

Aging and Long-Term Care Services

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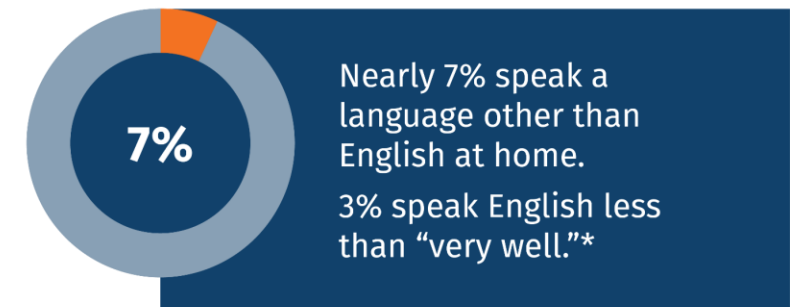
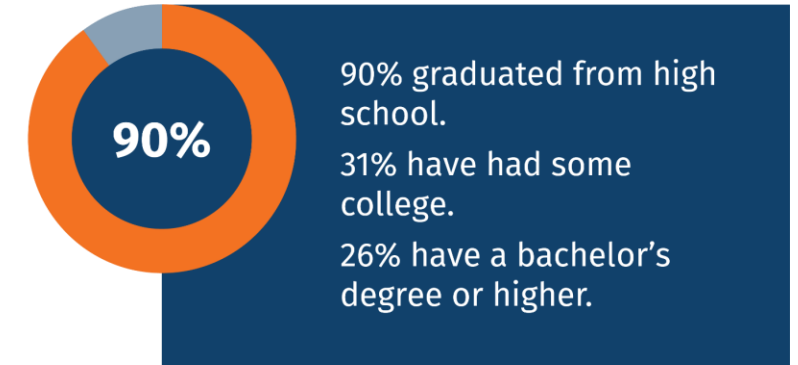
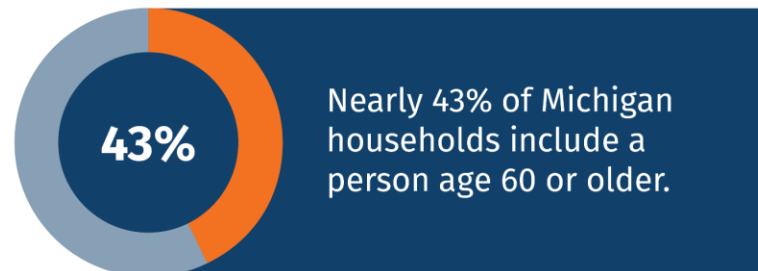
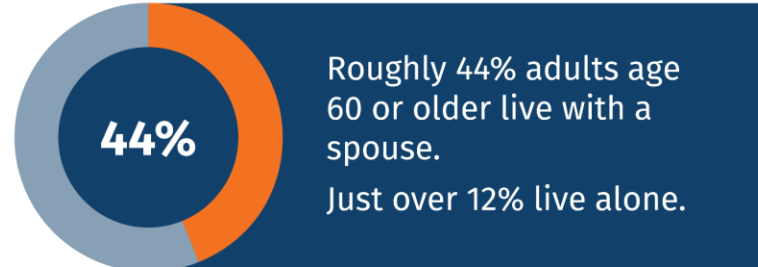
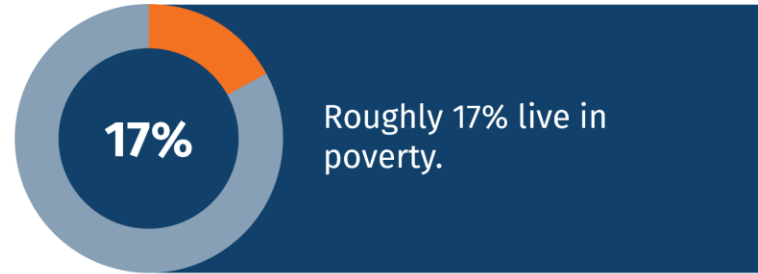
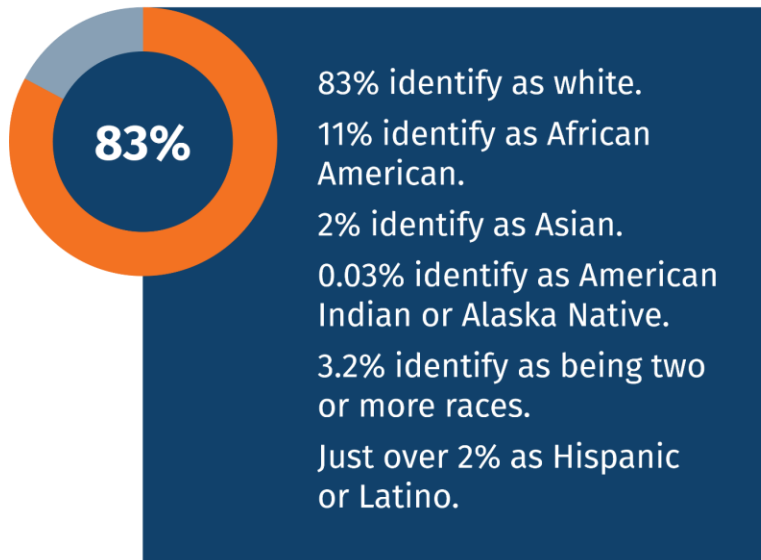
Agenda

- Profile of Older Michiganders.
- Michigan's Aging Network Programs.
- MDHHS Long-Term Care Services.
- Current Initiatives and Recent Investments.
- 2025 Proposed Investments.



Profile of Older Michiganders

In 2010 there were 1.8 million Michigan adults age 60 and older, and today that number has grown to approximately 2.5 million people or 25.3% of the state's population. Those age 65 and older are the fastest growing population segment.

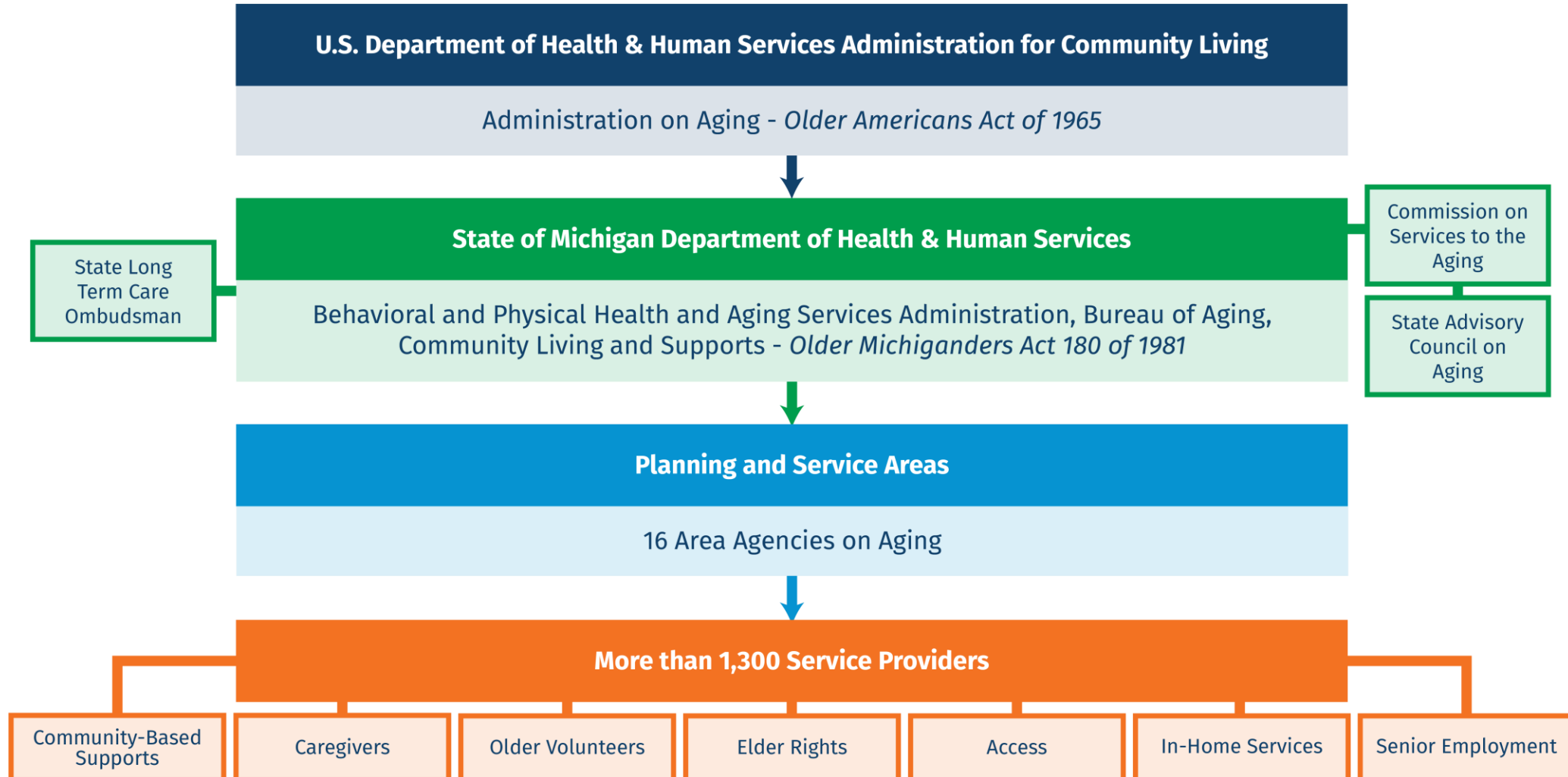


NOTE - Data Based on 2021 U.S. Census estimates for Michigan

*Age 65 and older

Michigan's Aging Network

Michigan's Aging Network



State Plan on Aging 2024-26



The Behavioral and Physical Health and Aging Services Administration (BPHASA) within MDHHS is tasked under the Older Americans Act with developing a State Plan on Aging (SPoA) that provides goals and objectives related to assisting older residents, their families and caregivers.

The 2024-26 SPoA is built upon the strengths of Michigan's aging network and aligns with its mission to deliver cost-effective services using a person-centered approach. The SPoA was developed under the leadership of BPHASA and the MI Commission on Services to the Aging, with input from a diverse group of older adults and partners across the aging network. Michigan's SPoA focuses on four goals:

1. **Access to Services** - *Reduce Barriers to Accessing Services.*
2. **Knowledge and Awareness** - *Elevate Resources and Inform Public About Aging Services.*
3. **Strengthening Partnerships** - *Strengthen Multi-Sector Connections, Collaboration, and Coordination to Support Older Adults.*
4. **Optimal Health & Preserving Independence** - *Assist Aging Population in Reaching Optimal Health and Preserving Independence.*

Aging Network Programs

Non-Medicaid

Care Management and In-Home Services

In-home services help older adults who have difficulty managing daily tasks on their own, and care management helps older adults to coordinate the in-home services that help them live as independently as possible.

In FY 2023

22,274 older adults received
1,112,338 hours/units of in-home and care management services.

Nutrition Program

Nutrition programs address issues of malnutrition, food insecurity, and social isolation and target older adults in greatest social and/or economic need.

In FY 2023

10,762,148 meals were provided to approximately
98,000 program participants across the state.

Support for Caregivers

Family caregivers are relatives, friends or neighbors who provide support to individuals needing help with activities of daily living. Family caregivers provide up to 80% of care for Michigan's older adults and those who have a disability.

In FY 2023

5,021 caregivers were supported by
655,570 hours of adult day care, respite care, counseling services, training and supplemental care.

Community Services

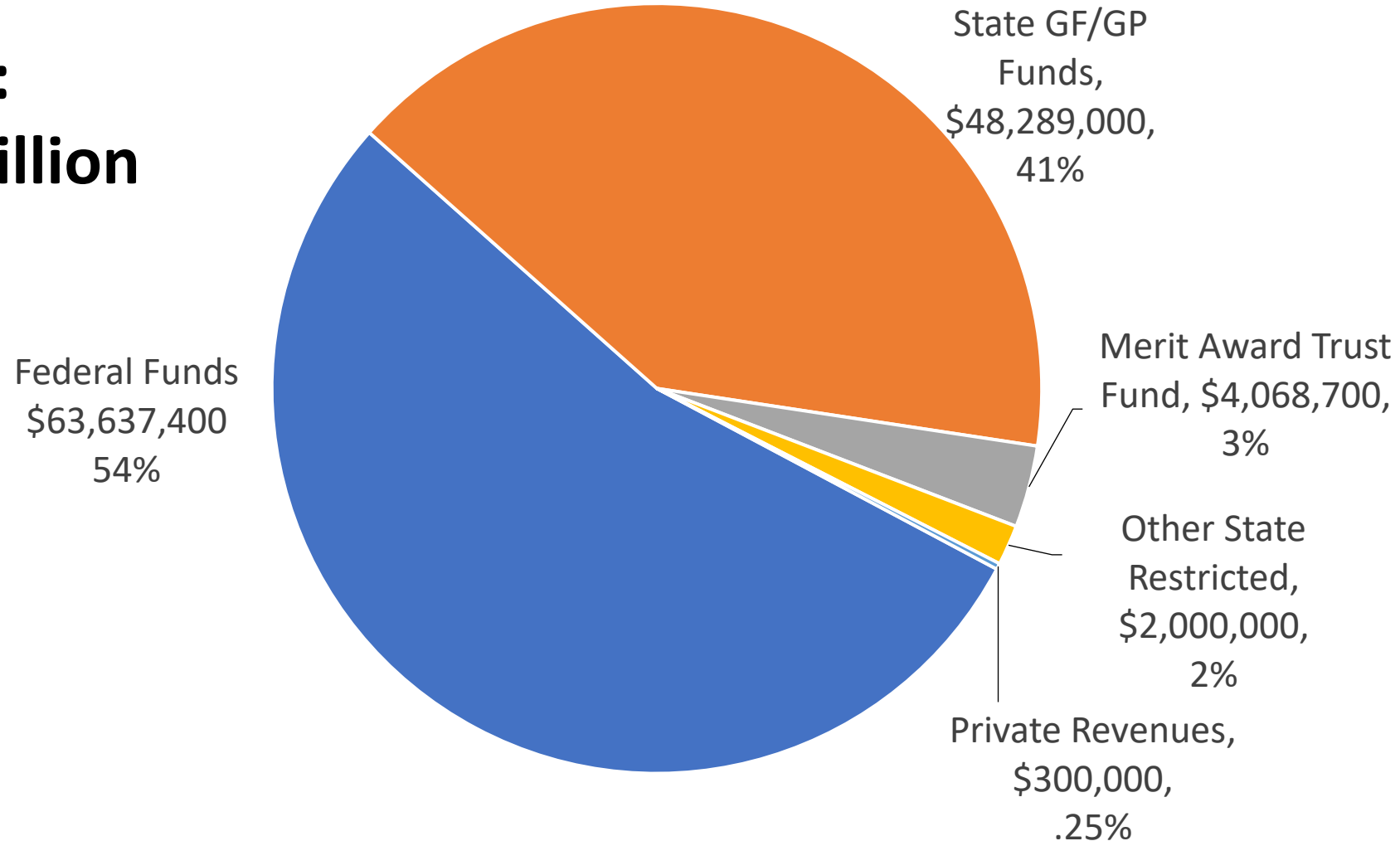
Community services, such as crisis services, disease prevention, transportation and elder abuse prevention, help older adults maintain independence at home and in their community.

In FY 2023

Selected community services supported or touched
253,149 older adults in Michigan.

FY 2024 Funding for Non-Medicaid Programs for Older Adults & Caregivers

**Total:
\$118.3 Million**



MDHHS Long-Term Care Services

MDHHS Long-Term Care Programs

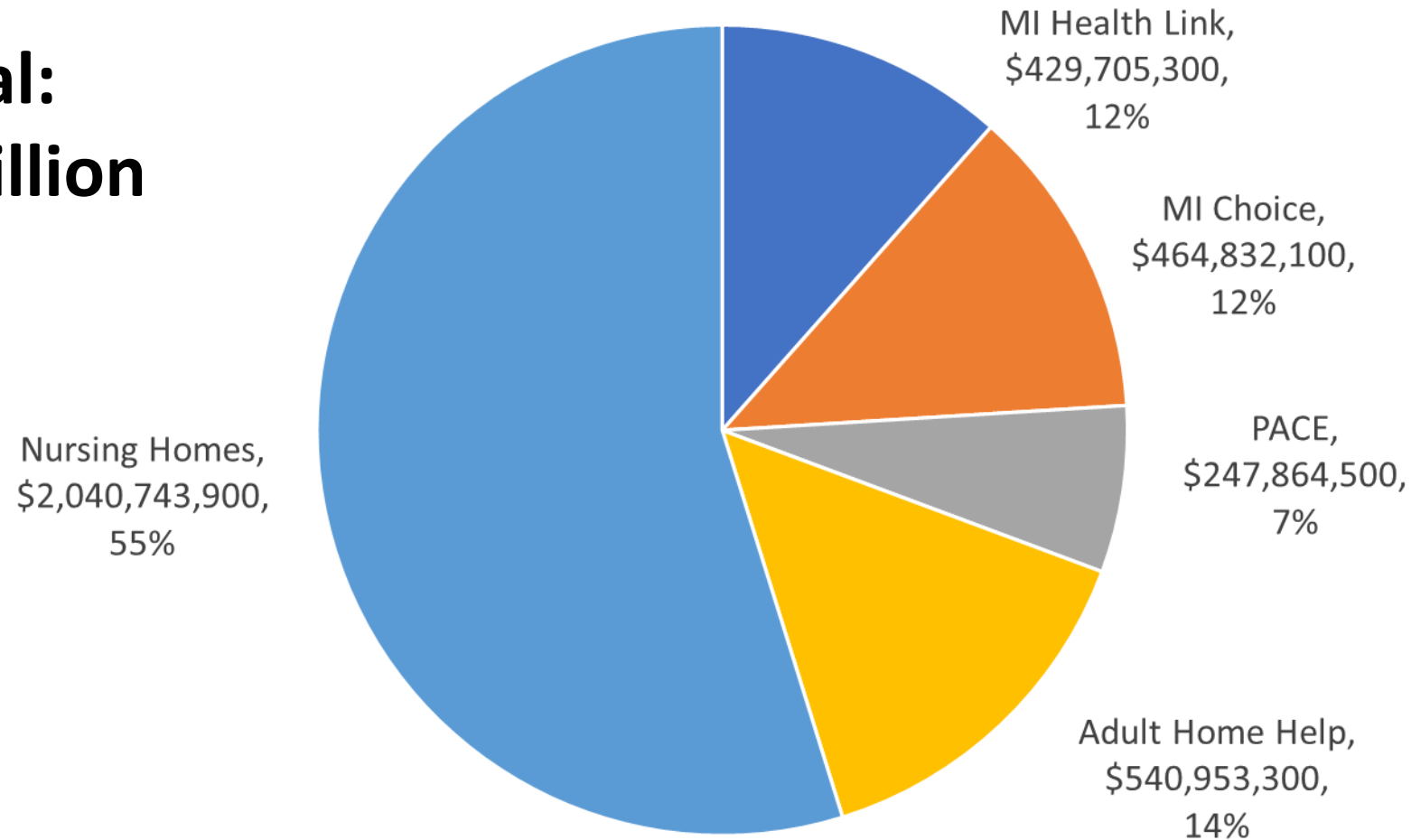


Program	Service Delivery Model	Program Description	Program Enrollment
MI Health Link*	Managed Care via Integrated Care Organizations	Medical, behavioral health and long-term care services for MI Health Link program enrollees.	~42,000
MI Choice	Managed Care via MI Choice Waiver Agencies	Home and community-based services for Medicaid-enrolled individuals who qualify for nursing home-level care.	~16,000
PACE	Managed Care via PACE Organizations	Community-based, all-inclusive care for individuals age 55+ who qualify for nursing home-level care.	~4,500
Home Help	Fee for Service via Individual and Agency Providers	Personal care services to individuals who need hands-on assistance in order to live independently in their home.	~60,000
Nursing Homes	Fee for Service	Skilled nursing care for individuals needing full-time custodial care or rehabilitation services.	~33,500

**Federal regulations require the state to convert the MI Health Link program to an “integrated” Dual Eligible Special Needs Plan (D-SNP) by 2026. MDHHS is currently working on this transition.*

FY 2024 Medicaid Funding for Long-Term Care Services

**Total:
\$3.7 Billion**



A photograph of a caregiver, a Black woman in blue scrubs, smiling and supporting an elderly man in a light sweater. The scene is set in a bright, indoor environment, possibly a home or a care facility. The text "Current Initiatives and Recent Investments" is overlaid in white.

Current Initiatives and Recent Investments

MI Health Link Transition

- In May 2022, the Centers for Medicare and Medicaid Services (CMS) finalized a requirement for states participating in the Medicare-Medicaid demonstration to change their programs into a Fully or Highly Integrated Dual Eligible Special Needs Plans (HIDE SNP).
- A HIDE SNP is a specific type of Medicare Advantage plan designed to meet the needs of those dually eligible for Medicare and Medicaid.
- The HIDE SNP integrates long-term service and supports with managed care plans providing most health care benefits. Behavioral health services will remain separate.
- Benefits of moving to a HIDE SNP include the following:
 - Permanent.
 - Statewide expansion.
 - Building off success of MI Health Link.
- MDHHS has established a transition timeline:
 - Early 2024 – Release Request for Proposals.
 - Fall 2024 – Award contracts.
 - January 1, 2026 – Start HIDE SNP program.

Nursing Facility Rate Reform

- MDHHS has been partnering with nursing facilities on potential future rate reforms.
- Objectives for the rate reform include the following:
 - Shifting Michigan nursing facility reimbursement toward acuity-informed.
 - Ensuring reimbursement supports safety and health for populations served.
 - Building a system that strongly supports workforce stability.
 - Elevating quality principles in nursing facility reimbursement.
- Discussions have been guided by the following core competencies:
 - Simplifying the rate setting and reimbursement process.
 - Remaining in compliance with federal and state laws and regulations.
- MDHHS will continue to have conversations with the nursing facility industry on reform models.

Direct Care Workforce

- Direct care workers (DCWs) provide essential services and supports across home and community-based service programs and in institutional settings. DCWs include the following:
 - Certified nursing assistants,
 - Home health aides,
 - Hospice aides,
 - Personal care assistants,
 - Home care workers,
 - Home help providers,
 - Home care companions.
- DCWs are paid for their work through Medicaid Older Americans Act, state aging funds private insurance, Medicare, directly by individuals and other funding sources.
- Strategies to support the workforce have been implemented, including wage increases, additional training and establishing career paths through coordinated efforts.

Coordinated Support for the Direct Care Workforce

MDHHS Health Care & Human Services Workforce Capacity Steering Committee.

MDHHS/ACLS Bureau DCW Advisory Committee: Education, Communications, and Recommendations/Strategies Workgroups.

Nursing Home Workforce Stabilization Council & Certified Nurse Aide Rules Committee.

Michigan Industry Collaborative Approach (MICA) Grant to IMPART Alliance from the Department of Labor and Economic Opportunity: Education, Credentialing and Pipeline Workgroups.

DCW Training and Credentialing Infrastructure
MDHHS \$2.8 Million Grant to IMPART Alliance.

IMPART Alliance/PHI Partnership: Essential Jobs, Essential Care™ (EJEC™), DCW Coalition, and Economic Security and Career Success Workgroup.

ARPA funds—MDHHS Home & Community-Based Services Plan grant to Support Workforce Development.

Behavioral Health Wage Coalition.

Leading Age—Nursing Facility Recruitment, Retention and Training MDHHS Grant, 2023-26.

DCW support goals, objectives and strategies in the 2024-2026 State Plan on Aging.

Commission on Services to the Aging (CSA) and the CSA Advocacy Committee support for DCW initiatives.

Investments in the Direct Care Workforce and Seniors

- Direct Care Wage Increase (2022) - \$239.9 million, \$82.2 million general fund.
 - \$2.35 per hour ongoing wage increase, replacing former \$2.00 per hour temporary wage increase.
- Direct Care and Non-Clinical Wage Increase (2024) - \$83.1 million, \$29.9 million general fund.
 - \$0.85 per hour wage increase.
- Senior Centers (2023) - \$28 million federal.
- Senior Nutrition Services (Home Delivered Meals, 2024) - \$1 million general fund.
- Senior Project Fresh (2023) - \$1.2 million federal.
- Home and Community-Based Services (2024) - \$658,000 general fund.
- Caregiver Resource Center (2024) - \$5 million general fund.
- Nursing Home Infection Control Grants (2022) - \$29 million federal.
- Nursing Home Recruitment, Retention, and Training (2023) - \$67 million federal.
- MiChoice Expansion (2022) - \$19.1 million, \$6.3 million general fund.
- Program of All-inclusive Care for the Elderly (PACE) Site Expansions (2023 and 2024) - \$7.3 million, \$2.5 million general fund.
- Various American Rescue Plan Act and Consolidation Act federal grants (2022) - \$54.6 million.

Home and Community-Based Services (American Rescue Plan Act)



\$189.7 million total investment focused on three pillars.

Expanded and consistent uniform access to services.

- MI Choice Waiver Program Presumptive Eligibility Risk Pool—\$5 million
- Respite and Caregiver Support—\$41.25 million
- Access and eligibility expansion—\$22.6 million
- Multi-faceted Long-Term Care Information and Education Campaign and Independent Options/Choice Counseling System—\$22.5 million

Fortifying workforce to allow for support along full continuum of care.

- Direct Care Worker (DCW) Training, Credentialing, Recruitment, Support, and Retention Program—\$77.25 million
- Supported Employment—\$1.05 million

Building and enhancing infrastructure.

- PACE Center Fund—\$20 million



2025 Proposed Investments

Caring for MI Family Tax Credit



Description

- New nonrefundable tax credit provides up to \$5,000 for qualified caregiving expenses.
- Caregivers must have at least \$7,500 in earned income.
- Tax credit will offset up to 30% of expenses that exceed \$2,000.
- Care recipients of potentially any age are eligible.
- Covered expenses could include adult day care, transportation, home modifications, equipment and home health care aides.

Proposed Investment

- \$37.5 million General Fund revenue reduction to help offset the amount of state income taxes owed by caregivers of aging and sick relatives.

Outcomes

- Put money back in the pocket of Michiganders, so families have more money to spend on necessities.
- Help more seniors age in place at home in dignity.

MIChoice Structured Family Caregiving

Ongoing

\$5M Gross

\$1.7M GF



Description

- Provide added support to low-income families caring for their elderly relatives enrolled in Michigan's Medicaid Home and Community-Based Services Waiver program (MIChoice).
- Fund a stipend to live-in family members providing services to their MIChoice-enrolled relative.
- Provide additional training to informal caregivers providing aid to MIChoice enrollees.

Proposed Investment

- \$5 million (\$1.7 million General Fund) to support new services for vulnerable adults and those who care for them.

Outcomes

- Support family caregivers whose efforts make aging in place possible.
- Improve quality of care.

Non-Direct Care Wage



Description

- Nationwide, the health care workforce is struggling to keep up with the demand for services.
- Low wages contribute to the shortage of non-direct care nursing home staff.
- Non-direct care workers include but are not limited to the following categories: housekeeping, maintenance, plant operations, laundry, dining room assistants, dietary workers, medical records, social services, and other diversional therapy staff.

Proposed Investment

- \$14 million ongoing GF to provide a wage increase of \$0.85/hour to non-direct care staff employed in institutional long-term care facilities.

Outcomes

- Reduce staff turnover.
- Attract more workers.
- Improve quality and consistency of patient care.

Questions & Discussion

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Thank you!