high-impact way of keeping many seniors independent. Funding has not kept pace with inflation or population growth. The program may also be strengthened by the Oklahoma Department of Human Services establishing enhanced operational and accountability measures.

Furthermore, for homebound seniors at greatest risk of nursing home placement, receiving Older Americans Act services (outreach, nutrition, transportation, etc.) in their homes can delay the need for such a move. A study in Georgia showed the following outcomes:

- Seniors receiving **one OAA** service **stayed in their own home for an additional 24 months**
- Seniors receiving **two OAA** services **stayed in their own home for an additional 30 months**
- Seniors receiving **three OAA** services **stayed in their own home for an additional 41 months**

RECOMMENDATION: Expand and fund nutrition sites and restore state funding for all Older American Act programs and services.

Many assisted living providers do not accept ADvantage Waiver (Medicaid) reimbursement for services because it does not cover the actual cost of the services. An enhanced reimbursement model would likely create many additional and less expensive apartments in an assisted living setting, specifically for ADvantage members. The availability of lower-cost options that are positioned between HCBS and nursing home placement will create savings for the state's Medicaid system.

RECOMMENDATION: Expand funding for ADvantage Waiver services in assisted living.

Voluntary enrollment in a state-funded case management program for all seniors could consist of an initial plan of care and annual/semi-annual monitoring. The objective of this process would be to encourage wellness through proper diet and exercise, provide information and referral for HCBS when needed by clients or family caregivers, and to address health and psychosocial needs earlier, before the needs become more complex. The program could begin as a pilot.

RECOMMENDATION: Create a statewide voluntary case management program.

Organize an educational effort targeted at individuals 50 years old and older, focused on nutrition, exercise, fall prevention, depression and general wellness. The goal is to encourage an active and healthy lifestyle and to promote healthy aging. All forms of media should be used to target the message and population such as: print, television, radio, social media and public service announcements all focused on educating the public on wellness.

RECOMMENDATION: Implement a statewide wellness education effort.

In Plain English

Home and community-based services, adult day services, and options counseling would allow for the state to save Medicaid dollars while expanding less costly services to the aging population. Studies have demonstrated that having one to three services, such as meal delivery, bathing and grooming extends the ability of elders to stay in their homes and in the community.



FUNDING

Medicaid and ADvantage Medicaid Waiver programs are the primary sources of funding for Long-term Care Services and Supports. Due to the growing demographic of those 65 and older, and more specifically those 85 and older, the need for nursing home funding is expected to rise. Increases in funding for aging services create an opportunity to serve a greater number of seniors through the increased utilization of HCBS. HCBS provide an efficient means of caring for our state’s elderly by forestalling, and in some cases eliminating, the need for a facility placement. Because of the increased number of seniors who will require assistance in our state, **there must be a plan for additional funding dedicated to all facets of the aging services continuum**, with an increased emphasis on more financially efficient HCBS options.

Medicare does not pay for long-term care. Many people have not prepared for funding their long-term care expenses. The cost can amount to hundreds of thousands of dollars. When a person has spent their resources and has no more than \$2,000, they may qualify for Medicaid assistance. A person residing in a nursing home must use their monthly income (minus a \$75 personal needs allowance) to pay for services. Medicaid (a combination of state and federal funds) pays the difference up to the state rate. Special rules may apply if a spouse or dependent child is living in the residence.

The tables below represent the majority of services provided under the LTCSS umbrella with the state and federal cost breakdown for each type of service in SFY 2018.

Program	Unduplicated Members Served	Average Cost Per Member	Total Annual Cost	State Share	Federal Share
Long-Term Care Facilities	19,663	\$27,328	\$537,352,921	\$220,798,315*	\$316,554,606
ADvantage Medicaid Waiver	21,366	\$7,918	\$169,174,373	\$69,513,750	\$99,660,623

*Source: Oklahoma Health Care Authority. *Includes \$70 million of quality of care revenues that are submitted by the nursing facilities to supplement the amount provided by the state.*

PACE services and the associated funding differ from long-term care facilities and the ADvantage waiver. PACE is required to fund participant expenses for long-term care facilities and all home and community-based services, when appropriate. In addition, PACE is required to fund participant expenses for hospitalization, medications, primary care, ADS, transportation, home health, nutritional needs, etc.

PACE	563	\$25,762	\$14,503,907	\$5,959,655	\$8,544,252
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Though the cost of these services is substantial today, it will more than double over the next two decades. Baby boomers began turning 65 in 2011, and within the next 20 years, the 65 and older

population and the 85 and older population will more than double. Baby boomers will place additional strain on the nursing home care system than previous generations given their increased likelihood to have experienced divorce, have fewer children or have children remaining in the workforce longer, which makes informal family caregiving less likely. Many baby boomers have not saved enough for retirement and appear to be unprepared to pay for the cost of nursing home care.

Although Medicaid is the primary payer for long-term care, there are services that can reduce the pressure on the Medicaid program. Long-term care insurance, Medicare Advantage, unpaid family caregivers and charitable organizations provide for most of the long-term services not covered by Medicaid or Medicare. In many cases, consumers pay a substantial out-of-pocket amount for their long-term care.

Current Funding Sources

Medicaid is a state and federal program which means there are several existing funding sources, in addition to general revenue funds, intended to fund the state's share of the Medicaid program matched by federal dollars. Those sources include but are not limited to:

- Tobacco tax
- TSET
- Provider tax
- FMAP stabilization fund

New/Expanded Funding Sources

There is not one single funding solution to the pending LTCSS crisis, and the current funding sources are not enough to support the growing needs. The committee recommends exploring the feasibility of expanding the current funding streams and establishing new funding for Medicaid programs and also ways to incentivize private and charitable resources, which will reduce the pressure on the Medicaid system. Any revenue derived should be dedicated solely to LTCSS. Some of those include but are not limited to:

- License plates
 - Senior citizen/aging awareness themed
- Voluntary tax contributions
 - Contributions from Oklahoma income tax refund to fund senior services programs
- Expansion of tobacco tax to include medical marijuana revenues
- Alcohol/caffeine/sugar tax
- Tax credits for family caregivers
 - Available to individuals who provide direct care to a family member
- Grant opportunities
 - State-level position that is focused on obtaining any and all available grant funds to support long-term care services and support initiatives
- Opioid settlement funds
- Statewide or regional charitable organizations

- Long-term care savings plan to help purchase long-term care insurance and pay for future long-term care services
 - Similar to the 529 college savings plan with the intent to help purchase LTC insurance or self-fund long-term care

In Plain English

The demand for services provided under the long-term care services and supports' umbrella will more than double in the next 30 years. Oklahoma must immediately begin preparing for the increased cost of these services. **Oklahoma cannot simply shift spending from one program of long-term care services and supports to another and save state dollars. A dedicated and increased allocation to support elder services is critical.** The first step for the state would be to increase funding for home and community-based services. The challenge to provide affordable and legislative funding mechanisms are varied, complex and expensive. The committee offers these suggestions as a starting point to begin addressing this growing crisis and to ensure state planning.



EDUCATION

By 2024, it is projected the aging providers' workforce will need to grow by 26%. This growth is in response to the exponential growth of the 65 and older population in the coming years. Also known as the **silver tsunami**. As with any existing problem in meeting the needs of the disabled and the elderly, the issue is exacerbated by the increase in growth of the affected population.

All health care professionals who work with the elderly need basic and continuing education and training. Additionally, members of the public who interface with or affect this population, and those with disabilities, would benefit from education about common needs and vulnerabilities. This would include legislators, drivers, mail carriers, delivery services, clergy, lawyers, law enforcement, judges, bankers, ombudsmen, advocates, clerical staff, restaurant workers, shopkeepers, car salesmen, maintenance workers, etc.

It is clear there are inadequate numbers of educators to meet the training needs. **Oklahoma is ranked 47th for the number of neurologists and geriatricians.** Our state's funding and incentives are not adequate to attract and retain workers and trainers.

In 2030, the elderly will outnumber children for the first time in history.

RECOMMENDATION: Career tech pre-nursing academies and adult nursing programs should include training in geriatrics and cognitive impairment, such as dementia. This component should also be included in the home health aide certification program.

RECOMMENDATION: Establish a workgroup with aging providers, career techs and higher education to determine feasibility and create necessary partners to build career ladders through on-the-job and online training.

RECOMMENDATION: Ensure all physician and nursing programs include a geriatric, dementia and Alzheimer's section to ensure our health care workforce understands the needs and strategies of senior citizen care.

RECOMMENDATION: Explore financial and tax incentives to recruit, retain, and produce geriatric physicians and neurologists. This would include revisiting the loan forgiveness programs previously proposed to the legislature.

Training is essential for all who are in the aging profession. Through the DHS aging department, Oklahoma used to have one of the best state conferences on aging that was impactful for the professionals, providers, caregivers and consumers.

RECOMMENDATION: Funding should be restored to 2009 levels at a minimum to host the aging conference annually.

RECOMMENDATION: Work with all stakeholder associations and agencies to establish a volunteer training program, in coordination with partners, to help caregivers understand and complete more complicated caregiving tasks at home.

RECOMMENDATION: Establish a statewide online community for caregivers where support and tips can be shared so caregivers can be better equipped.

RECOMMENDATION: Require annual continuing education specifically tailored for frontline professionals who encounter seniors on a routine basis including social workers, health care workers, law enforcement officers, district attorneys, bankers and other financial professionals.

RECOMMENDATION: The Oklahoma Department of Human Services should consider dedicating an aging services staff member to work with each of these groups and professional organizations to establish the training criteria and work with relevant nonprofit organizations to deliver the training. The concept is DHS would initiate the train-the-trainer program so these programs could be delivered by the relevant organization to its members.



RECOMMENDATION: DHS aging department should consider re-establishing train-the-trainer programs to partner with faith-based communities, senior centers, retailers, banks and other organizations that interact with seniors to better understand available resources and strategies to identify elder abuse.

RECOMMENDATION: Create a public outreach campaign through social media, aging apps, kiosks, health fairs and similar events to ensure the public is aware of resources for aging services. The public could be pointed to a centralized landing page or to their area agency on aging, the nonprofit sector or some combination thereof.

In Plain English

The initial cost to better train new aging service workers along with continuing education for current workers would be nominal as this could be accomplished through existing programs such as the Physician Manpower Training Commission, the career techs, the ministerial alliance and other similar programs. The state should begin planning to educate people to work compassionately in the field of aging services in Oklahoma. Education is key to professionals for the upward career ladder.

REGULATIONS

The state has multiple programs braided with federal funding and regulations. Some regulations have been interpreted differently from time to time and from state to state. Regulations need to be examined to determine which ones are presenting barriers, whether it is barriers for consumers, providers or state programs. The following six sections of programming and services, some with additional sub-sections, review how **regulations need to be reviewed and modified**.

Long-Term Care Facilities

There will be an increased demand for the services long-term care facilities provide. **With the increased demand, there will be a need for more modern facilities**, such as memory care and Alzheimer’s facilities, facilities qualified to provide ventilator care, and other specialized services. Currently there are 302 licensed nursing facilities in Oklahoma with an additional 107 facilities licensed as continuum of care and assisted living.

Many LTC facilities are archaic in their physical plants (e.g., small rooms, community showers, etc.). These structures will not be suitable or practical for the increased LTC population, their expected preferences and their level of care needs. Oklahoma needs more modern facilities that offer better therapy rooms, private rooms with private baths, memory and Alzheimer’s units, etc.

If it is cost-prohibitive to modernize the existing structures, many facilities may not be able to afford to make those needed updates. While there is funding allocated in the current Medicaid rate for building costs including maintenance and improvements, and supportive state rules to encourage remodeling or replacement of older facilities, funding is extremely inadequate for this purpose.

Only 16% of retirees are “very confident” they can afford long-term care.

Oklahoma currently has a statutory certificate of need process that investigates the financial ability of the CON applicant to build a new nursing facility or purchase an existing facility. In addition, the process examines the quality of care and regulatory compliance in any facility the CON applicant operates. CON also studies the need for new beds in the geographical area of the proposed home, based upon vacancy rates and beds per capita within a geographic radius. The current process allows operators of existing facilities to challenge the need for new construction. This makes it almost impossible for new nursing facilities to be built in the state and squelches competition in this profession.

Competition is good for consumers, as it encourages higher-quality services and innovations. LTC facilities with more home-like environments and the provision of true person-centered care in more traditional-style facilities will be in high demand.

RECOMMENDATION: Conduct a study to determine ways to increase and expand feasibility for nursing facility buildings to meet current and future needs. Any study of this kind should retain and strengthen standards for review of an applicant’s record, past history, and compliance in the areas of quality care and financial viability.

Memory Care

With the increased need for memory care and Alzheimer’s facilities, there is a need for a clear definition of and standards for memory care within nursing homes, adult day, assisted living and ADvantage Waiver. **Many facilities labeled as offering memory care are not set up or have staff who are properly trained to offer true memory care and Alzheimer’s services.** Oklahomans seeking such specialized care cannot know what is reasonable and acceptable to expect from care providers without the proper definition and requirements. The Alzheimer’s Association Oklahoma Chapter, among other groups representing both LTC providers and consumers, has identified this as an area that needs attention in our state.

RECOMMENDATION: The committee recommends the Oklahoma State Department of Health and the Oklahoma Legislature better define memory care and establish specific licensing requirements to meet that definition in each care setting.

Regulations need to be examined to determine which ones are presenting barriers.

Cannabis and Medical Marijuana in Long-Term Care Facilities

Oklahoma’s legalization of cannabis and medical marijuana has created an increased demand for LTC facilities to administer cannabis and medical marijuana to residents, if recommended, or allow residents to retain such drugs for self-administration. **Facilities that receive federal funds are prohibited from administering or storing cannabis and medical marijuana.** State and federal funds will not pay for the cost of cannabis or medical marijuana.

Many Oklahomans are using cannabis and medical marijuana as an alternative to other medications. As these Oklahomans enter the LTC facilities, many wish to exercise their right to continue using cannabis and medical marijuana. However, LTC facilities are unable to meet these needs and requests of their residents because of CMS federal guidelines. Many states have already legalized medical marijuana and cannabis, and if the Drug Enforcement Agency were to change the classification of marijuana from a Schedule I drug to a Schedule II drug, this would allow LTC facilities to store and dispense to their residents. It would also allow state and federal funds to cover the expense of medical marijuana and cannabis.

RECOMMENDATION: The state must work with Congress and other agencies to modernize statutes and rules regarding cannabis and medical marijuana in LTC facilities and HCBS.

Funding to pay for Long-Term Care facilities, services and supports

As the elderly population increases, there will be an increased demand for funding to pay for LTC services. LTC facilities and other support and service providers cannot withstand reimbursement reductions going forward.

RECOMMENDATION: Before making decisions to reduce reimbursement rates, state officials should carefully assess the impact on access to services and on quality of care of any proposed reductions in Medicaid reimbursements for LTC facilities and home and community-based services.

Lack of adequate funding in home and community-based services will result in higher cost options for families.

Adult Day Services

Increased utilization of ADS is needed in our state. Currently there are 26 ADS facilities located in the State of Oklahoma. Many Oklahomans could delay being placed in costly LTC facilities if ADS were utilized more widely. There are many areas of the state that do not have ADS available. **An expansion of the number of ADS providers throughout the state can save money in LTC expenses annually.**

The state's interpretation of CMS guidelines for ADS provider requirements is problematic for many current ADS providers and potential ADS providers. The state interpretation finds that ADS providers must take participants out of the building on field trips, but most providers do not have transportation to provide that service. Reimbursement levels for ADS services are not adequate to afford providers the ability to purchase vans and buses for such events. Additionally, the state requires ADS providers keep their doors unlocked during business hours, to allow participants the freedom to come and go as they please. This requirement provides an increased elopement risk for those participants with Alzheimer's and other forms of dementia and erodes the provider's ability to keep participants safe. These two specific CMS guidelines are interpreted differently by a number of other states.

At one time, there were 40 ADS providers in Oklahoma. **All but 26 have closed their doors due to funding issues.** To encourage an increase in the number of ADS providers, there must be predictable and sustainable funding, as well as reasonable reimbursement to ADS providers to cover the expense of their services. ADS services are integral to curbing the state's overall aging services expense.

RECOMMENDATION: The State Legislature should revisit adult day services reimbursement and funding to help sustain the current number of providers.

RECOMMENDATION: The state should develop an enhanced reimbursement model to entice new adult day services providers to rural areas of the state.

RECOMMENDATION: The state should review licensing standards to address identified concerns.

PACE – Programs of All-Inclusive Care for Elderly

Rules and Regulations

There will need to be increased utilization of PACE services. There is a need to revise rules and regulations regarding PACE services and qualification criteria. Currently people who are living in assisted living facilities are not able to enroll in the PACE program. In addition, financial qualifications for the PACE program are too limiting, and there is a need to revise this requirement.

State licensure regulations should be revised so they are consistent with federal regulations. Adult day services are an important component of every PACE program. Currently, PACE providers have to operate under ADS regulations. One example of regulatory inconsistency is that PACE providers are required to develop a care plan within 30 days of enrollment, while state ADS regulations require that a care plan be developed within 10 days of enrollment. In addition, federal PACE regulations allow PACE programs to provide home health services, but Oklahoma’s ADS rules do not. In fact, there are no PACE-specific state regulations that allow PACE programs to directly provide home health services, using PACE professional staff, to their enrolled members. There are several other inconsistencies between state and federal PACE guidelines that need review. Therefore, the **state guidelines should be revised to match federal PACE guidelines.**

Dignity for all persons at every stage of life.

Processing of PACE Enrollment

As the utilization of PACE services grows, there is a need to allocate DHS employees to process PACE enrollment paperwork. There are no specialized DHS employees who currently process PACE enrollments and final certifications. The lack of specialized employees slows down PACE enrollments and certifications.

RECOMMENDATION: The Oklahoma State Department of Health should revise state PACE licensure regulations to match federal PACE guidelines, where applicable, and revise rules and regulations regarding PACE enrollment criteria and guidelines.

RECOMMENDATION: The state should allocate at least one DHS employee, per PACE program, specifically trained to process PACE enrollment and final certifications.

ADvantage Waiver Program

Increased utilization of HCBS will be needed as the elderly population of our state experiences unprecedented growth.

ADvantage case management is the single most cost-effective component of HCBS. Services are billable in 15-minute units. However, **if an appropriate level of service is not permitted, participants will remain at risk of losing their independence and the state will miss an opportunity to provide a cost-effective model of care.** Many participants with complex care needs require more than the current 175 units allowed. There is a need to either eliminate the cap on allowable units of service, or at the very least, revert back to the previous cap of 250 billable units of service annually for ADvantage case management services. In addition, the state should develop and enforce a timely and more realistic policy related to requesting additional units of service for ADvantage members to allow for individualized care plans that address complex issues.

There is a need to increase reimbursement rates for ADvantage case management services. With the addition of the recently introduced Harmony web-based management system, the type of employee required to effectively navigate this system has changed. Providers' ability to attract appropriate talent is hindered by the current level of reimbursement. **The low rate does not allow open market competition for good, qualified employees.** The goal of ADvantage case management is to allow Oklahomans to age in place as long as possible. As the elderly population expands, the use of case managers will be an important and cost-effective component in managing the expense of an aging population.

RECOMMENDATION: The Oklahoma Legislature should allocate funds to DHS for an increase in reimbursement rates for ADvantage Waiver services and eliminate the cap on allowable units of service.

Options Counseling - Long-Term Care Services and Supports

Senate Bill 888 was recently passed and requires that options counseling services be offered prior to admission to a nursing home. The purpose of options counseling is **to educate Oklahomans about their health care options and educate the appropriate audiences regarding more cost-effective HCBS.** No funding was earmarked by the legislature for options counseling with the passage of that senate bill. Options counseling is essential for Oklahomans as it provides individualized information about long-term health care and living options in their area of the state. When implemented appropriately, this will give Oklahomans the ability to age in place as long as possible. Options counseling is an important component in helping to invert the current trend of spending Oklahoma Medicaid dollars. Currently, approximately 70% of aging services funds are spent on LTC facilities and 30% on HCBS. In Oregon, **options counseling has proven to provide an 11 to 1 return on investment.**

RECOMMENDATION: The state should establish secure and sustainable funding for options counseling operations.

7 in 10 retirees in the U.S. say they have no idea what they would do without Social Security.

Source: 2019 Wells Fargo Study

Transportation Services

There are many areas in Oklahoma that do not have transportation services available for the elderly. This shortage creates a hardship on many older Oklahomans and is a barrier to accessing many HCBS options that help them remain independent. Most adult day centers are also not able to provide transportation services, primarily due to a lack of funding. The ADvantage Waiver program and DHS funding do not provide reimbursement for transportation to and from adult day centers. This issue alone is a significant obstacle to the utilization of adult day center services.

In larger cities where public transportation is more prevalent, there are limitations on hours of operations, availability of handicap-accessible vehicles and reliable pick-up and drop-off times. These limitations can create hardships for the elderly and are often incompatible with their needs.

RECOMMENDATION: Conduct transportation services needs assessment for the elderly and create a plan to meet these needs.

RECOMMENDATION: The state should allow for reimbursement allocation for adult day service provider transportation expenses.

RECOMMENDATION: The state should review access times currently available for transportation services and consider expanding those services to times that can better serve those using transportation services.

In Plain English

Inconsistencies between state and federal regulations can create barriers for Oklahoma providers. The state must work with the U.S. Congress in support of individuals and caregivers who have been approved for the use of medical marijuana.

Options counseling must be funded. This will save the state millions of dollars due to the proven 11 to 1 return on investment.

WORKFORCE

By 2030, the population of older adults will grow to over 77 million in the U.S. 70% of those older adults will need assistance with daily living, and there is not the workforce necessary to meet this demand. Despite this huge demographic and need for support, the workforce issue has not been a priority in our state. Some providers currently are unable to accept new admissions due to a lack of workforce in their organization or through an outside staffing agency.

According to the U.S. Department of Labor, the direct care workforce need is anticipated to grow by 26% between 2014 and 2024. This is directly related to the increasing aging population. The U.S. Census Bureau is forecasting significant national increases in the 65 and older population. **Oklahoma's workforce is currently not equipped to meet these increasing demands to serve the needs of our older population.**

Oklahoma has a critical need to re-shape the public's perception of the value of careers that provide care for our elderly citizens and a need to develop strong career ladders within the aging services profession. For example, a personal care aide can become a certified nursing assistant, then become a licensed practical nurse, then become a registered nurse, etc. This pathway will provide greater opportunities for more Oklahomans to grow their income and strengthen the middle class.

According to AARP, Oklahoma's wages are ranked 47th in the nation for a personal care aide and 46th in the nation for a certified nurse aide. These wage rankings are alarming and present a great need for change. Aging services providers have not received adequate rate increases to support living wages for their employees. Entry-level workers, who are passionate about caring for our elderly, would rather work for the retail industry where they are paid \$12 an hour versus working as a personal care aide making only \$9.12 an hour.

Become a center of excellence with Oklahoma Works to promote health care training for certified nurse assistants, certified medication assistants, licensed practical nurses and registered nurses.

RECOMMENDATION: The state should collaborate with Oklahoma Works to address the specific challenges of the aging services care profession.

A sufficient, well-trained and adequately compensated workforce is the SOLUTION for the growing demand for serving our elderly.

In order to meet the current and future needs for a trained workforce for aging services, a comprehensive workforce development program needs to be designed and implemented. This could be accomplished in conjunction with the 58 career tech campuses throughout the state and continued with community colleges and state colleges to advance career paths.

RECOMMENDATION: Develop partnerships between the long-term care profession and schools to promote aging services careers, to share career opportunities and provide possible job placement.

Marketing and promoting the long-term care workforce is necessary to attract people for future needs. The job opportunities need to start with high school students and demonstrate the value of early entry to the nursing profession, career paths to advanced nursing professions, and the career opportunities for geriatric nursing and administration. This could be coordinated with professional trade associations, providers and educational institutions.

RECOMMENDATION: Improve the perception of long-term care as a career opportunity and rewarding profession.

Collaborate with the Oklahoma State Department of Health, career tech and higher education to counsel students on career ladders in the long-term care profession. Consider credit for the achievement of credentials for a career path: such as certified nurse assistant and certified medical assistant certification and years of experience would count toward some credit for the LPN program.

RECOMMENDATION: The state should develop a career ladder for employees of all aging services disciplines to encourage individuals to gain skills to advance their careers and provide a path to economic well-being.

Encourage individuals to advance their skills and education and provide a path to better economic well-being. This would also help with the workforce shortage.

RECOMMENDATION: Oklahoma Health Care Authority could provide free CNA training for individuals on state assistance in exchange for one to two years of employment in the aging services profession.

The aging services profession can provide income growth, opportunities and job security.

There is a major initiative underway to reduce incarcerated women. If they have non-barrier offenses, they could be offered positions in long-term care communities and training so they could advance their skills. This work in long-term care communities would shorten their probation time. This would give them a job, a paycheck and some financial security upon their release. A volunteer mentor program could be established to assist the individuals in the transition to ensure their success. This program would be modeled after the ReMerge program, a highly successful program that has rehabilitated many lives.

RECOMMENDATION: The State should work with ReMerge and the Department of Corrections to develop employment opportunities for the thousands of individuals who could be granted early release and provide employment and mentoring.

In Plain English

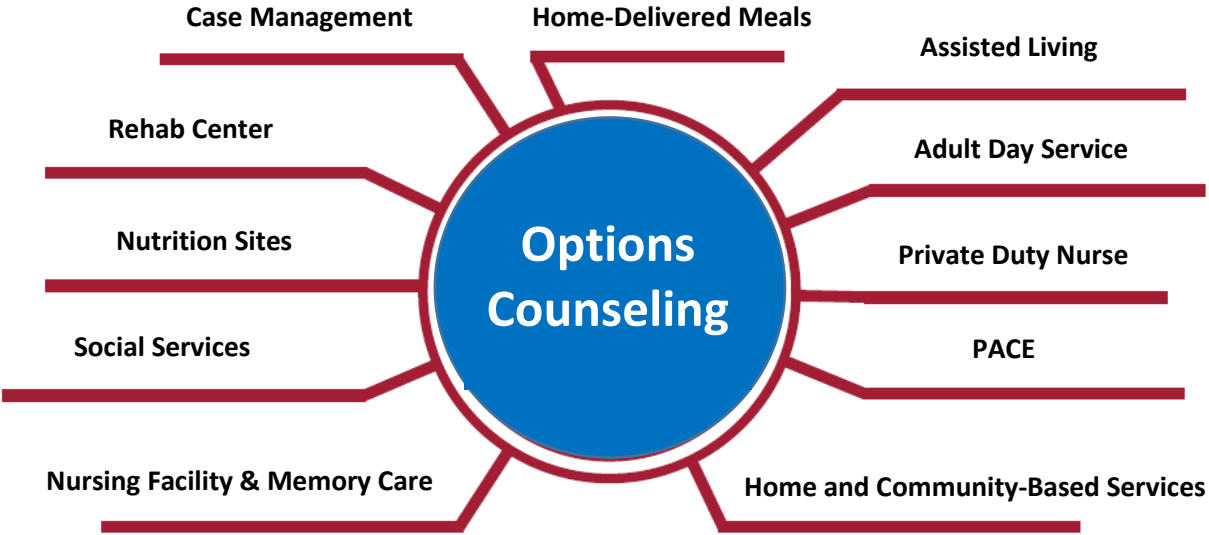
The workforce in Oklahoma for senior citizen care is not ready for the booming aging population. The pay rate is too low to attract individuals into the aging services profession. Partnering with existing training schools and programs can help meet the workforce needs.



CONCLUSION

The projected unprecedented growth of older Oklahomans will induce a financial crisis for the state that will impact all sectors of state government. Oklahoma must have a detailed plan to address aging in our state to be prepared for the financial and operational challenges in the silver tsunami that is already underway. This report, **A Plan for Aging in Oklahoma: The Possibilities for the Future**, is the roadmap needed now and for the years to come to position our state to address this critical issue that will affect families, employers, providers and our state government. By implementing this plan, we have the opportunity, not only to avert disaster, but also to make Oklahoma a leader in the nation.

Elders and Families have Options



Postscript

“With the ongoing national health crisis fueled by the largest demographic age shift in our country’s history, we have the great privilege to set a new standard of living for our community, our state, and even set an example to surrounding states and our nation. We cannot change using our current line of thinking, which is weighted in limited beliefs surrounding health and aging. Fighting disease and caring for our older adults must come from a base understanding of our connectedness to our earth, each other and ourselves. In order to accomplish this, we must remind ourselves of the foundation of Western medicine as stated by Hippocrates: **‘Let food be thy medicine and medicine be thy food.’** What we feed our bodies, our minds and our souls will dictate our successes and our failures as a whole.

“Times call for a paradigm shift, involving young to old, from a symptomatic response to health to a model based in longevity and person-centered preventative care. Valuing preventative care over prescription drugs will be key in changing our current model of health care. Through valuing holistic, preventative care practices such as, but not limited to, revitalized nutrition and hydration, mental health, yoga, meditation, intergenerational programming, advocacy and education, we can revolutionize our aging population. The resulting benefits will be a more vital community and increased long-term wealth. We will save millions of dollars in long-term care. **We don't just have the opportunity to optimize health and aging in Oklahoma, we have the responsibility to do so.** We have the privilege to leave a legacy to our children and grandchildren as they live and age.”

– Erin Martin, gerontologist, Oklahoma

2019 LONG-TERM CARE SERVICES AND SUPPORTS ADVISORY COMMITTEE

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With a combined 299 years of knowledge and experience, we invite all legislators to consider meeting with the committee for further discussion about this impactful report. Please contact a member to schedule.

Glossary of Acronyms

ADLs: Activities of Daily Living

ADS: Adult Day Services

CNA: Certified Nurse Assistant

CMA: Certified Medical Assistant

CMP: Civil Money Penalty

CMS: Centers for Medicare and Medicaid Services

CON: Certificate of Need

DEA: Drug Enforcement Administration

DHS: (Oklahoma) Department of Human Services

FMAP: Federal Medical Assistance Percentage

HCBS: Home and Community-Based Services

LTC: Long-Term Care

LTCSS: Long-Term Care Services and Supports

OAA: Older Americans Act

OLTCSS: Oklahoma Long-Term Care Services and Supports Advisory Committee

OSDH: Oklahoma State Department of Health

OTC: Oklahoma Tax Commission

PACE: Program of All-inclusive Care for the Elderly

QOC: Quality of Care

ROI: Return on Investment

TSET: Tobacco Settlement Endowment Trust

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The Committee would like to thank the following organizations that provided support for the Oklahoma Long-Term Care Services and Supports Advisory Committee. Experts across the aging profession provided quality information, resources and knowledge. The public is to be commended for attending our meetings and providing valuable community concern.

AARP Oklahoma

Alzheimer's Association, Oklahoma Chapter

LeadingAge Oklahoma

Oklahoma Department of Human Services, Aging

Oklahoma Health Care Authority

And a special mention of gratitude for Natasha Middleton from the Oklahoma Health Care Authority.

