

# Aging and Long-Term Care Services

March 13, 2024

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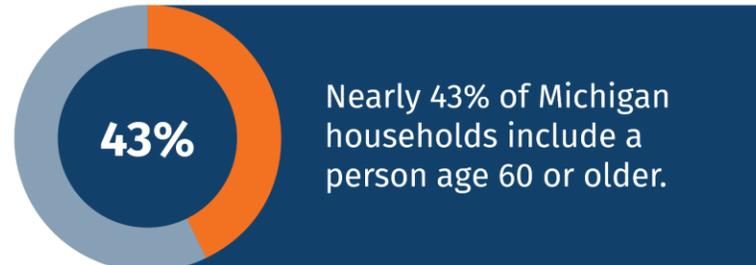
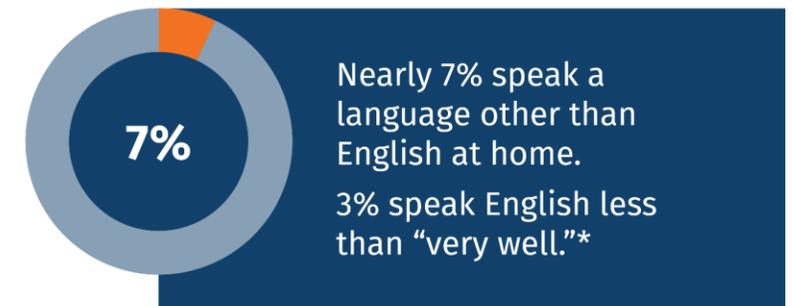
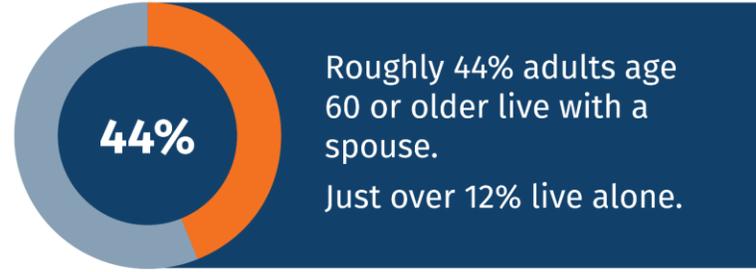
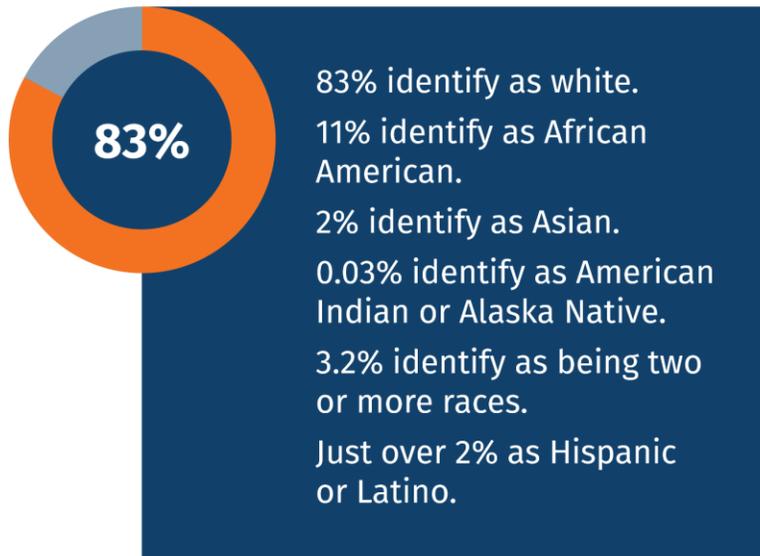
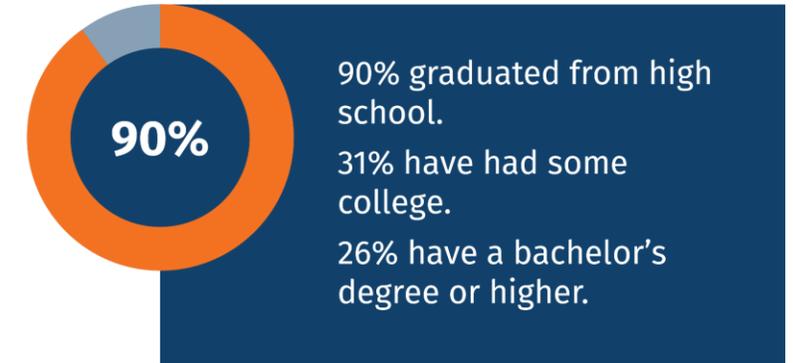
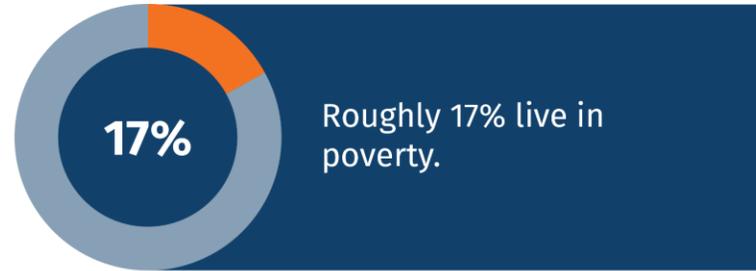
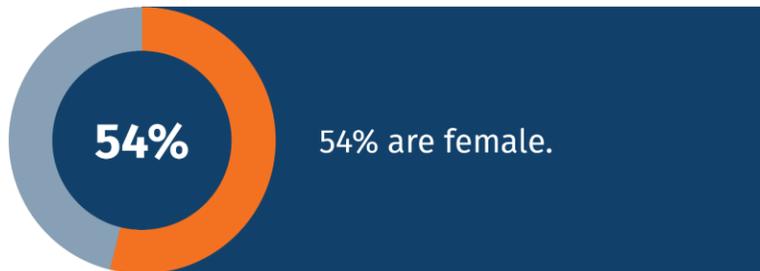
# Agenda

- 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.



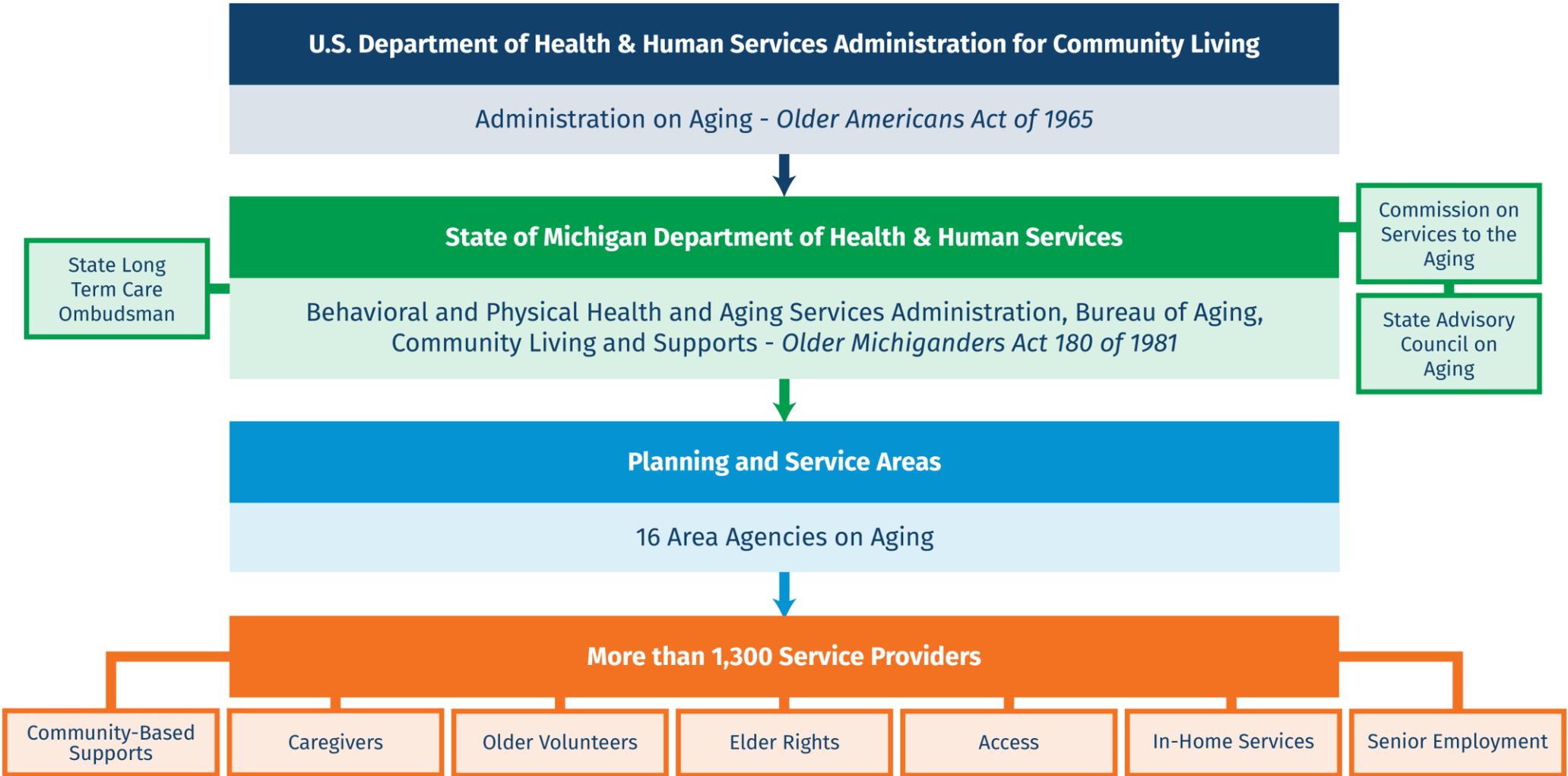
NOTE - Data Based on 2021 U.S. Census estimates for Michigan

\*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

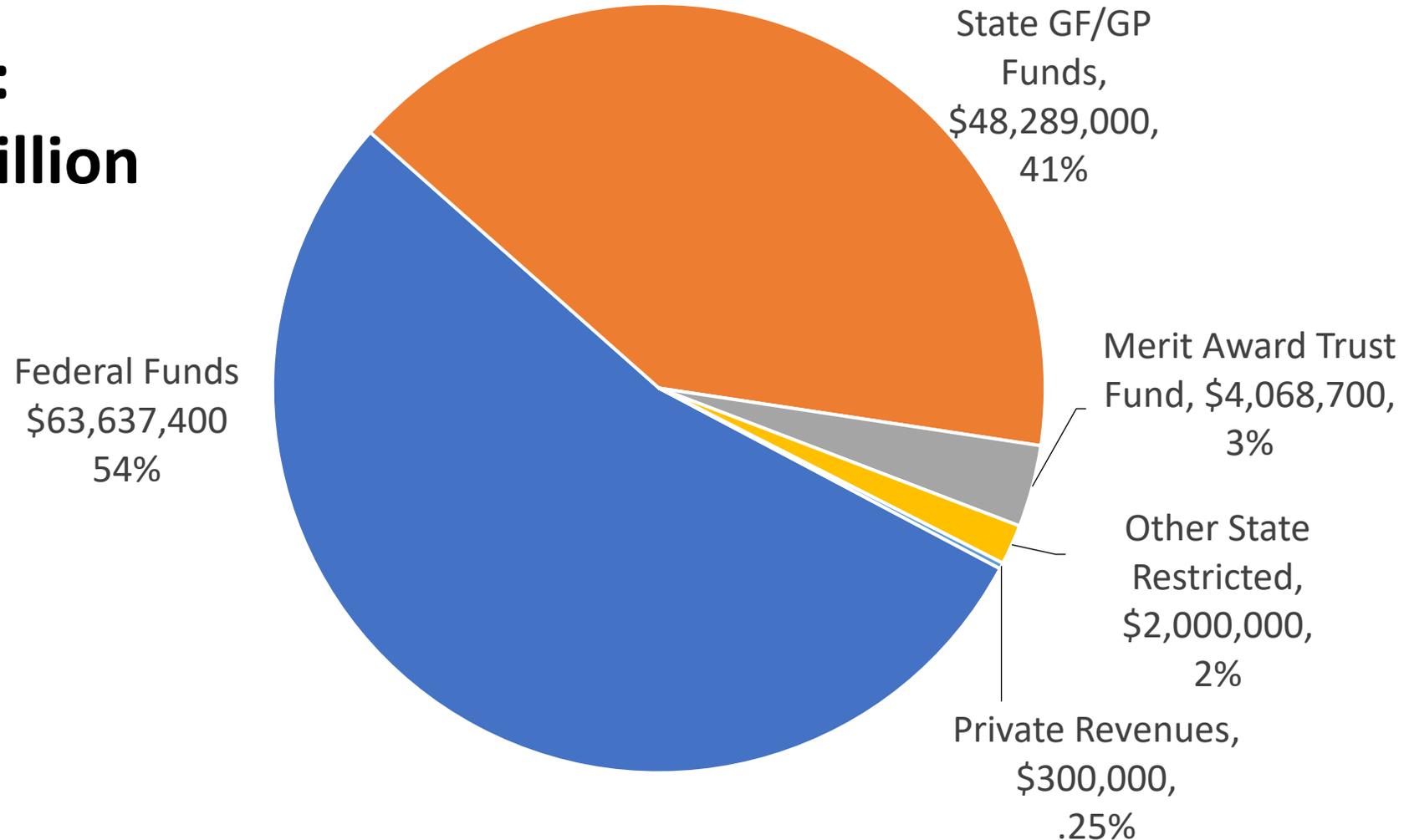
Community services, such as crisis services, disease prevention, transportation and elder abuse prevention, help older adults maintain independence at home and in their community.

### 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**



A caregiver in blue scrubs is sitting on a sofa, facing an elderly woman who is seated in a wheelchair. They appear to be in a conversation. The background shows a comfortable living area with a sofa and a large indoor plant.

# MDHHS Long-Term Care Services

# MDHHS Long-Term Care Programs

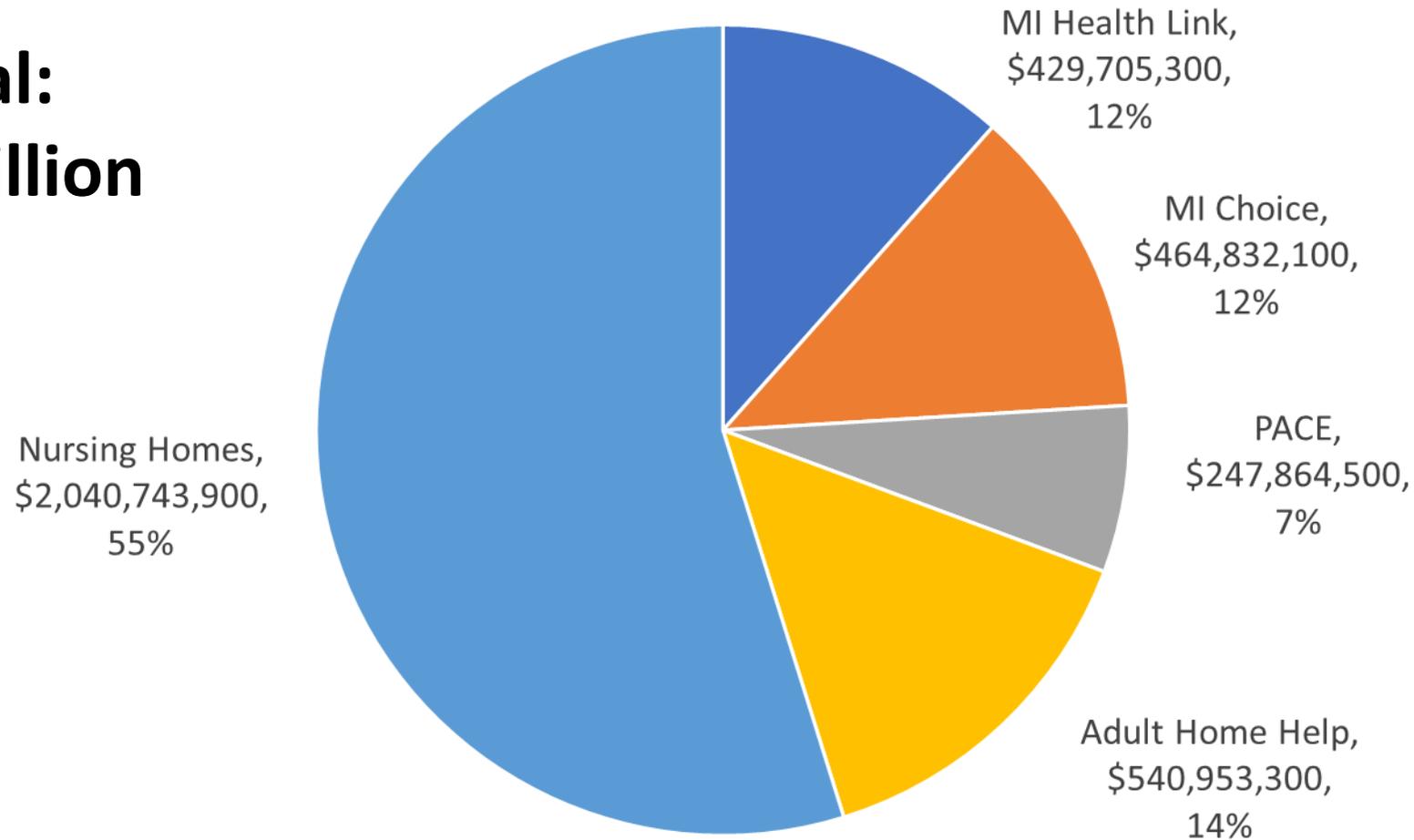


Program	Service Delivery Model	Program Description	Program Enrollment
<b>MI Health Link*</b>	Managed Care via Integrated Care Organizations	Medical, behavioral health and long-term care services for MI Health Link program enrollees.	~42,000
<b>MI Choice</b>	Managed Care via MI Choice Waiver Agencies	Home and community-based services for Medicaid-enrolled individuals who qualify for nursing home-level care.	~16,000
<b>PACE</b>	Managed Care via PACE Organizations	Community-based, all-inclusive care for individuals age 55+ who qualify for nursing home-level care.	~4,500
<b>Home Help</b>	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
<b>Nursing Homes</b>	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 healthcare worker in blue scrubs is smiling and talking to an elderly patient sitting in a chair. The scene is set in a clinical or home care environment. The text "Current Initiatives and Recent Investments" is overlaid in white on the image.

# 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

## MDHHS Contact Information:

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517-243-3221  
[BurtonC5@michigan.gov](mailto:BurtonC5@michigan.gov)

A group of five diverse elderly people are smiling and laughing together outdoors. From left to right: a woman with glasses and a floral top, a man with a beard and a cap, a man with glasses and a white shirt, a man with glasses and a light blue shirt, and a woman with blonde hair and a light blue shirt. The background shows green trees and a bright sky.

Thank you!