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The Changing Face of Long-Term Care: Ohio's Experience 1993-2005

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THE CHANGING FACE OF LONG-TERM CARE:
OHIO'S EXPERIENCE
1993-2005

Ohio Long-Term Care Facts

- With more than 2 million people 60 and over, Ohio is an aging state (rank 6th).
- The number of older Ohioans with severe disability will increase by 28% to 220,000 by 2020 and will more than double to 350,000 by 2035.
- In 2005, Ohio's Medicaid program served about 51,000 individuals in nursing homes, spending $2.8 billion – a per-capita ranking of 9th in nation.
- In 2005, Ohio's PASSPORT program served about 26,000 older people and spent $310 million.
- In 2005, Ohio had 950 nursing homes and 91,000 licensed or certified beds.
- Nursing homes continue the trend of providing short-term care coverage for many residents. In 2005, Ohio had more than 190,000 admissions.
- Nursing home occupancy rates increased to 86.4% from 2003 when they were 84.7%.
- The number of those over age 60 using nursing homes declined slightly in this same time period.
- In 2005, Ohio had 543 residential care facilities with about 39,000 beds.
- The occupancy rate of residential care facilities in 2005 was 77%.
- Nursing home residents have high levels of disability, with 85% having three of more impairments in activities of daily living such as dressing and bathing.
- There has been an increase in nursing home residents under the age of 60 and these individuals are less physically impaired than older residents.
- PASSPORT participants report high levels of disability with 61% having three or more activities of daily living deficits.
- Medicaid costs for nursing home care were $164 per day, for PACE $93 and for PASSPORT $48 per day.
- Ohio has increased the proportion of Medicaid long-term care recipients using PASSPORT home care from 9% in 1993 to 35% in 2005.

THE CHANGING FACE OF LONG-TERM CARE: OHIO'S EXPERIENCE 1993-2005

Executive Summary

As a state with one of the largest aging populations in the country, Ohio faces substantial challenges in its efforts to provide long-term care services for its citizenry. In 2005, 172,000 of Ohio's 2 million older people had a severe disability, and this number will more than double by 2035. The Medicaid program represents almost a quarter of the entire state budget, and long-term care accounts for 42% of that total. In 2005, Ohio spent $2.8 billion on nursing home care and $950 million on Medicaid in-home services. Expenditures on the PASSPORT program were $310 million. Ohio has been criticized for spending a high proportion of Medicaid funds on institutional long-term care compared to in-home services, receiving a ranking of 47th in 2005.

Nursing homes continued their trend of providing short-term care to a majority of those admitted. In 2005, Ohio recorded 190,000 admissions for the 91,000 beds in service. More than two-thirds of all nursing home admissions are no longer residents after 6 months. Nursing home occupancy rates increased from 84.7% in 2003 to 86.4% in 2005. The number of Medicaid residents age 60 and older declined slightly during this same time period. Nursing home residents are severely disabled, more so than ten years ago. The proportion of residents under age 60 has almost tripled in the past ten years. The occupancy rate in 2005 for the 543 residential care facilities was 77%.

Ohio's PASSPORT program has grown from 4,200 individuals in 1992 to 26,000 in 2006. PASSPORT participants have high levels of disability and these rates have remained constant over the past decade. The expansion of PASSPORT means that the way older Ohioans use long-term care has changed in the past 12 years. In 1993, 9% of Medicaid long-term care recipients 60 and over received PASSPORT; in 2005 that proportion was 35%. The total rate of older people using Medicaid for long-term care services (33 per 1,000) was unchanged. This happened because as the home care use rate increased, the nursing home use rate under Medicaid for the over 60 population decreased.

Long-term care remains costly. In 2005 the Medicaid per diem was $164, the Medicaid share of Program of All Inclusive Care for the Elderly (PACE) was $93 per day, and the PASSPORT daily rate was $48. Although there are differences in both covered services and the rates of disability across these programs, these costs indicate the importance of making sure that Ohioans receive care in the appropriate setting.

The current costs and projected demographic increases suggest that the state faces serious challenges both today and tomorrow in meeting the long-term care needs of older Ohioans. Current concerns will be multiplied in the future as we more than double the size of the older population with severe disability between now and 2035. It is critical for Ohio to begin the strategic planning process today in order to prepare for the challenges ahead.

Background

Few of us could have imagined the dramatic changes that we have experienced as a nation in recent years. From technological innovations to medical advances to social and cultural shifts, the United States and Ohio are different places than they were even two decades ago. Long-term care, while not likely to make the general public's list of critical societal issues, has become an area of change that dramatically affects the lives of older people and their families. Primarily a state responsibility, it has become a growing issue for Ohio policy makers as well. In this report we document the current state of long-term care in Ohio and describe how it has changed between 1993 and 2005.

Ohio, like the nation, is aging. With more than 2 million individuals age 60 and over, Ohio ranks 6th in the nation in sheer size of its aging population (Mehdizadeh et al., 2004). The age 60-plus and 80-plus populations are projected to grow by 44% and 22%, respectively, by 2020. While a growing older population is a marker of societal advancement, such increases are accompanied by formidable challenges for society. It is estimated that more than six million older Americans need long-term care (Houser et al., 2006). About three in ten older Ohioans -- about half a million people -- experience a moderate or severe long-term disability (Mehdizadeh et al., 2004). The population most likely to need long-term care, those 85 and above, has increased by almost 50,000 (34%) since 1990. Demographic projections for the nation indicate that by 2035, when many of the baby boomers will be in their eighties and nineties, the number in need of long-term care will double or possibly triple in size. Estimates for Ohio indicate that the population with severe disability will grow from 167,000 in 2000 to more than 220,000 in 2020 (a 28% increase); and by 2035 the number will top 350,000 (140% increase).

The cost of long-term care has become a major expenditure for both government and private sources. Total U.S. spending for long-term care in 2004 topped $194 billion (Georgetown

University, 2007). Medicaid, the joint federal/state program, accounts for half of all national long-term care expenditures. About one-fifth of long-term care is funded through the Medicare program, which is focused more on acute care services. Out-of-pocket payments by individuals and their families account for nearly another 20% of funding. Private long-term care insurance (7%) and other public and private programs (6%) also support long-tem care (Tritz, 2006).

Ohio long-term care expenditure patterns generally mirror the nation's. Because the Medicaid program is jointly financed by the federal and state governments and administered by the states, expenditures for that program have a significant affect on the state budget. In 2005, Ohio's Medicaid program represented almost one-quarter of total state expenditures, and long-term care accounted for 42% of that total -- a proportion that is higher than all but five other states (Houser et al., 2006). Ohio spent more than $4.8 billion on long-term care in that year, a per-person spending ranking of 10th highest nationwide (Burwell et al., 2006).

Ohio's Medicaid expenditures for institutional long-term care settings are higher than the majority of states. In 2005, Ohio's Medicaid program spent about $2.8 billion on nursing homes, a per-capita ranking of 9th highest nationwide. Medicaid also spent just over $1 billion on intermediate care facilities for individuals with developmental disabilities, a per-capita ranking of fifth nationally. Ohio's Medicaid program spent $950 million on home- and community-based services, a per-person ranking of 26th (Burwell et al., 2006). These spending patterns mean that the proportion of Medicaid funds allocated to in-home services is lower in Ohio than in the majority of states -- a ranking of 47th in home care expenditures as a percent of total long-term care expenditures (Houser et al., 2006).

Despite concerns raised about the lack of balance between institutional and community-based care in Ohio's Medicaid long-term care expenditures, recent analysis indicates that the

state has begun to shift its long-term care strategy. For example, Ohio's PASSPORT program, targeted towards adults age 60 and over, has become one of the largest Medicaid waiver programs in the United States. PASSPORT has grown from $103 million in 1995, to $189 million in 1999, to $310 million in 2005. This year, Ohio became the 43rd state to develop a Medicaid-funded assisted living program in an attempt to expand residential options to individuals with disability. Other program innovations, such as the PASSPORT program's Home-First option, that offer immediate access to in-home services to older people seeking discharge from a nursing home, and a recent Executive order to address the PASSPORT waiting list also reflect efforts to alter the existing system of long-term services and supports. Ohio is a recent recipient of a national initiative, funded by the Centers for Medicare and Medicaid Services, termed Money Follow the Person. The initiative is designed to work with individuals needing assistance in transitioning from institutional to community-based settings. In this report, we document the changes that Ohio has experienced since 1993, with an eye toward preparing the current system for the future challenges faced by the state.

Overview of Long-Term Care in Ohio

While long-term care has traditionally been thought of as nursing home care, there are a number of settings in which long-term care is now provided. Older people with chronic disability receive care in their own homes, the homes of relatives or friends, in congregate housing, in continuing care retirement communities, in assisted living and other residential care facilities, and in adult care facilities. The majority of long-term care in Ohio is provided in three settings: the community, in a nursing home, or in a residential or adult care facility.

Community – Most older Ohioans who experience a disability live in their own homes or in the homes of family members. More than four in five of the half million older people with moderate

or severe disability live in the community. Family and friends provide the vast majority of assistance to older people living at home. National figures estimate that more than 80% of all long-term care provided in the community is delivered by family and friends. A recent study estimated the value of informal care in Ohio to be at more than $5 billion annually (Mehdizadeh & Murdoch, 2000). For those that need additional support, formal in-home services are available. These include an array of in home supports, such as personal care, homemaking, adult day care, home-delivered meals, and medical equipment and emergency response systems. These services are financed and provided through two major sources: county property tax levies, and the PASSPORT Medicaid waiver program.

Ohio counties have developed a relatively unique approach to funding in-home services. Unlike the majority of states that have developed state-funded home-care programs, Ohio is one of five states that uses a series of locally funded and managed programs to fund and deliver in-home services. These programs are important because the Medicaid-funded programs, such as PASSPORT, are limited to older people who meet the nursing home level of care eligibility criteria and have a very low income. In Ohio, 62 of 88 counties have passed senior levies to support in-home services, generating more than $100 million in 2005 (Payne et al., 2006). The county levies vary in both size and scope. Some, such as the ones in Hamilton and Franklin counties, are large, each generating more than $18 million annually, while others are much smaller, generating $50,000 or less each year. These programs typically focus on older people with moderate levels of disability and low-to-moderate income levels. In 2005, county levy programs served approximately 100,000 older people in Ohio.

PASSPORT is the major state initiative designed to deliver home- and community-based services. Financed through a Medicaid waiver, PASSPORT is jointly administered at the state

level by the Ohio Department of Job and Family Services (ODJFS), which, as the single state Medicaid agency, has fiduciary responsibility for the program; and the Ohio Department of Aging, which is responsible for day-to-day management of the program. PASSPORT is operated by Ohio's 12 area agencies on aging, and one private, non-profit human service organization. The administrative agencies use case managers to link an array of in-home services to the 26,000 older people who receive services each day through PASSPORT. These agencies arrange, monitor, and fund services through their case management, fiscal, and quality assurance units; but all direct services are delivered by an array of approved community providers.

Table 1 provides an enrollment breakdown for the13 organizations responsible for regional administration of the PASSPORT program. As expected, the agencies that serve the areas with the largest populations -- such as Cleveland, Akron, Dayton, and Cincinnati -- generally have the largest PASSPORT caseloads. The major exception to this pattern is the Rio Grande site. While Rio Grande has about 4% of the disabled older population in the state, the site accounts for more than 11% of the statewide caseload, for a 44% penetration rate. A number of factors can explain PASSPORT participation rates, including poverty rates of the area, the presence or absence of levy funded programs, and outreach and organizational approaches and characteristics of each site. Overall, PASSPORT serves about 14% of the severely disabled older population of the state.

Table 1
Distribution of Ohio's Older Population and PASSPORT Consumers:
By Area Agencies on Aging
June 2006

Area Agency on Aging (AAA)	Location	Estimated Total 60+ Population	Estimated Number of People with Severe Disabilities 60+	Proportion of Ohio's Population 60+ with Severe Disabilities By AAA	Number of PASSPORT Consumers	Proportion of PASSPORT Consumers By AAA	PASSPORT Consumers as Percent of Severely Disabled Population
1	Cincinnati	257,801	22,057	12.4	2,244	8.7	10.2
2	Dayton	158,000	13,468	7.5	2,046	8.0	15.2
3	Lima	67,080	6,092	3.4	459	1.8	7.5
4	Toledo	166,351	14,674	8.2	1,907	7.4	13.0
5	Mansfield	100,682	8,504	4.7	1,551	6.0	18.2
6	Columbus	246,459	20,042	11.2	2,652	10.3	13.2
7	Rio Grande	85,290	6,787	3.8	2,974	11.6	43.8
8	Marietta	48,451	3,860	2.2	772	3.0	20.0
9	Cambridge	100,506	8,661	4.9	1,498	5.8	17.3
10A	Cleveland	404,787	36,302	20.4	4,758	18.5	13.1
10B	Akron	224,094	19,651	11.0	3,011	11.7	15.3
11	Youngstown	145,773	12,997	7.3	1,198	4.6	9.2
CSS*	Sidney	63,268	5,302	3.0	669	2.6	12.6
Total	State Total	2,068,542	178,397	100.0	25,739	100.0	14.4

∗ Catholic Social Services serves part of the Dayton Region and is the only private agency involved with the administration of PASSPORT services.
Source: PASSPORT Information Management System (PIMS) June 2006
Profiles and Projections of the 60+ Population. Available at http://wwwscripps.muohio.edu/scripps/research/countyreports.html

Nursing home care – A major part of the current system of long-term care is the nursing home. Ohio has 972 nursing homes, with approximately 100,000 licensed certified beds, though 950 homes were operating in 2005 (See Table 2). The number of nursing home beds per 1,000 persons 65 and over is 61. This bed ratio results in Ohio ranking 9th in per-capita number of nursing home beds across the country (Houser et al., 2006). Most of the facilities in Ohio are either free standing nursing homes or part of a continuing care retirement community. Just over 5% of the state's nursing facilities are hospital-based, and 2% are public facilities. Over three-quarters of Ohio's nursing homes are for-profit entities. The average Ohio nursing home has 96 beds. Almost four out of every five nursing home beds are located in facilities in urban areas. A big part of the funding base for nursing homes is the Medicaid program, which provides more than 64% of total revenues. Medicare provides about 15% of the state's nursing home revenue, except for hospital-based units, where because of their specialization in post acute services, 56% of funds come from Medicare.

Residential and adult care homes – Residential and adult care facilities are the third major component of the long-term care system. Ohio has 543 residential care facilities containing approximately 39,000 licensed beds. Facilities are licensed as residential care if they provide personal care to 17 or more individuals. Included in this category are about 280 assisted living facilities that typically have private rooms, lockable doors, bathrooms, and food preparation areas. About 61% of beds in residential care are in facilities that meet the definition of assisted living being used in the new state waiver program. Ohio is in the first year of implementation of its assisted living Medicaid waiver program, designed to expand the assisted living option to low income Ohioans who meet the requirements for nursing home level of care.

Table 2
Ohio's Nursing Facility Characteristics, 2005

	All Nursing Facilities	County Homes	Hospital Based Long-Term Care Unit
Number of Facilities	950	20	50
Licensed / Certified Nursing Home Beds			
12/31/05	93,848	2,154	2,152
On average, number of beds available daily	91,274	2,062	2,039
Average Number of Beds	96	103	41
Location (percent)			
Urban	78.6	49.5	85.9
Rural	21.4	50.5	14.1
Ownership (percent)			
For Profit	77.2	-	32.0
Not for Profit	20.5	-	68.0
Government	2.3	100.0	-
Average Daily Charge (dollars)			
Medicaid	164.0	152.0	191.0
Medicare	310.0	288.6	319.0
NH Private Pay (private room)	192.1	151.5	403.0
NH Private Pay (shared room)	172.5	146.7	338.0
Payment Sources (percent)			
Medicaid	64.3	66.3	30.7
Medicare	14.8	16.2	55.8
Private (self, others, and insurance)	19.9	17.5	11.9
Long-Term Care Insurance only	1.0	0.0	1.6

*Most hospital beds are Medicare certified, not licensed.

Ohio also licenses Adult Group Homes, which house between six and 16 residents, and Adult Family Homes, which house three to five residents. Residents of these homes cut across the age span. There are currently 253 Adult Group Homes and 419 Adult Family Homes licensed in the state.

Tracking Long-Term Care Utilization

In 1994, because of concerns about future long-term care challenges to the state, the Ohio Legislature, and the departments of Aging and Job and Family Services initiated a research project to track nursing home, residential care facility, and home care use in the state. This report includes longitudinal data on long-term care use in Ohio that began with that initial study. Because long-term care is provided in a range of settings with different funding sources, tracking long-term care use in Ohio relies on a multitude of data sources. Information on nursing homes and residential care facilities, including descriptive characteristics and admission, discharge and occupancy rates, comes from a survey of facilities conducted by Scripps in 2006. About 90% of nursing homes and 83% of residential care facilities successfully completed the surveys. Data from the Medicaid Cost Report, completed by each facility and compiled by the Ohio Department of Job and Family Services, and the national online survey of certified facilities (OSCAR), compiled by the Centers for Medicare and Medicaid Services (CMS), are used to supplement the Ohio survey. To track the characteristics of nursing home residents, the study relies on the Minimum Data Set (MDS), completed by certified facilities when a resident is admitted and on all residents at the end of each quarter. Data on PASSPORT consumers -- including those admitted through the Home-First option and Program of All Inclusive Care for the Elderly (PACE) participants -- come from the PASSPORT Information Management System (PIMS).

Nursing Facility Use

The review of long-term care expenditures documents the major role that the nursing home plays in the current system. However, the nature of long-term care services is changing appreciably. As shown in Table 3, while the number of nursing home beds in service has remained stable since 1992, admissions and discharges have risen dramatically. For example, in 1992 Ohio nursing facilities recorded 71,000 admissions. By 1999, that number had more than doubled to 150,000, and by 2005 there were 190,000 admissions to Ohio nursing homes (an increase of 27% from 1999). For many, nursing homes have become places to receive short-term rehabilitative care after acute care hospital admissions. A major reason for this change has been the reduction in the average length of hospital stays reimbursed by Medicare as part of the prospective payment system. This means that nursing homes now serve two very different target populations: those who view the nursing home as a short-term care solution; and those who will likely be residents for the remainder of their lives.

The detailed analysis of admission and discharge data highlight this point. In 1992, 30,000 of the 71,000 admissions to Ohio nursing homes entered with Medicare as their primary payer. By 1999, the number of Medicare admissions had more than doubled to 79,000 out of 150,000; and by 2005 there were 117,000 Medicare admissions (an increase of 48% from 1999) out of 190,000 total admissions. Similar patterns were seen in the rates of discharge from nursing homes.

These increased rates of admissions and discharges mean that the nursing home of today is a very different entity than the one we profiled in 1992. To better understand how nursing homes are being used, we identified every first time admission to Ohio nursing homes in the year 2001, and kept track of resident outcomes for three years. Findings showed that after three months, of all individuals admitted to Ohio nursing homes, 43% continued to reside in the

facility. (About 80% of those discharged return to the community.) After six months, less than one-third of all admissions remained as residents. At the nine month mark, one-fifth of all of those admitted remained as residents. The rate of discharge declines after nine months, such that after one year the proportion of residents remaining was 16%, after two years 9%, and after three years 6% (Mehdizadeh, Nelson, & Applebaum, 2006). These data reinforce the premise that nursing homes serve two very distinct populations, and the finding does have important implications for policy decisions about the structure of long-term care in Ohio.

The question about how these changes in admission patterns affect Ohio nursing home occupancy rates is examined in Table 3. Occupancy rates in 2005 (86.4%) are lower than they were in 1992 (91.9%); however, rates between 2003 and 2005 show an increase (84.7% to 86.4%). As described in Figure 1, this means that in 2005, on average, each day there were 78,835 Ohioans in a nursing home, an increase of 2.6% from the 76,850 residents in 2003. The number of residents relying on Medicaid for payment was essentially stable, increasing by 1% from 50,798 to 51,235. Those paying privately increased by 4%; from 16,852 to 17,538. The largest change occurred in the Medicare census, increasing by 9%, from 9,200 to 10,062. This increase is consistent with the increased volume of Medicare admissions described earlier.

Because of changes in nursing home demographics, the Medicaid occupancy rates need to be interpreted carefully. Nursing homes continue to serve an increasing number of individuals under the age of 60. Of the 51,235 residents on Medicaid each day in 2005, 16% (8,083) were under age 60. In 2003, 13.6% (6,908) of Medicaid residents were under age 60. This means that although the overall Medicaid census increased slightly in 2005, actually there were fewer residents age 60 and over (43,152) than in 2003 (43,890).

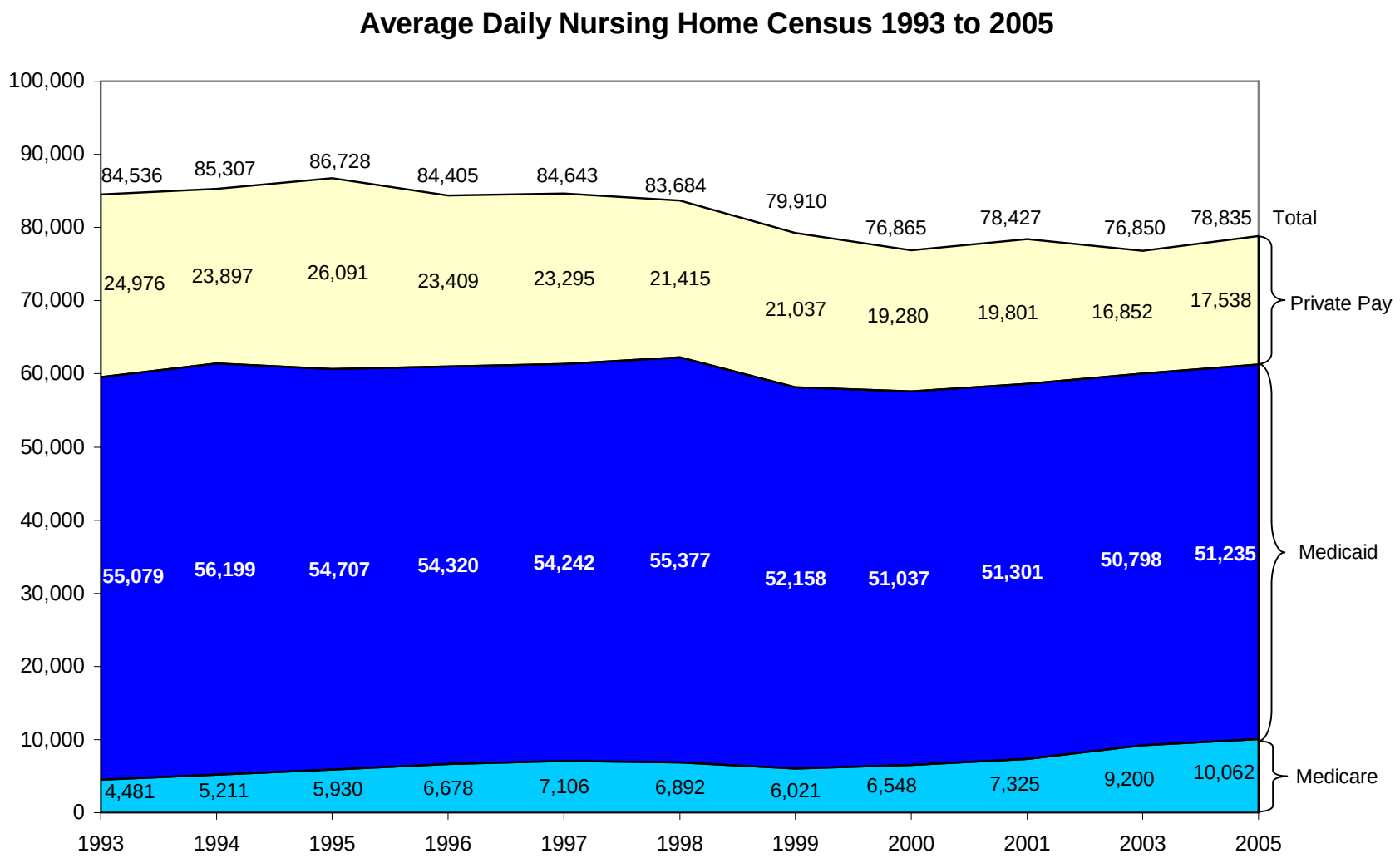
Table 3
Ohio Nursing Facility Admissions, Discharges, and Occupancy Rates: 1993-2005

	1992	1993	1999	2001	2003	2005
Adjusted Nursing Facility Beds[a]						
Total beds	91,531	93,204	95,701	94,231	90,712	91,274
Medicaid certified	80,211	82,207	93,077	87,634	-	87,090
Medicare certified	37,389	36,140	47,534	62,088	-	86,701
Number of Admissions						
Total	70,879	82,800	149,838	149,905	168,924	190,150
Medicaid resident	17,968	17,542	28,150	24,442	-	34,432
Medicare resident	30,359	41,733	78,856	90,693	-	116,810
Number of Discharges						
Total	68,195	79,977	148,253	141,611	N/A	190,534
Medicaid resident	23,568	25,466	36,562	30,374	N/A	43,168
Medicare resident	20,443	28,810	66,058	71,884	N/A	96,151
Occupancy Rate (Percent)[b]						
Total	91.9	90.7	83.5	83.2	84.7	86.4
Medicaid resident[c]	67.4	67.0	55.4	58.5	N/A	58.8
Medicare resident[d]	9.9	12.4	12.8	11.8	N/A	11.6

[a]Total beds include private, Medicaid and Medicare certified beds. Because some beds are dually certified for Medicaid and Medicare, the individual categories cannot be summed. The total beds, Medicaid, and Medicare certified beds are adjusted to account for facilities that did not respond to the survey in each year.
[b]The occupancy rate since 1996 is based on facilities that did not have ICF-MR certified beds. In facilities with ICF-MR beds all beds are dually licensed, therefore it is impossible to separate Medicaid-IMR residents from other residents.
[c]Medicaid certified beds occupied by residents with Medicaid as source of payment.
[d]Medicare certified beds occupied by residents with Medicare as source of payment.

Source: Annual Survey of Long-Term Care Facilities. Ohio Department of Health 1992-1998, Annual Survey of Long-Term Care Facilities, Ohio Department of Aging and Scripps Gerontology Center, 1999-2005.

Figure 1



Source: Annual Survey of Long-Term Care Facilities 1992-2005

Nursing Facility Resident Characteristics and Costs

The review of utilization trends highlights the dramatic changes experienced in the industry. In this section we examine the characteristics of those using nursing homes and the accompanying costs of this care. Data for this analysis comes from the Minimum Data Set (MDS) and corresponds to the time periods 1994, 2004, and 2006.

As expected, nursing home residents are most often age 80 and above (59%), with four in ten age 85 and older (See Table 4). Despite this concentration of residents in their eighties and nineties, nursing homes today have a higher proportion of those under age 60 than in the past, a trend that in part reflects the increase in short-term stays. For example, the proportion of residents who are under the age of 60 almost tripled from 4% in 1994 to 11.1% in 2006, and the average age dropped from 83 to 79. Nursing home residents are typically women (70%), less likely to be married (18%), and less likely to be a member of a minority group (13%). Again reflecting industry changes, the proportion of residents who are women has decreased slightly; and the proportion married, and who are non-white, has slightly increased.

Nursing home residents have high levels of disability. Using the activities of daily living (ADL) functional measure, which includes such dimensions as bathing, dressing, and grooming, we see that residents have between four and five impairments (See Table 5). More than nine of ten are unable to bathe without assistance, 85% are unable to dress themselves, and more than three in ten are unable to feed themselves. Reflecting this high level of frailty, four in five have four or more ADL deficits. Residents also have problems with continence (61%) and a high proportion experience cognitive difficulties (67%). Residents have become slightly more impaired over the last 12 years.

Table 4
Comparison of the Demographic Characteristics of Ohio's Certified Nursing Facilities Residents: 1994, 2004, and 2006

	1994 (Percentages)	2004 (Percentages)	2006 (Percentages)
Age			
45 and under	0.2	2.5	2.4
46-59	3.8	7.6	8.7
60-64	2.8	4.0	4.3
65-69	5.1	5.2	5.6
70-74	9.0	7.8	7.6
75-79	14.0	13.5	12.4
80-84	19.4	19.8	19.1
85-90	21.6	19.9	20.2
91+	24.1	19.7	19.7
Average Age	83.1	79.4	79.1
Gender			
Female	73.8	70.9	70.1
Race			
White	88.5	86.4	86.5
Marital Status			
Never Married	14.3	15.7	16.4
Widowed/Divorced/Separated	70.6	66.1	65.2
Married	15.1	18.2	18.4
Population	81,414	73,900	73,869

Source: MDS Plus Oct.-Dec. 1994
MDS 2.0 April-June 2004
MDS 2.0 July-September 2006

Table 5
Comparison of the Functional Characteristics of Ohio's Certified Nursing Facilities Residents by Age Group: 1994, 2004, and 2006

	1994 (Percentages)	2004 (Percentages)	2006 (Percentages)
Needs Assistance in Activities of Daily Living (ADLs) [1]			
Bathing	94.0	93.6	93.1
Dressing	83.6	85.3	85.5
Transferring	68.7	74.6	76.2
Toileting	75.1	80.1	80.9
Eating	38.5	32.5	31.4
Grooming	83.4	84.2	84.7
Number of ADL Impairments[2]			
0	5.1	5.4	5.2
1	7.2	6.1	6.1
2	4.9	3.9	4.0
3	7.7	5.4	5.2
4	75.1	79.2	79.5
Average Number of ADL Impairments	4.2	4.5	4.5
Incontinence [3]	59.4	60.9	61.0
Cognitively Impaired [4]	61.5	66.5	66.9
Average Case Mix Score	Not comparable	1.98	2.01
Population	81,414	73,900	73,869

[1] "Needs assistance" includes limited assistance, extensive assistance, total dependence, and activity did not occur.
[2] From list above
[3] "Occasionally, frequently, or multiple daily episodes".
[4] "Moderately" or "severely" impaired

Source: MDS Plus Oct.-Dec. 1994
MDS 2.0 April-June 2004
MDS 2.0 July-September 2006

Because of the increase in residents under age 60, a comparative analysis by age group is presented. The vast majority of the under 60 age group is in their fifties (55%) or in their forties (31%); while 65% of the over 60 group is 80 and above (See Table 6). Three-quarters of the older group is female, compared to 44% for the younger group. The under 60 group is more likely to be non-white, and appears to have less social support; more than half of the group has never been married, compared to 12% for the 60-plus group. A smaller proportion of the under 60 group (13%) is married, compared to 19% for the older group.

Comparisons between groups on functional disability measures show that the members of the under age 60 group are less disabled (See Table 7). Almost one in five of the under 60 group records no ADL impairment, while 4% of the over 60 group is in this category. The over 60 group records higher levels of disability on each of the individual ADL items, and, on average, has 4.6 ADL deficits compared to 3.6 for the under age 60 group. Both groups have high levels of cognitive impairment: six of ten for the under 60 group and two-thirds for the 60-plus group. The finding that 25% of the under-60 group has zero or one ADL impairment is consistent with results from an earlier study and suggests that a closer look at the under 60 resident population is warranted (Mehdizadeh & Applebaum, 2005).

As noted earlier, the cost of nursing home care is a major component of Medicaid long-term care expenditures. In this section we present data on costs of care by payment status for residents (See Figure 2). Historical costs have been inflation adjusted and are presented in 2005 dollars. Our review shows that in 2005 the cost of a nursing home paid for by Medicaid or through a private payment source was about $60,000 per year. The average per-diem for Medicaid was $164 and for private payers was $172. Medicare, which provides more rehabilitative care, had a per-diem rate of $310 in 2005. A review of costs between 2001 and

Table 6
Comparison of the Demographic Characteristics of
Ohio's Certified Nursing Facilities Residents by Age Group:
September 2006

	Under 60 Years (Percentages)	60 Years and Older (Percentages)
Age		
0-10	0.2	-
11-20	0.4	-
21-30	3.4	-
31-40	9.2	-
41-50	31.4	-
51-59	55.4	-
60-64	-	4.9
65-69	-	6.3
70-74	-	8.6
75-79	-	14.0
80-84	-	21.4
85-90	-	22.7
91+	-	22.1
Average Age	50.1	82.8
Gender		
Female	44.0	73.3
Race		
White	74.2	87.6
Marital Status		
Never Married	53.2	11.8
Widowed/Divorced/Separated	33.4	69.2
Married	13.4	19.0
Population	8,212	65,657
Percent of Population	11.1	88.9

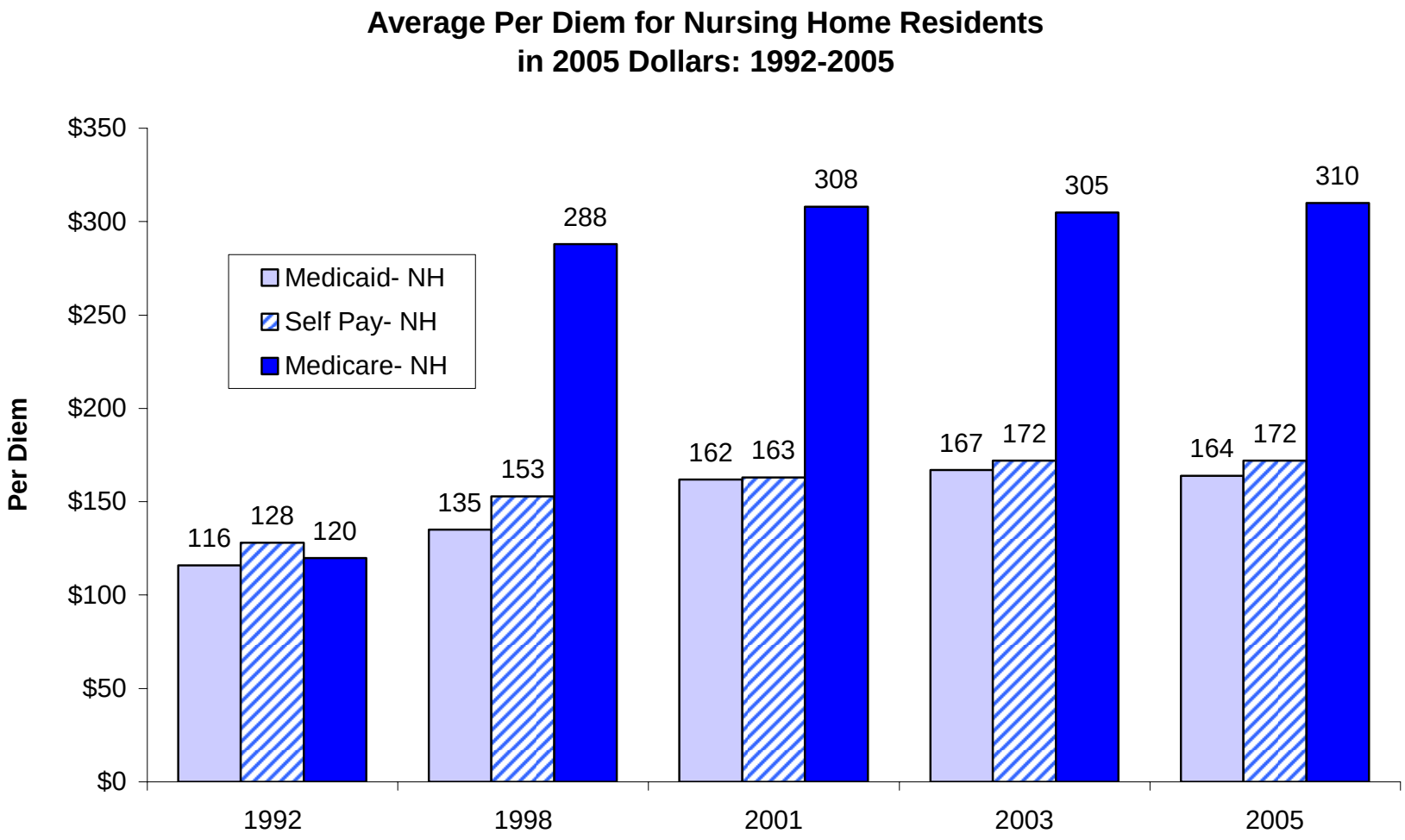
Source: MDS Plus Oct.-Dec. 1994
MDS 2.0 April- June 2004
MDS 2.0 July-September 2006

Table 7
Comparison of the Functional Characteristics of
Ohio's Certified Nursing Facilities Residents by Age Group:
September 2006

	Under 60 Years (Percentages)	60 Years and Older (Percentages)
Needs Assistance in Activities of Daily Living (ADLs) [1]		
Bathing	75.8	93.5
Dressing	68.7	87.7
Transferring	58.4	78.4
Toileting	63.7	83.1
Eating	27.7	31.8
Grooming	70.6	86.4
Number of ADL Impairments[2]		
0	18.2	3.6
1	7.8	5.8
2	5.7	3.8
3	6.6	5.0
4	61.7	81.8
Average Number of ADL Impairments	3.6	4.6
Incontinence [3]	44.3	63.3
Cognitively Impaired [4]	60.7	67.6
Average Case Mix Score[5]	2.00	2.01
Population	8,212	65,657

[1] "Needs assistance" includes limited assistance, extensive assistance, total dependence, and activity did not occur.
[2] From list above
[3] "Occasionally, frequently, or multiple daily episodes".
[4] "Moderately" or "severely" impaired
[5] Case mix scores are used by Medicaid to determine reimbursement rates. A higher case mix score means that the resident has a higher level of disability.
Source: MDS Plus Oct.-Dec. 1994
MDS 2.0 April-June 2004
MDS 2.0 July-September 2006

Figure 2



Source: Annual Survey of Long-Term Care Facilities 1992-2005

2005 showed that the per-diem rate remained relatively constant when inflation adjusted. For example, the Medicaid rate in 2005 dollars was $162 in 2001, $167 in 2003, and $164 in 2005. Ohio's Medicaid rate in 2003 ranked 5th highest nationally (Houser et al., 2006).

Residential Care Facility Use and Cost

Ohio has 543 licensed residential care facilities housing more than 33,000 residents. Based on our survey, we find that 279 facilities have the attributes, such as a private bedroom and bathroom, which would allow the facility to participate in the state's new assisted living waiver. To date 50 of these facilities are participating in the assisted living program. A review of utilization patterns for residential care facilities showed an overall occupancy rate of just below 77% in 2005 (See Table 8). The facilities that had assisted living components had a slightly higher occupancy rate (78% vs. 75%) than the other facilities. The facilities with assisted living attributes had an average daily rate of $108 per day, or $3,250 per month, compared to $103 for the remaining facilities. The current top tier payment under the assisted living waiver is $2,650.

Data on the characteristics of individuals who use residential care facilities is also examined. Unlike our nursing home information, which is based on individual records, these data represent a summary estimate provided by the facility. For example, survey respondents were asked to estimate how many of their residents had a physical impairment in areas such as bathing, dressing, and cognitive functioning. These findings indicate that four in ten residents of facilities had two or more activities of daily living limitations. About two-thirds were impaired in bathing, and just under half were unable to dress themselves. About one-third were receiving skilled nursing care. Almost 30% had cognitive impairments and 13% had behavioral problems.

Table 8
Comparison of the Functional Characteristics of Ohio's Residential Care Facilities Residents

	Overall (Percentages)*	Assisted Living (Percentages)*	Other RCFs (Percentages)*
Unit Occupancy	76.9	77.7	75.2
Residential Care Facilities (average daily rate)		$108	$103
Needs Assistance in Activities of Daily Living (ADLs)			
Bathing	63.8	61.1	68.3
Dressing	46.3	45.2	48.1
Transferring	20.0	17.5	21.3
Toileting	27.5	25.6	30.8
Eating	8.35	6.9	10.7
Mobility	57.5	59.1	54.7
With Two or More Activities	39.4	36.6	44.1
Received Skilled Nursing Care	33.3	31.1	37.1
Behavior Problems	13.3	10.3	18.6
Cognitively Impaired	28.3	25.8	32.4
Population	33,096	23,498	9,598

*Percentages are provided by facilities. The numbers are averaged for all facilities that provided a response to each question.

Source: Annual Survey of Residential Care Facilities, 2005

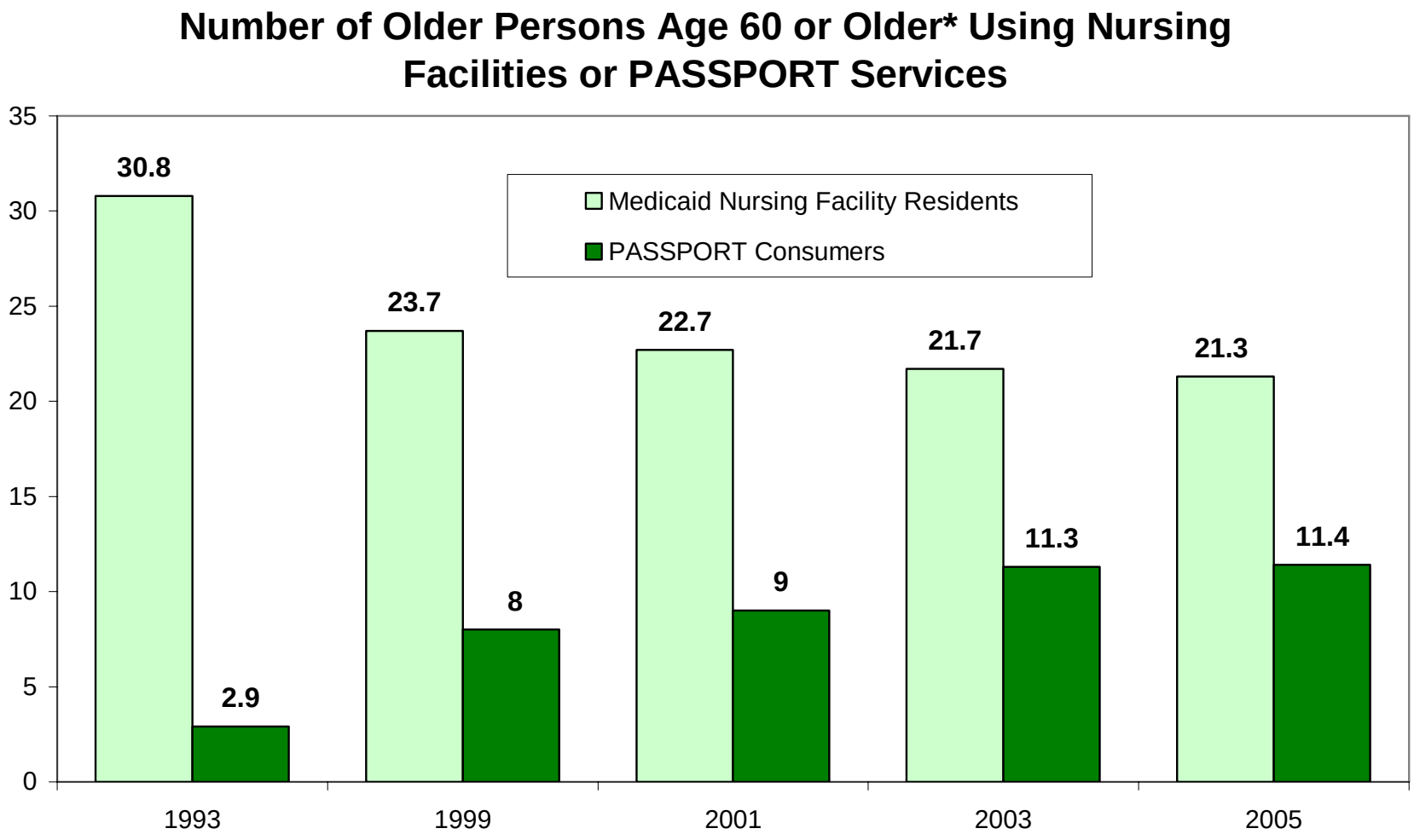
PASSPORT Use and Costs

As mentioned earlier, PASSPORT has become one of the largest Medicaid waiver programs in the United States. To be eligible, applicants must meet the Medicaid nursing home eligibility criteria. Once PASSPORT applicants meet the economic and disability thresholds, the PASSPORT case managers, working in conjunction with participants and their families, develop a plan of care and arrange the necessary services. The administrative agency, through case managers and other program staff, is responsible for monitoring and quality management activities.

PASSPORT has expanded considerably, increasing from 4,215 individuals in 1992 to 26,000 enrolled on any given day in 2006. To examine overall system changes, we compare PASSPORT and Medicaid nursing home use rates for Ohio's older population (See Figure 3 and Table 9). In 1993, there were about 45,000 people age 60 and older receiving Medicaid reimbursed nursing home care (31 per 1,000), while the PASSPORT number of 4,215 represented a rate of 2.9 per 1,000. By 2005, significant changes in the long-term care system had occurred. The rate of Medicaid nursing home use had dropped to 21 per 1,000, while the PASSPORT rate had increased to 11 per 1,000. This indicates that the overall rate of use (33.7/1000) has not changed since 1993, but the rate of older people now using PASSPORT has increased. As Table 9 shows, changes are most significant for those age 85 and older.

Services – While case managers have an array of services to choose from, the majority of PASSPORT service dollars (75%) are allocated to personal care (See Table 10). Long-term residential settings also spend the majority of their resources on assisting residents with the tasks of daily living, such as dressing and bathing. About 11% of PASSPORT funds are allocated to home-delivered meals. Adult day care (4%), home medical equipment (3.3%), transportation

Figure 3



***The number of persons are per 1,000 persons over age 60 in the population.**

Note: 1993 Data limited to 65 years and older

***Source*:** Annual Survey of Long-Term Care Survey of Facilities 1992-2005
PASSPORT Information Management Services (PIMS) 1992-2005

Table 9
Medicaid Nursing Facility and PASSPORT Utilization Rates 1993-2005
(Utilization Per Thousand Persons in Population)

	1993		2001		2003		2005	
Age	**Nursing Facility**	**PASSPORT**	**Nursing Facility**	**PASSPORT**	**Nursing Facility**	**PASSPORT**	**Nursing Facility**	**PASSPORT**
60-64	-	-	5.0	3.5	5.3	5.0	5.3	4.9
65-74	7.9	1.5	9.2	7.4	9.1	9.9	10.0	10.4
75-84	29.5	3.6	29.5	12.3	28.4	15.5	27.6	15.6
85+	168.1	6.8	106.1	20.6	96.3	20.9	88.3	20.8
Overall[1]	30.8	2.9	22.7	9.0	21.7	11.4	21.3	11.4

[1]1993 Overall rate is based upon 65+ population.

Source: Profiles and Projections of the 60+ Population of Ohio, Scripps Gerontology Center, Miami University, 2004
MDS Data files 1993-2005
PASSPORT Information Management System (PIMS) 1993-2005

Table 10
PASSPORT Expenditures by Type of Services
2005-2006

Type of Services	(Percentages)*
Personal Care	74.9
Home Delivered Meals	10.6
Adult Day Services	4.0
Transportation	3.0
Home Medical Equipment and Supplies	3.3
Homemaker Services	1.1
Emergency Response	2.2
Home Modification	0.7
Other	0.2

Source: PASSPORT Information Management System (PIMS)

(3%) and emergency response systems (2.2%) form a grouping of important but limited expenditure services. One exception to these spending patterns involves the PASSPORT participants who elect to enroll in PASSPORT Choices. Under this care option a consumer can choose to use funds to hire a relative, friend, or neighbor to provide personal care and other assistance, rather than using agency-based providers. Service expenditures for Choices enrollees are not broken down in the same manner as in the rest of the program.

PASSPORT Participant Characteristics – A review of PASSPORT consumers indicates that the characteristics of participants have remained consistent over the past 12 years (See Table 11, 12). Almost four in ten PASSPORT participants are over age 80, with a mean age of 77. PASSPORT consumers have gotten a little younger in the past 12 years. For example, the proportion of individuals below age 70 has increased from 23% to 27%. PASSPORT consumers tend to be female (79%), not married (80%), and living in their own homes (80%). While three-quarters of the participants are white, the proportion of non-whites is almost twice as high for PASSPORT (23.8%) compared to nursing home residents (13.5%).

PASSPORT participants average three limitations in the activities of daily living. Most (96%) are impaired in bathing, and three-quarters have mobility limitations. More than one-quarter report four or more ADL deficits, and almost six in ten have three or more limitations. Nine of ten report four or more impairments in the instrumental activities of daily living. About 10% are classified as needing 24 hour supervision, and 14% have problems with incontinence.

In examining health status, we find that three in ten consumers have circulatory system disorders as a primary diagnosis. Problems with the endrocrine (15%), musculoskeletal (15%), and respiratory systems (11%), and problems of the nervous system and mental disorders (14%) round out the top diagnosis areas (See Table 13). More than one-quarter had at least one hospital

Table 11
Demographic Characteristics of PASSPORT Consumers: 1994, 2004, and 2006

	December 1994 (Percentages)[a]	June 2004 (Percentages)[a]	October 2006 (Percentages)[a]
Age			
60-64	9.4	10.8	10.7
65-69	13.2	16.2	16.0
70-74	16.3	17.8	17.4
75-79	17.1	20.3	18.5
80-84	16.9	17.3	18.2
85-90	15.0	10.8	11.5
91-94	8.6	5.4	5.8
95+	3.5	1.4	1.9
Average Age	77.7	76.4	76.7
Gender			
Female	80.0	79.8	78.7
Race			
White	73.2	76.6	74.1
Black	25.5	21.9	23.8
Other	1.3	1.5	2.1
Marital Status			
Never Married	5.2	6.3	6.6
Widowed	59.8	51.4	49.4
Divorced/Separated	12.2	23.0	24.2
Married	20.8	19.3	19.8
Current Living Arrangement[b]			
Own home/ apartment	79.0	83.8	79.5
Relative or friend	18.9	15.7	17.9
Congregate housing/elderly	1.1	0.3	0.2
Group home	0.7	-	-
Nursing facility	-	-	1.3
Other	0.1	0.2	1.1
Number of Consumers Served[*]	7,161	22,560	28,565

Note: Number of consumers served in 1994 represent total consumers served during the year. However, in 2004 and 2006, this number represents consumers who had an active service plan anytime during the 12 months preceding June 2004 or on October 2006.

For explanations of a through j, please see table endnotes, page 40.

Source: PASSPORT Information Management System (PIMS)

Table 12
Functional Characteristics of PASSPORT Consumers: 1994, 2004, and 2006

	December 1994 (Percentages)[a]	June 2004 (Percentages)[a]	October 2006 (Percentages)[a]
Percentage with Impairment/Needing Hands-On Assistance, Activities of Daily Living (ADLs)[c]			
Bathing	96.7	96.5	96.0
Dressing	71.4	61.7	60.1
Mobility[d]	46.7	78.4	75.6
Toileting	35.5	20.4	21.1
Eating	11.4	10.6	10.9
Grooming[e]	N/A	32.8	32.9
Number of ADL impairments			
0	N/A[e]	0.8	0.8
1	N/A	3.8	3.5
2	N/A	34.8	34.6
3	N/A	34.1	33.6
4 or more	N/A	26.5	27.5
Average Number of ADL Impairments*	N/A[e]	3.0	3.0
Percentage with Impairment in Instrumental Activities of Daily Living (IADLs)			
Community access[f]	89.8	89.5	84.8
Environment management[g]	97.1	99.7	95.2
Shopping	97.6	97.6	97.4
Meal preparation	88.3	88.9	88.5
Laundry	97.0	96.2	95.7
Medication Administration	38.8	32.2	41.4
Number of IADL Impairments**			
0	2.3	0.1	3.9
1	0.2	0.1	1.0
2	0.8	0.3	0.5
3	3.5	3.7	3.8
4 or more	93.2	95.8	90.8
Average Number of IADL Impairments**	5.1	5.0	4.9
Supervision Needed[h]			
24 hour	N/A	8.1	9.5
Partial time	N/A	11.1	9.1
Incontinence[i]	N/A	N/A	14.1
Number of Consumer Served	7,161	22,560	28,565

Note: Number of consumers served in 1994 represent total consumers served during the year. However, in 2004 and 2006, this number represents consumers who had an active service plan anytime during the 12 months preceding June 2004 or on October 2006.

*From list above.

**From list above (including Medication Administration).

For explanations of a through j, please see table endnotes, page 40.

Source: PASSPORT Information Management System (PIMS)

Table 13
Health Status of PASSPORT Consumers
October 2006

	(Percentages)[a]	
Primary Diagnosis, Diseases of		
Circulatory System	30.4	
Endocrine, Nutritional, Metabolic Immunity	15.0	
Musculoskeletal System and Connective Tissue	14.8	
Respiratory System	11.0	
Injury and Poisoning	8.5	
Nervous System and Sense Organs	7.3	
Alzheimer's		2.9
Parkinson's		1.4
Other degenerative nervous system		3.0
Mental Disorders	6.2	
Dementia		4.1
Other mental disorders		2.1
Other	6.8	
Number of Hospital Admissions During Previous Year		
0	73.9	
1	14.7	
2	5.9	
3-5	4.6	
6-10	0.9	
More than 10 times	-	
Number of Nursing Home Admissions During Previous Year		
0	92.0	
1	6.4	
2	1.2	
3 or more	0.4	
Number of Prescribed Medications		
0	5.7	
1-2	3.3	
3-5	13.0	
6-10	36.6	
11-15	27.2	
16-25	13.4	
More than 25	0.8	
Total Number of Medications		
0	5.2	
1-2	2.3	
3-5	9.7	
6-10	33.8	
11-15	30.1	
16-25	17.6	
More than 25	1.3	
Number of Consumers Served	28,565	

For explanations of a through j, please see table endnotes, page 40.
Source: PASSPORT Information Management System (PIMS)

admission in the past year, with 6% having three or more. Eight percent had been admitted to a nursing home in the past year. As a result of their chronic conditions, PASSPORT consumers use a lot of prescription medications. More than 90% use three or more medications daily, and more than 40% use more than ten prescription medicines daily.

To gain a better understanding of consumers who were receiving home-care services, we subdivided participants into three distinct groups: traditional PASSPORT, Home-First, and Choices consumers. The demographic profiles are, overall, similar across the three groups (See Table 14). The one exception involves the living arrangement measure. Because Home-First applicants came from a nursing home, most (66%) listed that location as their primary residence at the time of assessment, compared to 1% for the other enrollee groups. The Choices consumers, who were able to hire family members or friends, were twice as likely to live with a relative or friend in comparison to the general PASSPORT group (36% vs. 18%).

A review of functional characteristics finds that both the Home-First and Choices participants are more impaired than the overall PASSPORT group (See Table 15). For example, 44% of Home-First and 45% of Choices consumers have four or more ADL impairments, compared to 27% for the PASSPORT group. Six of ten Home-First and Choices participants need assistance with medication administration, compared to four in ten for PASSPORT consumers. Home-First (31%) and Choices (41%) participants need more supervision in comparison to PASSPORT consumers (19%). The Choices group has more than twice the proportion of participants with continence problems (28%) than the other two groups.

A final comparison examines the rate and reasons of discharge from the PASSPORT and Home-First groups. Data for 2006 indicate that Home-First consumers experienced a higher rate of discharge than the PASSPORT program (See Table 16). Given the higher level of disability,

Table 14
Demographic Characteristics of Ohio's Medicaid Waiver Consumers: October 2006

	PASSPORT (Percentages)[a]	Home-First (Percentages)[a]	Choices (Percentages)[a]
Age			
Less than 60	-	-	-
60-64	10.7	12.8	10.9
65-69	16.0	14.9	15.3
70-74	17.4	15.1	16.5
75-79	18.5	18.6	19.0
80-84	18.2	19.1	17.3
85-90	11.5	13.3	12.1
91-94	5.8	5.3	6.5
95+	1.9	1.0	2.4
Average Age	76.7	76.6	77.2
Gender			
Female	78.7	74.9	78.2
Race			
White	74.1	77.3	79.6
Black	23.8	21.9	17.8
Other	2.1	0.8	2.6
Marital Status			
Never Married	6.6	8.4	5.2
Widowed	49.4	50.5	51.6
Divorced/Separated	24.2	21.7	20.6
Married	19.8	19.4	22.6
Current Living Arrangement[b]			
Own home/ apartment	79.5	25.5	62.5
Relative or friend	17.9	7.2	36.3
Congregate housing/elderly	0.2	-	-
Group home	-	-	-
Nursing facility	1.3	65.9	1.3
Residential Care Facility	-	-	-
Other	1.1	1.4	-
Number of Consumers Served[*]	28,565	1,237	248

For explanations of a through j, please see table endnotes, page 40.

Source: PASSPORT Information Management System (PIMS)

Table 15
Functional Characteristics of Ohio's Medicaid Waiver Consumers: October 2006

	PASSPORT (Percentages)[a]	Home-First (Percentages)[a]	Choices (Percentages)[a]
Percentage with Impairment/Needing Hands-On Assistance, Activities of Daily Living (ADLs)[c]			
Bathing	96.0	95.8	94.3
Dressing	60.1	67.8	77.0
Mobility[d]	75.6	85.4	77.0
Toileting	21.1	42.9	35.0
Eating	10.9	12.4	12.0
Grooming	32.9	31.2	49.6
Number of ADL impairments			
0	0.8	0.9	-
1	3.5	2.8	3.1
2	34.6	24.2	20.4
3	33.6	27.9	31.4
4 or more	27.5	44.2	45.1
Average Number of ADL Impairments*	3.0[c]	3.4	3.5
Percentage with Impairment in Instrumental Activities of Daily Living (IADLs)			
Community access[f]	84.8	89.8	83.9
Environment management[g]	95.2	97.0	91.1
Shopping	97.4	98.8	99.6
Meal preparation	88.5	94.2	96.1
Laundry	95.7	98.2	99.1
Medication Administration	41.4	59.5	60.1
Number of IADL Impairments**			
0	0.0	0.2	-
1	0.1	0.3	-
2	0.5	1.1	-
3	3.9	7.3	1.3
4 or more	95.9	91.1	98.7
Average Number of IADL Impairments**	4.1	5.4	5.4
Supervision Needed[h]			
24 hour	9.5	13.9	20.2
Partial time	9.1	16.6	21.0
Incontinence[i]	14.1	9.4	27.8
Number of Consumer Served	28,565	1,237	248

*From list above.
**From list above (including Medication Administration).
For explanations of a through j, please see table endnotes, page 40.
Source: PASSPORT Information Management System (PIMS)

Table 16
Reasons Consumers Were Disenrolled in 2006 from the PASSPORT and Home-First Programs

Reasons	PASSPORT (Percentages)[a]	Home-First (Percentages)[a]
Percent of Consumers Disenrolled	**14.1**	**28.9**
Died	46.3	41.1
Admitted to Nursing Home for 30+ Days	35.8	43.3
Admitted to Hospice Care	0.5	0.8
Admitted to Hospital for 30+ Days	1.2	0.8
Did Not Meet Financial Eligibility	5.5	4.5
Could Not Agree on a Plan of Care	3.2	5.6
Did Not Meet Level of Care	1.4	1.4
No Longer Resides in Ohio	4.1	0.8
Other	2.0	1.7
Total Consumers Disenrolled	4,017	358

For explanations of a through j, please see table endnotes, page 40.

Source: PASSPORT Information Management System (PIMS)

and that all of the Home-First consumers came from nursing homes, these differences are not unexpected. In looking at reasons for discharge, we find that for both groups the main reason for discharge is that the consumer dies or enters the nursing home (eight in ten). A higher proportion of the PASSPORT participants died, and a higher proportion of Home-First consumers entered a nursing home. PASSPORT consumers are more likely to leave the state, and more Home-First consumers leave the program because they do not agree on the plan of care.

Comparisons Across Medicaid Long-Term Care Programs

In this section we provide a comparison of new enrollees in the three primary long-term care programs supported by Medicaid: nursing home care, PASSPORT, and the Program of All Inclusive Care for the Elderly (PACE). The PACE program combines Medicaid and Medicare funding to create comprehensive health and long-term care coverage for frail older people. PACE enrollees, who typically receive their care in an adult day care setting, have both acute and long-term care service coverage under the program. On the acute care side this includes a range of services such as physician visits, hospital care, and prescriptions. For long-term care this includes in-home services, assisted living and nursing home care. The integrated funding source is designed to improve the linkages between the acute and long-term care service systems. Because the PACE program has recently been transferred to the PIMS data-base, we currently have demographic but not functional data, and we present data on all participants, rather than just new enrollees.

The three programs are relatively comparable on age and marital status (See Table 17). Nursing homes, reflecting the short-term care phenomena, have a lower proportion of female admissions. The PACE program has a much high proportion of minority enrollees (65%) compared to nursing homes (79%) and PASSPORT (75%).

Table 17
Demographic and Functional Characteristics of Newly Enrolled PASSPORT Consumers and Newly Admitted Medicaid Nursing Home Residents: 2006

	Nursing Home Residents 60 Years or Older (Percentages)[a]	PASSPORT Consumers (Percentages)[a]	PACE (Percentages)[a]
Age			
60-64	16.2	17.4	9.9
65-69	10.0	15.6	15.5
70-74	11.8	16.5	14.4
75-79	15.8	16.6	14.8
80-84	19.1	16.7	14.5
85-90	16.1	10.5	13.2
91-94	8.5	4.9	4.8
95+	2.5	1.7	1.9
Average Age	77.8	75.4	73.9
Gender			
Female	67.4	75.4	75.9
Race			
White	78.7	74.6	33.4
Black	19.7	23.0	65.1
Other	1.6	2.4	1.5
Marital Status			
Never Married	14.6	7.1	11.2
Widowed	47.6	46.6	40.8
Divorced/Separated	20.1	24.9	30.8
Married	17.7	21.4	18.0
Percentage with Impairment/Needing Hands on Assistance, Activities of Daily Living (ADLs)[c]			
Bathing	87.3	93.6	
Dressing	80.9	57.3	
Transferring	69.6	74.7	
Toileting	74.6	23.8	
Eating	21.1	14.3	
Grooming	81.1	26.7	
Number of ADL Impairments[*]			
0	6.3	1.0	
1	7.8	5.2	
2	4.6	36.3	
3	8.4	30.8	
4 or more	72.9	26.7	
Average Number of ADL Impairments[*]	4.2	2.9	
Supervision Needed			
24 Hour	N/A	10.6	
Partial	N/A	13.7	
Cognitively Impaired[j]	59.8	N/A	
Incontinence[i]	45.6	9.1	
Medicaid Daily Cost	$164	$48	$93
Number of Consumers/ Residents	1,232	5,053	839

[*]From list above.
For explanations of a through j, please see table endnotes, page 40.
Source: PASSPORT Information Management System (PIMS) October 2006, MDS September 2006

A review of functional disability finds that nursing home residents record the highest level of impairment. For example, 73% of nursing home residents have four or more ADL deficits, compared to 27% for PASSPORT participants. The gap closes when looking at three or more impairments, with 81% of nursing home residents in this category, compared to 57% for PASSPORT. Newly enrolled nursing home admissions are more likely to report no ADL deficits (6.3%) compared to PASSPORT. Nursing home residents are more likely to have problems with continence (46%) compared to PASSPORT (9%). These data indicate that, while each of the programs serves older people with severe disability, on average there is a difference in severity across settings.

We also compare Medicaid costs across the settings. The average daily Medicaid costs for nursing homes was $164, for PACE, $93 and for PASSPORT $48. Variation in costs occur for several reasons, including types of services covered and consumer level of disability. For example, nursing home costs include a room and board charge and some services, such as nursing, which are not part of the PASSPORT waiver. The PASSPORT rate includes funds for direct services and a six dollar per day cost for case management and other administrative expenses. The PACE program uses funding from both Medicaid and Medicare and provides coverage for both acute and long-term-care services. Additionally, although all participants meet the nursing home level of care eligibility criteria, there are case-mix differences across the programs. These cost differentials also highlight the importance of making sure that older Ohioans are in the settings that best match their care needs and choices.

Ohio Changes and Challenges

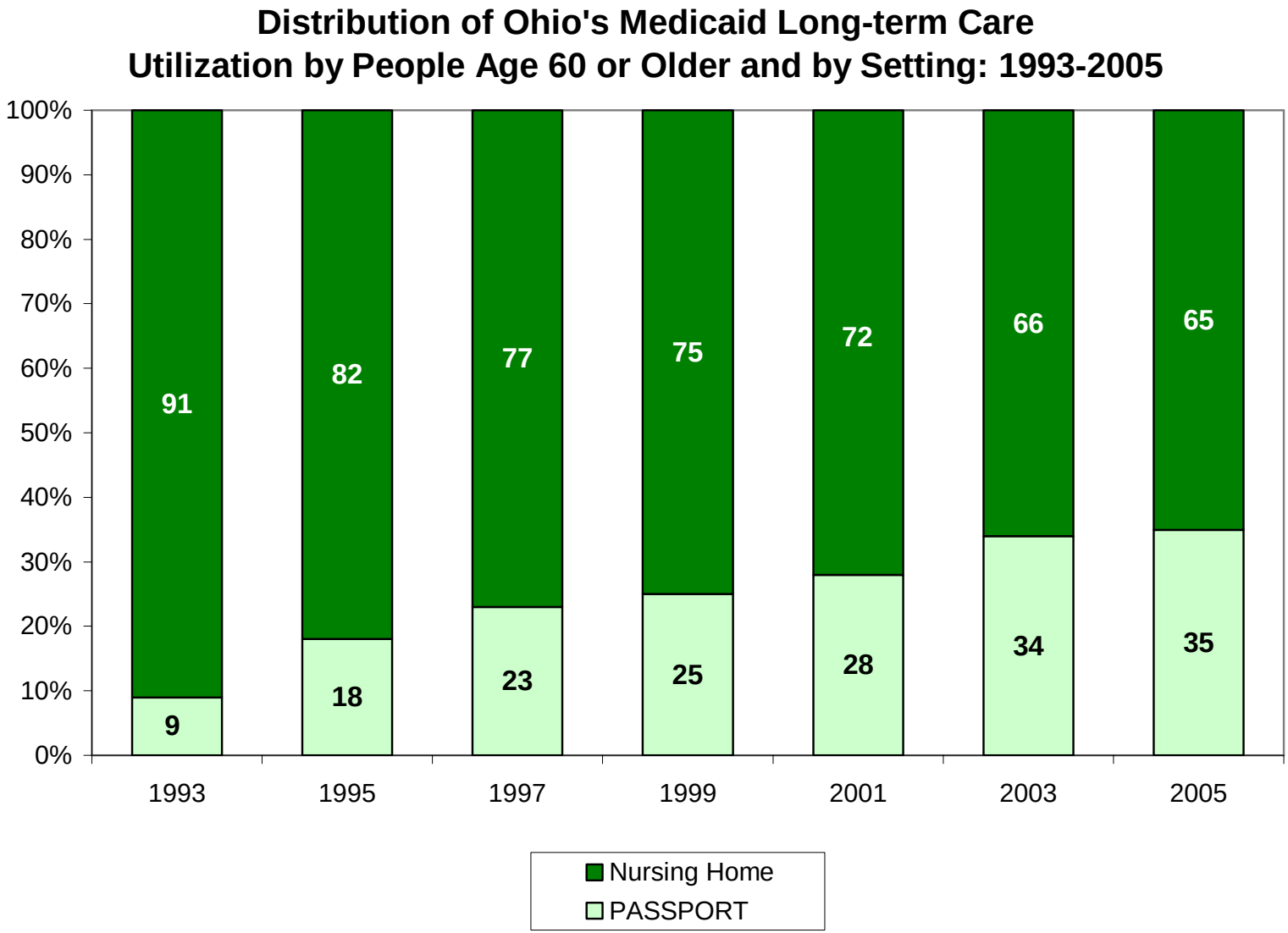
As documented in this report, Ohio's long-term care system of caring is changing. A final piece of evidence charting these changes includes a review of how those over age 60 and using

Medicaid are distributed between nursing homes and home care settings (See Figure 4). In 1993, 91% of Medicaid recipients 60 and over received services in the nursing home, compared to 9% in Ohio's PASSPORT program. By 2003, the proportion had changed to 66% in nursing homes and 34% in PASSPORT. In 2005, the proportion of Medicaid long-term care recipients using PASSPORT increased to 35%, a lower rate of increase than previous years.

Ohio has made significant changes in its long-term care delivery system in the past decade. A much larger proportion of Ohio's older Medicaid long-term care consumers are receiving services in their homes compared to ten years ago. Through the recent PASSPORT expansion and the Home-First component, it appears that the trend to increase the number of older Ohioans receiving community-based care will continue. Ohio has begun implementation of an assisted living waiver program and through a recent federal grant, will have an opportunity to provide additional resources to those residing in institutions that may be served in a community setting. Although each of these actions represents significant steps for Ohio, the system continues to face serious challenges. The ratio of institutional expenditures to home care spending is higher in Ohio than all but three states. Ohio is consistently identified as a state that does not provide adequate choice for consumers needing long-term services and supports.

Although Ohio has begun to respond to the concerns of today, it is the challenges of tomorrow that generate the most important questions for the state. As an aging state, the number of older Ohioans likely to need long-term care will more than double over the next 30 years. Growing the long-term care Medicaid budget proportionally to the increase in the older population could mean an almost doubling of Medicaid's share of the budget by the time Ohio reaches the height of the baby boom. Given the pressures of education, economic development, infrastructure support, and many other demands, such a scenario is just not feasible. It is critical

Figure 4



Note: 1993 Data limited to 65 years and older

***Source*:** Annual Survey of Long-Term Care Survey of Facilities 1992-2005
PASSPORT Information Management Services (PIMS) 1992-2005

that Ohio prepare for future demographic changes by developing a comprehensive strategy for tomorrow's long-term care challenges, beginning today. These problems are much more difficult to solve once we are in the midst of the actual demographic boom. Ohio has made some important strides in its efforts to modify its system of long-term care. However, the challenges and changes required are significantly greater than the ground that has already been covered.

Table Endnotes

[a] Percentages are adjusted to reflect only those consumers for whom information was available on each variable.
[b] The current living arrangement reflects living arrangement at time of assessment.
[c] Impairment includes all who could not perform the activity by themselves or could with mechanical aid only.
[d] Needs hands on assistance with at least one of the following three activities: "bed mobility", "transfer" or "locomotion".
[e] Because of a rule change in 1994, the ability to perform grooming activity is measured differently, and it is not included in the comparison.
[f] Needing hands on assistance with using a "telephone", using "transportation", or handling "legal or financial matters" constitutes impairment in community access.
[g] Needing hands on assistance with "house cleaning", "yard work", or "heavy chores" constitutes impairment in environmental management.
[h] Between June 2001 and September 2004 the Ohio Department of Aging gradually changed to a new PASSPORT information management system designed to keep track of PASSPORT consumers' characteristics and service utilization. Not all the information presented in this report was electronically available prior to this change, therefore some analysis is limited to the PASSPORT sites that changed to the new system prior to July, 2003.
[i] Dribbling urgency, dribbling frequently or chronic bladder incontinence or fecal incontinence.
[j] "Moderately" or "severely" impaired in cognitive skills.

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