

AARP's study, "A Balancing Act: State Long-Term Care Reform," found, "On average, Medicaid dollars can support nearly three older people and adults with physical disabilities in home and community based services for every person in a nursing home."

Overwhelmingly, people prefer Home and Community Based Services over institutional care and their increasing demand to live at home or in the community is the impetus for the gradually increased proportions of Medicaid spending for Home and Community Based Services.

States vary greatly in the proportions of Medicaid long-term care funds expended on Home and Community Based Services. This creates an "imbalance" in support of nursing home care versus lower cost options; simply put, it is more cost effective to provide individuals with the care they prefer.

In Montana, 74% of Medicaid dollars currently fund Nursing homes and 26% goes toward Home and Community Based Services.

Some states are using Evidenced Based Best Practices to create a rebalancing and are serving more individuals by re-allocating long-term care expenditures. A few of the states that have been highly successful in rebalancing their Medicaid Long-Term Care dollars are:

- New Mexico rebalanced budget 61% to Home and Community Based Services
- Oregon rebalanced budget 56% to Home and Community Based Services
- Washington rebalanced budget to 55% to Home and Community Based Services
- Alaska rebalanced budget to 51% to Home and Community Based Services

An excellent example of how this can meet the client's wishes and save state and federal revenue is:

A Missoula Aging Services Home and Community Based Waiver Client was a resident at Riverside Nursing home.

Medicaid reimbursement for Riverside Nursing Home: **\$60,561** annually

Expressing her desire to want to age in the community, she was admitted to the Home and Community Based Services program. On admission to the program, she chose to move into an assisted living facility of her choice.

Medicaid reimbursement for Hunter Glen Assisted Living and Waiver Plan of Care: \$21,965.04 Annually
COST SAVINGS OF \$38,596

On the Medicaid Waiver Program she has been thriving and is planning a move back home. Medicaid reimbursement for In-home Care and Waiver Plan of Care: \$18,086
COST SAVINGS OF \$3,879

TOTAL COST SAVINGS FROM NURSING HOME TO IN HOME SERVICES \$42,475

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