DSHS:
Long Term Care

Presentation to the Joint Legislative Executive Committee on Planning for Aging & Disability Issues

September 25, 2013

James Kettel, OPR
Carma Matti-Jackson, SCS
Ryan Black, OFM
2013-15 Long Term Care (LTC) operating budget*
$1.8 billion GF-State, $3.8 billion total funds

*LTC represents about 6% of WA State’s general fund

All Other, 82%

DSHS, 18%

LTC, 6%

Other, 12%

*2013-15 Biennium including the 2013-15 Biennial Budget
90% of the LTC budget* pays for client services…

…just over half the budget pays for personal care

*2013-15 Biennium including the 2013-15 Biennial Budget
Just over $2 billion in total funds are spent each year on DSHS and HCA services for the aging.

- $1.6 billion
- $390 million
- $2 million
- $42 million

*Fiscal Year 2011; dollars in millions; total funds
  - Data for LTC comes from AFRS, Month-of-Payment;
  - All other data comes from Research & Data Analysis, DSHS
The LTC budget has consistently grown…

…but, slower growth in recent biennia
Washington has invested in home and community based services

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The LTC caseload has consistently shifted... …toward community services
The average monthly cost per client by service setting
Caseloads compared to expenditures

**Caseload**

(Clients served = 61,800 per month)
- Nursing Home, 16%
- Managed Care, 1%
- Residential, 19%
- In Home, 63%

**Nursing Homes are the most expensive service setting**
(10,000 clients: $1.2 B)

**Budget**

(Service Dollars = $3.3 Billion)
- Nursing Home, 36%
- Managed Care, 1%
- Residential, 14%
- In Home, 49%

**In-Home is the largest service setting**
(39,000 clients: $1.6 B)

In Home, 63%
Residential, 19%
Managed Care, 1%
Nursing Home, 36%
In Home, 49%
Residential, 14%
Nursing Home, 16%
Managed Care, 1%
The population over 65 has doubled since 1980...projected to more than double by 2040*

Washington Population
(65 and over)

*Office of Financial Management
November 2012 Population Forecast
Is the demand for LTC services likely to increase? ...projecting the LTC caseload through 2040*

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<tbody>
<tr>
<td>2015</td>
<td>62,220</td>
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<tr>
<td>2030</td>
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<td>2040</td>
<td>114,749</td>
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*this projection is for illustration purposed only; this is not an official forecast from the Caseload Forecast Council.
Is the budget for LTC services likely to increase? 
...projecting the cost of LTC services through 2040*

*Dollars in Billions

2015, $1.7
2020, $2.2
2025, $2.8
2030, $3.1
2035, $3.5
2040, $4.1
2040, $5.8

Inflation = 0

Inflation = 2.5%

*This projection is for illustration purposes only; this is not an official forecast from the Department of Social & Health Services.