

# OPTIONS COUNSELING FOR SENIORS

In her FY 2021 budget proposal, the Governor recommended an investment in independent options counseling for adults and the rapidly growing population of seniors.

## BACKGROUND

Roughly half of people who reach age 65 will need some level of assistance with tasks of daily living during their lifetime.[1] Comparing long-term care options can be overwhelming and confusing. Seniors must determine if they are eligible for nursing home care, home and community-based services, or other health care needs, and they must navigate choices like PACE, MI Choice, and MI Health Link. Where seniors end up often depends on chance or advocacy by a particular provider. This is no way to make a critical life decision; seniors deserve an independent, knowledgeable, and conflict-free voice who can help guide them through the process.

Providing comprehensive and independent counseling promises not only to help seniors make the choice that is right for them, but also to enable more seniors to remain in their homes at lower cost to the state. Michigan ranks 40th nationally in the percent of state long-term care spending on home- and community-based services.[2] Offering long-term care counseling has been shown to increase use of home- and community-based care.[3] This in turn can provide needed long-term care services at lower cost to taxpayers.[4]

## PROPOSED ACTION

The Governor's proposed budget includes an investment to establish a network of independent providers with no financial incentive tied to where seniors receive care. Funding will establish a network of counseling services that gives beneficiaries information on all long-term care options available to them, tailored to their financial position and personal needs. This will allow individuals to seek the care best suited to their needs. In addition to a call center, outreach and education, the funding proposal also includes critical updates to payment systems that make coordination easier among Michigan residents, counselors, and providers. Counseling will be available for both Medicaid and non-Medicaid recipients.

In addition to enabling seniors to reside where they wish, the proposal is expected to shift care utilization toward home- and community-based options, reducing state expense over time. Notably, the federal government may also soon require independent options counseling. Establishing a network now benefits residents and gives Michigan time to be more thoughtful in planning a system.

## TOTAL EXECUTIVE OFFICE RECOMMENDATION

\$20.3 million, including \$8.5 million General Fund dollars.

[1]

Long-Term Services and Supports: Case Studies from Four States, National Conference of State Legislatures,  
[https://www.ncsl.org/Portals/1/HTML\\_LargeReports/long\\_term\\_report18.htm](https://www.ncsl.org/Portals/1/HTML_LargeReports/long_term_report18.htm).

[2]

2017 AARP Long-Term Services & Supports State Scorecard,  
<http://longtermscorecard.org/databystate/state?state=MI>.

[3]

Home and Community Based Services Report to the Indiana General Assembly, Indiana Family & Social Services Administration, 2017, pages 55-56,  
[https://www.in.gov/fssa/files/HCBS%20Report%20\(HEA%201493\)%20FINAL.pdf](https://www.in.gov/fssa/files/HCBS%20Report%20(HEA%201493)%20FINAL.pdf).

[4]

Health Care Expenditures After Initiating Long-term Services and Supports in the Community Versus in a Nursing Home,  
<https://camri.ucsf.edu/sites/camri.ucsf.edu/files/LTSS%20entry%20Medical%20Care.pdf>.