



CONNECTICUT ASSOCIATION FOR **HEALTHCARE AT HOME** SM

Home care: A smart way to deal with CT's aging population

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Connecticut policymakers often get a bad rap, sometimes deservedly so, for their inability to properly manage the state's affairs. The recent state budget that raised taxes by \$1.3 billion, for example, cast a dark shadow of discontent over Hartford's Golden Dome.

One area, however, where state government is actually on the right track is dealing with its aging population. Specifically, the state's focus on moving older residents into homecare settings, rather than much higher cost institutional care, is smart policy and should continue and even be expanded.

As the Hartford Business Journal has been reporting in recent weeks, Connecticut is one of the 10 oldest states in the country, and its population is getting grayer by the day. In the next 15 years, more than 247,000 Connecticut residents are expected to move into the 65-plus age group, representing a 45 percent increase compared to 2013, according to the U.S. Census Bureau.

That will usher in an era of higher demand for healthcare services, and unless the state figures out ways to keep seniors healthy and rein in costs, the financial burden will be overwhelming.

Home care is a logical way to keep costs in check. The median annual cost for home health aide services in Connecticut, for example, is \$50,336, versus \$66,900 for an assisted-living facility, according to the Genworth 2015 Cost of Care Survey. A semi-private room in a Connecticut nursing home costs about \$146,000 annually, while a private room goes for \$158,775, the survey said.

As HBJ's Matt Pilon [reports in this week's issue](#), state policymakers between 2008 and 2015 leveraged the federally-funded "Money Follows the Person" program to transition 2,974 nursing home patients into

community settings. The state's goal is 5,000 by next year. We encourage the state to meet that benchmark and set even more aggressive goals in the future.

We understand, however, that home care is not a panacea to easing the cost burden of the state's graying population. There are many elderly residents who need round-the-clock, more advanced care that nursing homes offer. Institutionalized care still must be part of the equation, just less so than it is now.

There is also a major concern about the long-term health of the homecare industry, which has warned that inadequate Medicaid reimbursements make it hard to attract and retain low-wage personal care aides. Meantime, the Department of Labor predicts the state will need 9,000 more personal care aides by 2022, creating a potential workforce shortage.

It's unlikely state government will dramatically boost Medicaid reimbursements, so personal care will remain a low-wage industry for the foreseeable future. That could be a threat to the industry's talent recruitment. Even still, home care must remain a viable option for Connecticut's burgeoning class of seniors, allowing more elderly residents to remain in the comforts of their own home and the state and federal government to rein in healthcare spending.