



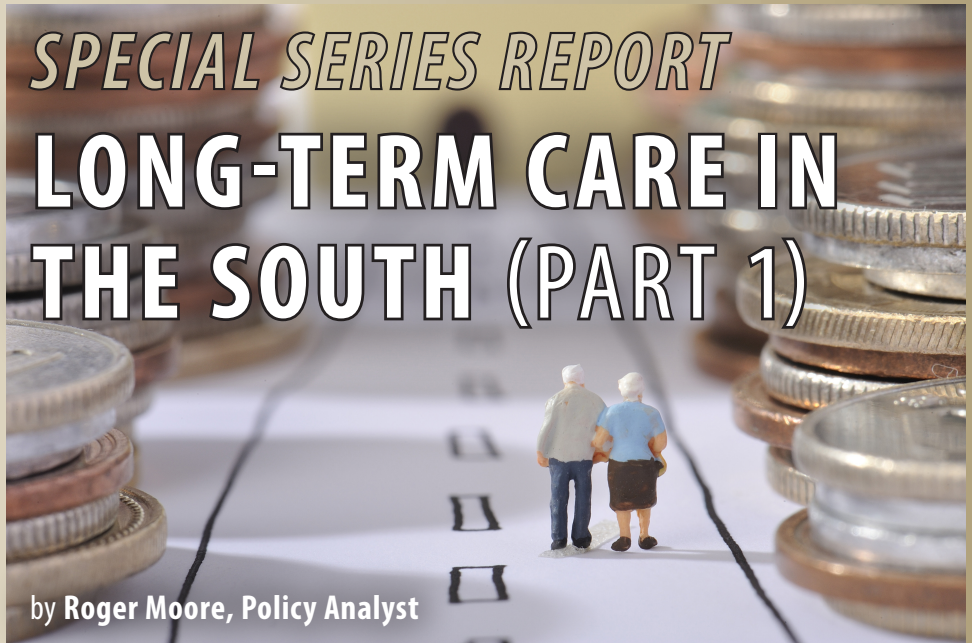
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SPECIAL SERIES REPORT LONG-TERM CARE IN THE SOUTH (PART 1)

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This report is the first in a series examining the challenges that long-term care poses for states in the SLC region.

Introduction

Among the many concerns currently facing America’s healthcare system, few are more significant, both medically and fiscally, than long-term care (LTC). Broadly defined as a range of services that support individuals who are limited in their ability to care for themselves, long-term care stands to become one of America’s foremost healthcare challenges in the years ahead. With the continuing rise of U.S citizens 65 and over—statistically, the demographic most in need of LTC—states need to begin preparing for the growing pressures that will be placed on their budgets by the nation’s aging population.*

Approximately 70 percent of people turning 65 likely will need some form of LTC during their lifetimes, a particularly worrisome number in light of demographic trends.¹ According to the U.S. Census Bureau, individuals 65 and

*The majority of studies reference the general age group “65 and over” when discussing the demographic most in need of long-term care. Of course, this large age range contains many subgroups with varying levels of health concerns. Many people at 65 are in the workforce and do not need any long-term care, whereas most people in their 90s require some level of assistance.

older numbered 47.8 million in 2015, accounting for 14.8 percent of the total U.S. population. By 2030, that number will increase to 74.1 million, or approximately 20.6 percent and, in 2050, it will have risen even further, to 88 million, roughly 22.1 percent of the country.² Likewise, the number of people aged 85 and over will grow significantly, from 6.3 million in 2015, to an estimated 19 million in 2050. As a proportion of the overall population, those 85 and over will more than double, from 2 percent in 2015, to approximately 4.8 percent in 2050.³ The aging of baby boomers, those born during the post-World War II years between 1946 and 1964, are the driving force behind these demographic changes. Figure 1 demonstrates the projected growth in the total number and distribution of these age groups from 2015 to 2050.

The cost of LTC can be prohibitively expensive. In 2015, the average cost of a private room in a nursing facility was slightly more than \$91,000 per year,[†] while a home

[†]Data for nursing facilities is based on surveys of Medicare-certified nursing facilities, which comprise more than 90 percent of all nursing homes in the United States.

health aide was nearly \$46,000.⁴ Long-term care can run even higher in certain states, such as Alaska, where a private room in a nursing facility was more than \$280,000 in 2015, and a home health aide approximately \$59,000. Even in states where overall costs are lower, including many in the SLC region, private rooms in nursing facilities ranged from \$60,000 to \$107,000. Meanwhile, annual costs of home health aides were no less than \$36,000.⁵

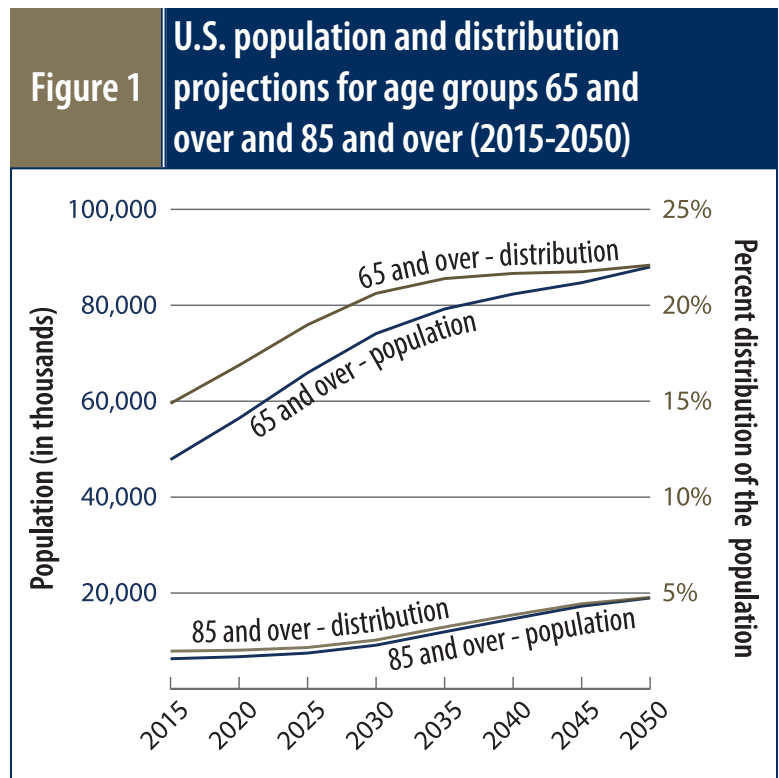
According to the Congressional Budget Office (CBO), as the population of the United States continues to age, the proportion of expenditures for LTC will grow correspondingly. According to the CBO, total public and private spending on LTC for older adults accounted for approximately 1.3 percent of the nation's gross domestic product (GDP) in 2010.⁶ By 2050, the proportion will be even higher, ranging between 1.9 percent and 3.3 percent.⁷ Based on future projections of GDP, this could bring total LTC expenditures to as much as \$1.4 trillion annually by 2050.*

Long-Term Care Services

The range of services that fall under the umbrella of LTC is extensive. According to the National Institutes of Health, long-term care involves any service designed to meet a person's health or personal needs during a short or extended period of time. Such services help people live as comfortably and independently as possible if they are unable to perform one or more routine activities on their own.⁸ The probability of a person needing LTC increases after they turn 65 and becomes even more likely as they reach their 70s and 80s, when physical ailments, cognitive limitations and other chronic disabilities become increasingly common. Meanwhile, many Americans under 65 also need LTC, particularly those living with mental impairment or physical disabilities requiring part- or full-time assistance.⁹

Broadly speaking, LTC services fall into two categories: activities of daily living (ADLs) and instrumental

*Projections are based on a February 2015 report by PricewaterhouseCoopers, which forecasts that GDP in the United States will be approximately \$41.38 trillion in 2050.



Source: 2014 National Population Projections, U.S. Census Bureau.

activities of daily living (IADLs). Bathing, dressing, transferring within the home, caring for incontinence and eating comprise ADLs. Considered less physically intensive, but nevertheless important for independent living, IADLs include housework, managing money, administering medications, preparing meals, shopping, caring for pets, and responding to emergency alerts.¹⁰ The nature of these disabilities, and the extent to which someone may need help performing them, varies by person.

Statistics show a large majority of people over 65, approximately seven out of 10, will need some variation of LTC during their lifetimes.¹¹ Moreover, recent studies suggest approximately half of those older than 65 will need a high level of assistance, i.e., help with two or more ADLs for 90 days or more, or support for a severe cognitive impairment.¹² According to the Office of the Assistant Secretary for Planning and Evaluation, average LTC needs for women are 2.5 years, compared to 1.5 years for men.¹³ Among those who eventually develop a disability, the average duration of long-term care increases to 4.4 years for women and 3.2 years for men.¹⁴

Table 1		Number of people 65 and over in the SLC region (2010 and 2030)			
State	2010	Percent of total population	2030	Percent of total population	Percent change (2010-30)
Alabama	648,889	14.1	1,039,160	21.3	60.1
Arkansas	412,152	14.3	656,406	20.3	59.3
Florida	3,418,697	17.8	7,769,452	27.1	127.3
Georgia	980,824	10.2	1,907,837	15.9	94.5
Kentucky	557,471	13.1	903,450	19.8	62.1
Louisiana	582,340	12.6	944,212	19.7	62.1
Mississippi	379,025	12.8	634,067	20.5	67.3
Missouri	821,645	13.9	1,301,714	20.2	58.4
North Carolina	1,161,164	12.4	2,173,173	17.8	87.2
Oklahoma	494,966	13.8	757,553	19.4	53.1
South Carolina	605,660	13.6	1,134,459	22.0	87.3
Tennessee	829,023	13.3	1,417,708	19.2	71.0
Texas	2,587,383	10.5	5,186,185	15.6	100.4
Virginia	994,359	12.4	1,843,988	18.8	85.4
West Virginia	292,402	16.0	426,443	24.8	45.8

Source: 2005 Interim State Population Projections, U.S. Census Bureau.*

* This SLC *Special Series Report* uses U.S. Census Bureau projections from 2005, the most recent release of state-level, age-specific population projections. Census data released in 2014, which provide national age-specific population projections—but no state-specific breakdowns—do indicate a nominal revision of the earlier national projections: In 2005, the U.S. Census Bureau projected there will be approximately 71.5 million people aged 65 and older in 2030, and 9.6 million 85 and older. In 2014, the numbers were adjusted to 74.1 million and 9.1 million, respectively.

Long-term care services are provided within a variety of formal and informal settings, including nursing facilities, community-based residential settings and, most frequently, at home. The setting depends on a number of factors, including the severity of ailments, marital status, financial situation and personal preferences. The majority of people opt to receive care at home, which often is provided by family and friends. However, for those who need assistance with multiple ADLs or lack family and personal connections for assistance, more formal, possibly institutionalized support may become necessary.¹⁵

Demographic Shifts in the SLC Region

In the SLC member states, the growing importance of LTC is evident in continuing demographic shifts projected by the U.S. Census Bureau. Every state in the region is expected to see sizeable increases in the

number of people 65 and over, in terms of both quantity and as a proportion of the population. For example, it is projected that, by 2030, Florida will see an increase in this age group of roughly 127 percent from 2010 levels. As a proportion of the state's population, the increase represents a rise from 17.8 percent in 2010, to 27.1 percent in 2030. Though the other member states will not see quite as high of an increase during the same 20-year period, the numbers still are significant, as demonstrated in Table 1.

Steep increases also are expected among those aged 85 and older which, for the SLC states combined, will rise by nearly 70 percent between 2010 and 2030. Virginia, Texas and Georgia will experience the largest gains, with expected increases of 85 percent, 84.2 percent and 83.1 percent, respectively, as demonstrated in Table 2. West Virginia is expected to see the smallest rise, 31.6

Table 2		Number of people 85 and over in the SLC region (2010 and 2030)			
State	2010	Percent of total population	2030	Percent of total population	Percent change (2010-30)
Alabama	88,211	1.9	132,070	2.7	49.7
Arkansas	58,244	2.0	82,327	2.5	41.3
Florida	537,846	2.8	943,675	3.3	75.5
Georgia	122,818	1.3	224,926	1.9	83.1
Kentucky	73,633	1.7	106,052	2.3	44.0
Louisiana	82,653	1.8	126,215	2.6	52.7
Mississippi	52,056	1.8	73,646	2.4	41.5
Missouri	124,961	2.1	174,196	2.7	39.4
North Carolina	155,537	1.7	266,881	2.2	71.6
Oklahoma	70,555	2.0	99,559	2.5	41.1
South Carolina	78,253	1.8	141,286	2.7	80.6
Tennessee	110,070	1.8	180,192	2.4	63.7
Texas	346,800	1.4	638,855	1.9	84.2
Virginia	135,299	1.7	250,366	2.5	85.0
West Virginia	40,569	2.2	53,375	3.1	31.6

Source: 2005 Interim State Population Projections, U.S. Census Bureau.

Table 3		Relative change in obesity, diabetes, smoking and health status for people aged 50-64 (1999-2014)			
State	Relative percent change in obesity	Relative percent change in diabetes	Relative percent change in smoking prevalence	Relative percent change in very good or excellent health	
Alabama	46.0	72.8	-30.9	-11.4	
Arkansas	35.5	92.3	-38.5	-14.5	
Florida	15.8	36.8	-45.6	-7.0	
Georgia	24.7	96.9	-52.0	-9.9	
Kentucky	33.9	68.3	-40.4	-7.3	
Louisiana	18.0	54.8	-33.7	-18.3	
Mississippi	21.8	85.5	-46.8	-14.3	
Missouri	7.2	69.8	-48.8	0.2	
North Carolina	7.6	55.8	-42.0	-6.2	
Oklahoma	26.0	117.4	-55.4	-19.1	
South Carolina	35.2	54.2	-49.1	-11.3	
Tennessee	36.4	106.3	-45.6	-4.4	
Texas	41.6	48.1	-58.7	-13.2	
Virginia	16.1	43.2	-41.3	-12.0	
West Virginia	41.9	48.1	-42.8	-8.8	

Source: 2016 America's Health Rankings Senior Report, United Health Foundation.

percent, in the number of people aged 85 and older. These numbers are significant because institutionalization, the most expensive form of LTC, is most common within this demographic. Approximately 10 percent of this age group requires some form of institutionalization, compared to only 1 percent of the 65-74 age group, and 3 percent of the 75-84 age group.¹⁶ Additionally, people who are 85 and over, even if they are not placed in an institutional setting, generally have more cognitive and functional limitations that require greater assistance from friends, family or professional health aides.

Furthermore, studies show that the growing number of people approaching the key 65-and-over demographic are unhealthier than those in the past. According to

Forms of Care Glossary

Homemaker services fall under home healthcare. Such services make it possible for people to live in their own homes or return to their homes by helping them complete household tasks that they are unable to manage alone. Homemaker services aides may clean houses, cook meals or run errands.

Home health aides, like homemaker services, fall under home healthcare. Home health aides assist those who live in their own homes instead of residential care facilities. Home health aides may offer care to people who need more extensive personal care than family or friends are able to provide.

Adult day health care provides services at a community-based center for adults who need assistance or supervision during the day but who do not need round-the-clock care. These centers may provide health services, therapeutic services and social activities.

Assisted living facilities offer living arrangements that provide personal care and health services for people who may need assistance with Activities of Daily Living (ADLs). The level of care provided is not as extensive as that which is provided in a nursing home.

Nursing home care is intended for people who need higher levels of supervision and care. Nursing homes often provide residents personal care, room and board, supervision, medication, therapies and rehabilitation.

Source: Genworth 2015 Cost of Care Survey

the United Health Foundation's 2016 America's Health Rankings Senior Report, among people currently aged 50-64 years old, the prevalence of obesity and diabetes, both of which lead to a host of debilitating conditions that can adversely impact the amount and type of LTC an individual will require, has increased significantly in recent years. In 2014, obesity rates for people aged 50-64 were 25 percent higher than they were for the same age group in 1999, while diabetes rates were nearly 50 percent higher.¹⁷ Meanwhile, the percentage of people 50-64 reporting very good or excellent health has decreased by 9.4 percent. If this trend continues, the next generation entering the key 65-and-over demographic potentially may face a higher risk of needing LTC.* The potentially continuing rise in U.S. average life expectancy—calculated by the World Bank at 76.6 in 1999 and 78.6 in 2014—also may extend the average timespan of LTC needed.¹⁸

Among SLC member states, Alabama, West Virginia, Texas and Tennessee saw the greatest relative change[†] in obesity rates within this age group, while Oklahoma, Tennessee, Georgia and Arkansas saw the greatest relative change in the prevalence of diabetes, as Table 3 demonstrates. Oklahoma, Louisiana, Mississippi and Arkansas reported the biggest drops in the number of people 50-64 reporting very good or excellent health.¹⁹ However, research demonstrates the overall prevalence of smoking has dropped significantly in all SLC states.

Long-Term Care Affordability

Overall, LTC costs throughout the South are lower when compared to other regions. Table 4 provides the 2015

* Although many factors can result in a person requiring long-term care, the U.S. Department of Health and Human Services maintains that people with chronic conditions, such as diabetes and high blood pressure, and those with poor exercise habits, are at a greater risk of needing care during their lifetimes. Moreover, research by the CBO found that older people who are obese have a higher prevalence of functional limitations and that obesity at a younger age increases the probability of developing functional limitations later in life.

[†] To determine relative changes, United Health Foundation examined health indicators among people who were aged 50-64 in 1999 and compared them to those aged 50-64 in 2014. Poorer health indicators for the 2014 cohort suggest the costs of care may spike in the years ahead as these people grow older and are faced with the associated complications resulting from obesity and diabetes.

Table 4		Annual long-term care costs						
Rank	State	Homemaker services	Home health aides	Adult day health care	Assisted living facilities	Nursing home (semi-private room)	Nursing home (private room)	Average
1	Louisiana	\$34,320	\$36,608	\$16,250	\$36,120	\$56,575	\$62,050	\$40,321
2	Missouri	\$43,472	\$43,472	\$20,795	\$30,300	\$55,663	\$60,773	\$42,413
3	Texas	\$42,328	\$42,603	\$9,100	\$42,540	\$51,100	\$68,620	\$42,715
4	Arkansas	\$38,896	\$38,896	\$20,800	\$36,750	\$56,575	\$65,850	\$42,961
5	Oklahoma	\$43,426	\$46,561	\$15,600	\$40,140	\$53,290	\$60,225	\$43,207
6	Alabama	\$36,608	\$37,752	\$9,425	\$36,900	\$69,715	\$76,267	\$44,445
7	Georgia	\$41,184	\$41,184	\$15,600	\$34,560	\$66,795	\$71,175	\$45,083
8	Mississippi	\$36,608	\$37,752	\$9,100	\$37,800	\$74,825	\$80,300	\$46,064
9	South Carolina	\$41,184	\$42,328	\$14,381	\$37,500	\$69,350	\$75,008	\$46,625
10	Tennessee	\$40,704	\$41,184	\$16,120	\$40,740	\$70,080	\$75,555	\$47,397
11	Kansas	\$43,426	\$45,760	\$20,800	\$50,250	\$60,225	\$65,700	\$47,694
12	North Carolina	\$40,040	\$41,710	\$13,260	\$36,000	\$75,190	\$82,125	\$48,054
13	Iowa	\$51,343	\$52,624	\$15,600	\$42,000	\$63,875	\$68,255	\$48,950
14	Utah	\$48,048	\$48,048	\$23,140	\$36,000	\$63,875	\$76,650	\$49,294
15	Illinois	\$48,048	\$49,192	\$17,550	\$48,600	\$64,788	\$74,460	\$50,440
16	South Dakota	\$49,764	\$52,006	\$18,720	\$36,276	\$72,770	\$77,380	\$51,153
17	Kentucky	\$43,426	\$43,907	\$17,430	\$40,200	\$75,920	\$87,235	\$51,353
18	Arizona	\$45,760	\$45,760	\$20,800	\$41,010	\$70,080	\$85,045	\$51,409
19	Nebraska	\$50,222	\$52,624	\$14,560	\$43,530	\$71,785	\$79,570	\$52,049
20	Ohio	\$43,564	\$45,348	\$14,300	\$46,680	\$76,650	\$85,775	\$52,053
21	New Mexico	\$43,426	\$46,057	\$25,618	\$42,000	\$74,643	\$85,410	\$52,859
22	Virginia	\$41,184	\$43,472	\$16,900	\$47,196	\$80,483	\$92,688	\$53,654
23	Indiana	\$43,472	\$44,616	\$20,800	\$44,310	\$78,475	\$91,250	\$53,821
24	Florida	\$41,184	\$43,472	\$16,900	\$37,800	\$87,600	\$96,725	\$53,947
25	Wyoming	\$46,561	\$49,421	\$13,000	\$46,800	\$80,300	\$89,243	\$54,221
26	Montana	\$52,624	\$52,624	\$24,765	\$42,720	\$76,650	\$80,300	\$54,947
27	Idaho	\$43,769	\$46,332	\$30,225	\$38,880	\$83,220	\$88,513	\$55,157
28	Nevada	\$48,048	\$49,489	\$18,070	\$38,850	\$86,140	\$98,550	\$56,525
29	Colorado	\$49,718	\$50,336	\$16,900	\$45,000	\$83,950	\$93,531	\$56,573
30	Michigan	\$45,485	\$46,904	\$20,800	\$39,000	\$90,703	\$99,098	\$56,998
31	West Virginia	\$36,608	\$36,608	\$18,720	\$42,000	\$102,748	\$107,631	\$57,386
32	Wisconsin	\$48,048	\$50,336	\$16,900	\$47,760	\$90,064	\$99,499	\$58,768
33	Minnesota	\$53,768	\$57,200	\$20,267	\$41,613	\$84,406	\$96,021	\$58,879
34	California	\$51,480	\$52,624	\$20,020	\$45,000	\$89,396	\$104,025	\$60,424
35	Oregon	\$49,764	\$51,480	\$23,010	\$46,560	\$95,904	\$102,018	\$61,456
36	Maryland	\$44,616	\$45,760	\$20,540	\$46,800	\$101,379	\$110,230	\$61,554
SLC member state								

Table 4

Annual long-term care costs (continued)

Rank	State	Homemaker services	Home health aides	Adult day health care	Assisted living facilities	Nursing home care (semi-private room)	Nursing home care (private room)	Average
37	Pennsylvania	\$46,790	\$47,911	\$15,600	\$42,660	\$105,485	\$113,150	\$61,933
38	Washington	\$54,088	\$54,912	\$17,563	\$55,500	\$96,933	\$105,631	\$64,105
39	North Dakota	\$59,854	\$62,142	\$19,562	\$38,865	\$100,375	\$104,938	\$64,289
40	Vermont	\$48,048	\$50,336	\$32,136	\$48,240	\$102,018	\$105,120	\$64,316
41	Rhode Island	\$53,768	\$56,925	\$17,290	\$63,900	\$93,075	\$103,113	\$64,679
42	Maine	\$50,336	\$50,794	\$28,080	\$57,600	\$100,375	\$107,675	\$65,810
43	Delaware	\$45,760	\$50,336	\$17,995	\$68,940	\$109,500	\$117,895	\$68,404
44	New Hampshire	\$52,899	\$54,912	\$16,900	\$61,230	\$115,340	\$122,275	\$70,593
45	New Jersey	\$46,332	\$48,506	\$22,165	\$68,700	\$116,800	\$127,750	\$71,709
46	Hawaii	\$54,912	\$56,056	\$17,225	\$48,000	\$124,830	\$135,050	\$72,679
47	New York	\$48,048	\$52,624	\$22,100	\$49,200	\$131,758	\$136,437	\$73,361
48	Massachusetts	\$54,340	\$57,200	\$16,900	\$63,600	\$128,845	\$139,580	\$76,744
49	Connecticut	\$45,760	\$50,336	\$20,150	\$66,900	\$146,000	\$158,775	\$81,320
50	Alaska	\$59,488	\$59,488	\$31,829	\$68,430	\$281,415	\$281,415	\$130,344

Source: 2015 Genworth Long-Term Care Survey.

average annual cost of six forms of LTC—homemaker services, home health aides, adult day care centers, assisted living facilities, semi-private rooms in nursing homes, and private rooms in nursing homes—throughout the United States. As demonstrated, West Virginia had the highest costs in the SLC region, with an average annual LTC cost of \$57,386. Nationally, it was the 31st most affordable state. Florida and Virginia, which were the 24th and 22nd most affordable states in the nation for annual LTC costs, averaged \$53,947 and \$53,654, respectively. All remaining states in the region were among the 17 lowest-cost states for LTC in 2015, with Louisiana ranking first in the nation with an average annual cost of \$40,321.²⁰

However, though overall costs in the SLC region appear to be low, these figures lend themselves to an incomplete picture of access to LTC. To gather a more comprehensive understanding of LTC affordability, it is important to consider the annual costs of LTC in relation to median household income in each state. When considering this additional layer of analysis, private rooms in nursing facilities in Southern states, for instance, become comparatively more expensive. In West Virginia, a private

room in a nursing facility averaged \$107,631 in 2015,^{*} while the state's median household income in the same year was \$42,824, a 251 percent difference, the second highest in the country.^{21,22} Similarly, Florida, Kentucky and Mississippi were among the 15 most expensive states in 2015 after considering annual costs of a private room in a nursing facility in relation to each state's median household income for that year.[†]

When viewed in the context of median household income, assisted living costs in the SLC states also are not as affordable as they initially appear. In West Virginia, Kentucky and Mississippi, annual assisted living costs accounted for more than 90 percent of the median household income in each state in 2015, making them the fifth, sixth and seventh most expensive states in the

^{*} Genworth Financial has tracked the cost of long-term care since 2004, publishing its most recent survey results in 2016. The figures from Genworth's 2015 survey are used in this *Special Series Report* for better comparison with the most current data available from the U.S. Census Bureau's 2016 Current Population Survey, which provides median household incomes for 2015.

[†] See the Appendices (pages 12-17) for a breakdown of LTC costs in the SLC region relative to each state's median household income.

nation for assisted living facilities, respectively. Tennessee, Arkansas and Oklahoma also were relatively expensive in 2015, with assisted living costs averaging more than 85 percent of median household income.

In light of such low affordability, LTC has the potential to quickly overwhelm many families. According to recent polling by the Associated Press-National Opinion Research Center, approximately one-third of adults aged 40 and over have no plans for their LTC needs, despite evidence suggesting most will need some level of LTC during their lives. Among those who have given it consideration, 36 percent report feeling very confident in having sufficient resources to cover LTC costs, compared to 34 percent who are somewhat confident, and 24 percent who are not too confident or not at all confident.²³

The estimated cost of lifetime medical expenses may provide some explanation for this lack of confidence. In 2015, an individual turning 65 would have needed approximately \$132,000 in savings (\$124,000 for men and \$140,000 for women) for a 90 percent chance of paying for lifetime medical expenses, including premiums for Medicare and out-of-pocket costs, as well as an additional \$69,500 to cover LTC costs.^{24,25} These costs are substantial, particularly considering the financial status of U.S. retirees: in 2014, the median Medicare beneficiary aged 65-74 had roughly \$95,000 in assets and an additional \$81,000 of home equity.²⁶ Given these figures, the median retiree can expect to spend most, if not all, of his or her savings on general healthcare and LTC, even before considering all other expenses necessary for daily living.

It also is important to note that these numbers mostly reflect the median Medicare beneficiary in his or her earliest retirement age, which obscures the lack of preparedness among many individuals to cover their future LTC expenses. In 2013, the median retirement account savings for families[†] with a head of household between 56-61 years of age held a balance of \$17,000,

^{*}The Board of Governors of the Federal Reserve System, the original source of data on family finances, defines family as “the economically dominant single person or couple (whether married or living together as partners) and all other persons in the household who are financially interdependent with that economically dominant person or couple.”

while those with a head of household between 50-55 only held \$8,000.²⁷ Meanwhile, among families in the bottom fifth percentile with a working age (32-61) head of household, only 8 percent had retirement accounts in 2013, compared to 88 percent among the top percentile. Overall, nearly half of families with a working age head of household had no retirement account savings.²⁸

Paying for Long-Term Care

Tens of millions of people are not adequately prepared to handle the financial burden of paying out-of-pocket for professional LTC expenses, leading them to tap into additional resources, both formal and informal. Primary among these is unpaid caregiving from families, friends and other personal connections. Additionally, Medicaid currently subsidizes approximately half of the country’s long-term care.

Unpaid Caregiving

The majority of LTC, approximately 80 percent to 90 percent, is provided by unpaid caregivers, primarily families and friends.[†] Though exact figures for unpaid caregiving vary, the social and economic impact is substantial. The CBO estimates that, in 2011, unpaid caregiving accounted for more than half of the total economic value of all LTC services, with an estimated value of about \$234 billion.²⁹ Some studies have suggested that number to be even higher.[‡]

Of course, the real costs of unpaid caregiving far exceed those directly incurred. According to a 2011 report by The MetLife Mature Market Institute, National Alliance for Caregiving, and Center for Long Term Care Research and Policy at New York Medical College, between 1994 and 2008, the percentage of adult children (aged 50 and up) providing personal care and/or financial assistance to their parents more than tripled,

[†]Leading authorities differ with regard to the proportion of long-term care provided by unpaid caregivers. The Centers for Disease Control and Prevention cites studies suggesting 90 percent of all long-term care is provided by unpaid caregivers, while the Department of Health and Human Services estimates the number to be closer to 80 percent.

[‡]In a January 2013 report, The Scan Foundation, an independent public charity specializing in care for older adults, estimated the total economic value of unpaid caregiving in 2009 was \$450 billion, compared to \$375 billion in 2007.

Table 5		Percentage of unpaid caregivers as a proportion of population			
Rank	State	Percentage of unpaid caregivers	Rank	State	Percentage of unpaid caregivers
1	Mississippi	16.8	26	Texas	12.7
2	Alabama	15.8	27	Massachusetts	12.6
3	Arkansas	15.3	28	New Jersey	12.6
4	West Virginia	15.2	29	Nevada	12.5
5	Tennessee	15.1	30	Virginia	12.5
6	South Carolina	14.8	31	Idaho	12.2
7	Kentucky	14.7	32	Arizona	12.1
8	Louisiana	14.3	33	Illinois	12.1
9	Florida	13.6	34	Vermont	11.9
10	Oklahoma	13.6	35	Kansas	11.9
11	Maine	13.4	36	Oregon	11.9
12	Georgia	13.3	37	Washington	11.9
13	Delaware	13.3	38	California	11.6
14	New Mexico	13.3	39	Utah	11.6
15	Missouri	13.1	40	Montana	11.6
16	New Hampshire	13.1	41	Alaska	11.6
17	New York	13.1	42	Wyoming	11.4
18	Maryland	13.0	43	Colorado	11.1
19	North Carolina	13.0	44	Hawaii	11.0
20	Michigan	12.9	45	Minnesota	10.8
21	Pennsylvania	12.9	46	Nebraska	10.4
22	Rhode Island	12.8	47	Iowa	10.3
23	Ohio	12.8	48	Wisconsin	10.1
24	Connecticut	12.8	49	South Dakota	10.0
25	Indiana	12.7	50	North Dakota	8.6
SLC member state					

Source: "Valuing the Invaluable: 2015 Update." AARP Public Policy Institute.

increasing to one-quarter of all adult children.³⁰ As the majority of these adults are still in the workforce, the time and resources spent on LTC for parents are a loss to the nation's economic output as well. According to the report, women, who are more likely to assume caregiving responsibilities, lose an average of \$143,000 in wages during the course of their lives as a result of leaving the workforce early or reducing hours to help care for a parent. Meanwhile, the estimated impact on unreal-

ized Social Security benefits is approximately \$131,000. The figures for men also are significant: \$89,000 in lost wages and \$144,000 in Social Security benefits. Altogether, when these numbers are compounded with private pension losses for the estimated 9.7 million adult children providing unpaid caregiving, the report found that the total economic impact is valued at \$3 trillion over the course of caregivers' lifetimes.³¹

Many adult children who support their parents will need their own LTC as they continue to age. The losses in income and Social Security benefits, therefore, become even more important, as current caregivers may be in an even worse position to fund their own future LTC. Moreover, studies conducted by The Commonwealth Fund (2005) and the MetLife Mature Market Institute et al. suggest that adult caregivers generally are at greater risk of developing poor health than those who do not provide direct caregiving, perhaps because of the emotional and physical strains that result from caring for ailing loved ones.^{32,33} As noted previously, poor health elevates the risks

of developing multiple disabilities and illnesses, thereby increasing the need for future LTC services.*

* According to The Commonwealth Fund, three-fifths of caregivers reported having fair or poor health, at least one chronic condition, or a disability, compared to only one-third of non-caregivers.

for LTC recipients, according to an AARP report published in 2015, which is highlighted in Table 5. Among the top 10 states nationally with the highest number of unpaid caregivers as a proportion of the overall population, all were in the SLC region. In Mississippi, which ranked first nationally, approximately 16.8 percent of the population provided some form of unpaid caregiving. Virginia, at 12.5 percent, had the lowest percentage of unpaid caregivers in the region.³⁴

Medicaid

Medicaid, often in conjunction with unpaid caregiving, is a leading source of funding for LTC. Presently, Medicaid funding covers more than half of all paid LTC, by far the single largest public payer. In 2014, approximately \$152 billion of the Medicaid budget, one-third of total Medicaid spending, was devoted to LTC services.³⁵ As populations continue to age, Medicaid spending on LTC will rise, perhaps by as much as 45 percent during the next decade, according to the CBO.³⁶ In light of the outsized role Medicaid already plays in state budgets, if current trends continue, the expected increases in LTC costs will become even more burdensome in the years ahead.

Medicaid is limited to those who meet specific income and asset requirements. In theory, these restrictions may prevent many people from qualifying for Medicaid benefits to cover the costs of LTC. However, many seniors who initially do not qualify for Medicaid may become eligible later as a result of spending their financial assets on healthcare services, thus bringing them within the regulatory requirements. For many, particularly those with a higher level of LTC needs, the best option may involve “spending down,” i.e. the liquidation of personal assets in order to qualify for Medicaid coverage.³⁷

Due to a lack of alternatives and the high costs associated with LTC insurance, a widely cited 2003 review by Consumer Reports recommended that individuals with a net worth less than \$200,000 avoid such policies and rely on Medicaid and unpaid caregiving to cover the cost of LTC, particularly if care is needed for more than a few months, reasoning that, unless an individual falls in a

high-income bracket, he or she is likely to exhaust their savings and qualify for the program.³⁸ A more recent article by Consumer Reports, published in 2012, cited a financial advisor in New Jersey, one of the nation’s most expensive states for LTC, who asserted that couples with assets less than \$500,000 likely will not be able to afford LTC insurance premiums.³⁹ Though figures are higher in New Jersey than they are in SLC states, it nevertheless suggests that LTC insurance premiums remain unaffordable for many people, forcing them to continue relying on other sources for care. This ongoing strategy will be increasingly problematic moving forward, as a number of states already face a host of budgetary pressures competing with increased Medicaid LTC expenditures.

As states assess how to allocate Medicaid funds to match the needs and preferences of people receiving care, an examination of ways in which certain states administer this funding is instructive. The majority of people, particularly those who have lower levels of LTC needs, prefer to receive care in their homes or in the community, rather than in more expensive and restrictive institutional settings. Among states that are particularly successful at allocating Medicaid funding, approximately 62.5 percent of LTC Medicaid funds were directed toward home- and community-based settings, compared to only 16.7 percent among states at the other end of the spectrum, whereas the national average is 39.3 percent.⁴⁰ Likewise, among new LTC Medicaid recipients, 77.6 percent received care in home- and community-based settings in the best-performing states, compared to only 25.6 percent in the lowest-performing states.⁴¹ States that are unable to successfully direct Medicaid funds toward more preferable, less expensive home- and community-based settings become subject to more expensive alternatives, such as nursing facilities, placing greater stress on their budgets.

Several states have experimented with innovative solutions to address the growing pressure that LTC expenditures are placing on Medicaid. Hawaii, for instance, has for a number of years provided older residents the option of enrolling in Kupuna Care, a state-

funded program designed to help non-eligible Medicaid patients continue living at home or in the community instead of in Medicaid-funded nursing home facilities.⁴²

Since the 1980s, Minnesota has made a concerted effort to drastically cut the number of nursing home beds during the past several decades, from more than 48,000 to approximately 29,000 in 2015.⁴³ The reduction in beds has led to an overall increase in the number of Medicaid recipients receiving care in home- and community-based settings, an important factor in making the state one of the best for LTC services and supports, according to a 2014 report by The Commonwealth Fund and The SCAN Foundation.⁴⁴ Other top-ranking states include Washington, Oregon, Colorado, Alaska and Vermont.

Many states are turning to Medicaid's Managed Long Term Services and Supports (MLTSS) programs to control the growing costs of LTC services in their Medicaid budgets. These programs seek to deliver LTC services via managed care organizations, with the goal of meeting individual LTC needs in a more efficient, less costly fashion. In 2015, 22 states had MLTSS programs, compared to only six in 2009.⁴⁵

Conclusion

As America's population continues to age, LTC will become an increasingly salient policy issue. The exorbitant costs associated with LTC leave many recipients dependent on other sources, primarily Medicaid, and unpaid support from friends and family. In turn, the sacrifices of friends and family members decrease their own financial security and, thus, increase their likelihood of

relying on publically funded sources for assistance. It is, therefore, not surprising that many experts assert LTC is, absent substantial reforms, heading for a crisis.⁴⁶ The panoply of factors—increasing number of baby boomers reaching retirement; inadequate retirement savings; poorer health conditions among segments of the population; relatively slow economic growth; and tight state budgets—have the potential to create a devastating crisis for states.

States in the Southern region are expected to see sizeable increases in the number of people 65 and older. When factoring in state median household incomes in each state, LTC costs in the region often match or exceed the national averages. Therefore, despite the many healthcare and fiscal challenges Southern states face, it is essential to begin exploring feasible solutions to address LTC. Moving LTC recipients away from costly nursing home settings and into more affordable and preferable home- and community-based environments will be essential, as will supporting the millions of unpaid caregivers who will continue to play a pivotal role in LTC in the years ahead. Without innovative solutions, states will continue to face the prospect of caring for increasing older populations amid rising healthcare costs.

This SLC *Special Series Report* has explored the challenges long-term care poses for states in the SLC region. Subsequent reports will examine possibilities for managing long-term care and highlight actions that states in the SLC region have taken to tackle this important issue.

Appendix 1		Affordability of homemaker services by state		
Rank	State	Average annual cost, homemaker services	Annual median household income	Cost as percent of median household income
1	Maryland	\$44,616	\$73,594	60.6
2	Connecticut	\$45,760	\$72,889	62.8
3	Virginia	\$41,184	\$61,486	67.0
4	New Jersey	\$46,332	\$68,357	67.8
5	New Hampshire	\$52,899	\$75,675	69.9
6	Utah	\$48,048	\$66,258	72.5
7	Missouri	\$43,472	\$59,196	73.4
8	Colorado	\$49,718	\$66,596	74.7
9	Louisiana	\$34,320	\$45,922	74.7
10	Texas	\$42,328	\$56,473	75.0
11	Wyoming	\$46,561	\$60,925	76.4
12	Pennsylvania	\$46,790	\$60,389	77.5
13	Minnesota	\$53,768	\$68,730	78.2
14	North Carolina	\$40,040	\$50,797	78.8
15	Kansas	\$43,426	\$54,865	79.2
16	Alaska	\$59,488	\$75,112	79.2
17	Delaware	\$45,760	\$57,756	79.2
18	Illinois	\$48,048	\$60,413	79.5
19	Massachusetts	\$54,340	\$67,861	80.1
20	Washington	\$54,088	\$67,243	80.4
21	Vermont	\$48,048	\$59,494	80.8
22	California	\$51,480	\$63,636	80.9
23	Georgia	\$41,184	\$50,768	81.1
24	Ohio	\$43,564	\$53,301	81.7
25	Oregon	\$49,764	\$60,834	81.8
SLC member state				

Appendix 1		Affordability of homemaker services by state (continued)		
Rank	State	Average annual cost, homemaker services	Annual median household income	Cost as percent of median household income
26	Alabama	\$36,608	\$44,509	82.2
27	New York	\$48,048	\$58,005	82.8
28	Nebraska	\$50,222	\$60,474	83.0
29	Indiana	\$43,472	\$51,983	83.6
30	Michigan	\$45,485	\$54,203	83.9
31	Florida	\$41,184	\$48,825	84.4
32	Iowa	\$51,343	\$60,855	84.4
33	Idaho	\$43,769	\$51,624	84.8
34	Hawaii	\$54,912	\$64,514	85.1
35	West Virginia	\$36,608	\$42,824	85.5
36	Tennessee	\$40,704	\$47,330	86.0
37	Wisconsin	\$48,048	\$55,425	86.7
38	Arizona	\$45,760	\$52,248	87.6
39	South Carolina	\$41,184	\$46,360	88.8
40	South Dakota	\$49,764	\$55,065	90.4
41	Arkansas	\$38,896	\$42,798	90.9
42	Mississippi	\$36,608	\$40,037	91.4
43	Oklahoma	\$43,426	\$47,077	92.2
44	Nevada	\$48,048	\$52,008	92.4
45	New Mexico	\$43,426	\$45,119	96.2
46	Rhode Island	\$53,768	\$55,701	96.5
47	Maine	\$50,336	\$50,756	99.2
48	Montana	\$52,624	\$51,395	102.4
49	Kentucky	\$43,426	\$42,387	102.5
50	North Dakota	\$59,854	\$57,415	104.2
SLC member state				

Appendix 2		Affordability of home health aides by state		
Rank	State	Average annual cost, Home health aides	Annual median household income	Cost as percent of median household income
1	Maryland	\$45,760	\$73,594	62.2
2	Connecticut	\$50,336	\$72,889	69.1
3	Virginia	\$43,472	\$61,486	70.7
4	New Jersey	\$48,506	\$68,357	71.0
5	Utah	\$48,048	\$66,258	72.5
6	New Hampshire	\$54,912	\$75,675	72.6
7	Missouri	\$43,472	\$59,196	73.4
8	Texas	\$42,603	\$56,473	75.4
9	Colorado	\$50,336	\$66,596	75.6
10	Alaska	\$59,488	\$75,112	79.2
11	Pennsylvania	\$47,911	\$60,389	79.3
12	Louisiana	\$36,608	\$45,922	79.7
13	Wyoming	\$49,421	\$60,925	81.1
14	Georgia	\$41,184	\$50,768	81.1
15	Illinois	\$49,192	\$60,413	81.4
16	Washington	\$54,912	\$67,243	81.7
17	North Carolina	\$41,710	\$50,797	82.1
18	California	\$52,624	\$63,636	82.7
19	Minnesota	\$57,200	\$68,730	83.2
20	Kansas	\$45,760	\$54,865	83.4
21	Massachusetts	\$57,200	\$67,861	84.3
22	Vermont	\$50,336	\$59,494	84.6
23	Oregon	\$51,480	\$60,834	84.6
24	Alabama	\$37,752	\$44,509	84.8
25	Ohio	\$45,348	\$53,301	85.1
SLC member state				

Appendix 2		Affordability of home health aides by state (continued)		
Rank	State	Average annual cost, Home health aides	Annual median household income	Cost as percent of median household income
26	West Virginia	\$36,608	\$42,824	85.5
27	Indiana	\$44,616	\$51,983	85.8
28	Iowa	\$52,624	\$60,855	86.5
29	Michigan	\$46,904	\$54,203	86.5
30	Hawaii	\$56,056	\$64,514	86.9
31	Tennessee	\$41,184	\$47,330	87.0
32	Nebraska	\$52,624	\$60,474	87.0
33	Delaware	\$50,336	\$57,756	87.2
34	Arizona	\$45,760	\$52,248	87.6
35	Florida	\$43,472	\$48,825	89.0
36	Idaho	\$46,332	\$51,624	89.7
37	New York	\$52,624	\$58,005	90.7
38	Wisconsin	\$50,336	\$55,425	90.8
39	Arkansas	\$38,896	\$42,798	90.9
40	South Carolina	\$42,328	\$46,360	91.3
41	Mississippi	\$37,752	\$40,037	94.3
42	South Dakota	\$52,006	\$55,065	94.4
43	Nevada	\$49,489	\$52,008	95.2
44	Oklahoma	\$46,561	\$47,077	98.9
45	Maine	\$50,794	\$50,756	100.1
46	New Mexico	\$46,057	\$45,119	102.1
47	Rhode Island	\$56,925	\$55,701	102.2
48	Montana	\$52,624	\$51,395	102.4
49	Kentucky	\$43,907	\$42,387	103.6
50	North Dakota	\$62,142	\$57,415	108.2
SLC member state				

Appendix 3		Affordability of Adult day health care by state		
Rank	State	Average annual cost, adult day health care	Annual median household income	Cost as percent of median household income
1	Texas	\$9,100	\$56,473	16.1
2	Alabama	\$9,425	\$44,509	21.2
3	Wyoming	\$13,000	\$60,925	21.3
4	New Hampshire	\$16,900	\$75,675	22.3
5	Mississippi	\$9,100	\$40,037	22.7
6	Nebraska	\$14,560	\$60,474	24.1
7	Massachusetts	\$16,900	\$67,861	24.9
8	Colorado	\$16,900	\$66,596	25.4
9	Iowa	\$15,600	\$60,855	25.6
10	Pennsylvania	\$15,600	\$60,389	25.8
11	North Carolina	\$13,260	\$50,797	26.1
12	Washington	\$17,563	\$67,243	26.1
13	Hawaii	\$17,225	\$64,514	26.7
14	Ohio	\$14,300	\$53,301	26.8
15	Virginia	\$16,900	\$61,486	27.5
16	Connecticut	\$20,150	\$72,889	27.6
17	Maryland	\$20,540	\$73,594	27.9
18	Illinois	\$17,550	\$60,413	29.1
19	Minnesota	\$20,267	\$68,730	29.5
20	Wisconsin	\$16,900	\$55,425	30.5
21	Georgia	\$15,600	\$50,768	30.7
22	South Carolina	\$14,381	\$46,360	31.0
23	Rhode Island	\$17,290	\$55,701	31.0
24	Delaware	\$17,995	\$57,756	31.2
25	California	\$20,020	\$63,636	31.5
SLC member state				

Appendix 3		Affordability of Adult day health care by state (continued)		
Rank	State	Average annual cost, adult day health care	Annual median household income	Cost as percent of median household income
26	New Jersey	\$22,165	\$68,357	32.4
27	Oklahoma	\$15,600	\$47,077	33.1
28	South Dakota	\$18,720	\$55,065	34.0
29	Tennessee	\$16,120	\$47,330	34.1
30	North Dakota	\$19,562	\$57,415	34.1
31	Florida	\$16,900	\$48,825	34.6
32	Nevada	\$18,070	\$52,008	34.7
33	Utah	\$23,140	\$66,258	34.9
34	Missouri	\$20,795	\$59,196	35.1
35	Louisiana	\$16,250	\$45,922	35.4
36	Oregon	\$23,010	\$60,834	37.8
37	Kansas	\$20,800	\$54,865	37.9
38	New York	\$22,100	\$58,005	38.1
39	Michigan	\$20,800	\$54,203	38.4
40	Arizona	\$20,800	\$52,248	39.8
41	Indiana	\$20,800	\$51,983	40.0
42	Kentucky	\$17,430	\$42,387	41.1
43	Alaska	\$31,829	\$75,112	42.4
44	West Virginia	\$18,720	\$42,824	43.7
45	Montana	\$24,765	\$51,395	48.2
46	Arkansas	\$20,800	\$42,798	48.6
47	Vermont	\$32,136	\$59,494	54.0
48	Maine	\$28,080	\$50,756	55.3
49	New Mexico	\$25,618	\$45,119	56.8
50	Idaho	\$30,225	\$51,624	58.5
SLC member state				

Appendix 4		Affordability of assisted living facilities by state		
Rank	State	Average annual cost, assisted living facilities	Annual median household income	Cost as percent of median household income
1	Missouri	\$30,300	\$59,196	51.2
2	Utah	\$36,000	\$66,258	54.3
3	Minnesota	\$41,613	\$68,730	60.5
4	Maryland	\$46,800	\$73,594	63.6
5	South Dakota	\$36,276	\$55,065	65.9
6	Colorado	\$45,000	\$66,596	67.6
7	North Dakota	\$38,865	\$57,415	67.7
8	Georgia	\$34,560	\$50,768	68.1
9	Iowa	\$42,000	\$60,855	69.0
10	Pennsylvania	\$42,660	\$60,389	70.6
11	California	\$45,000	\$63,636	70.7
12	North Carolina	\$36,000	\$50,797	70.9
13	Michigan	\$39,000	\$54,203	72.0
14	Nebraska	\$43,530	\$60,474	72.0
15	Hawaii	\$48,000	\$64,514	74.4
16	Nevada	\$38,850	\$52,008	74.7
17	Idaho	\$38,880	\$51,624	75.3
18	Texas	\$42,540	\$56,473	75.3
19	Oregon	\$46,560	\$60,834	76.5
20	Virginia	\$47,196	\$61,486	76.8
21	Wyoming	\$46,800	\$60,925	76.8
22	Florida	\$37,800	\$48,825	77.4
23	Arizona	\$41,010	\$52,248	78.5
24	Louisiana	\$36,120	\$45,922	78.7
25	Illinois	\$48,600	\$60,413	80.4
SLC member state				

Appendix 4		Affordability of assisted living facilities by state (continued)		
Rank	State	Average annual cost, assisted living facilities	Annual median household income	Cost as percent of median household income
26	South Carolina	\$37,500	\$46,360	80.9
27	New Hampshire	\$61,230	\$75,675	80.9
28	Vermont	\$48,240	\$59,494	81.1
29	Washington	\$55,500	\$67,243	82.5
30	Alabama	\$36,900	\$44,509	82.9
31	Montana	\$42,720	\$51,395	83.1
32	New York	\$49,200	\$58,005	84.8
33	Indiana	\$44,310	\$51,983	85.2
34	Oklahoma	\$40,140	\$47,077	85.3
35	Arkansas	\$36,750	\$42,798	85.9
36	Tennessee	\$40,740	\$47,330	86.1
37	Wisconsin	\$47,760	\$55,425	86.2
38	Ohio	\$46,680	\$53,301	87.6
39	Alaska	\$68,430	\$75,112	91.1
40	Kansas	\$50,250	\$54,865	91.6
41	Connecticut	\$66,900	\$72,889	91.8
42	New Mexico	\$42,000	\$45,119	93.1
43	Massachusetts	\$63,600	\$67,861	93.7
44	Mississippi	\$37,800	\$40,037	94.4
45	Kentucky	\$40,200	\$42,387	94.8
46	West Virginia	\$42,000	\$42,824	98.1
47	New Jersey	\$68,700	\$68,357	100.5
48	Maine	\$57,600	\$50,756	113.5
49	Rhode Island	\$63,900	\$55,701	114.7
50	Delaware	\$68,940	\$57,756	119.4
SLC member state				

Appendix 5		Affordability of nursing home care (semi-private room) by state		
Rank	State	Average annual cost, nursing home care (semi-private room)	Annual median household income	Cost as percent of median household income
1	Texas	\$51,100	\$56,473	90.5
2	Missouri	\$55,663	\$59,196	94.0
3	Utah	\$63,875	\$66,258	96.4
4	Iowa	\$63,875	\$60,855	105.0
5	Illinois	\$64,788	\$60,413	107.2
6	Kansas	\$60,225	\$54,865	109.8
7	Oklahoma	\$53,290	\$47,077	113.2
8	Nebraska	\$71,785	\$60,474	118.7
9	Minnesota	\$84,406	\$68,730	122.8
10	Louisiana	\$56,575	\$45,922	123.2
11	Colorado	\$83,950	\$66,596	126.1
12	Virginia	\$80,483	\$61,486	130.9
13	Georgia	\$66,795	\$50,768	131.6
14	Wyoming	\$80,300	\$60,925	131.8
15	South Dakota	\$72,770	\$55,065	132.2
16	Arkansas	\$56,575	\$42,798	132.2
17	Arizona	\$70,080	\$52,248	134.1
18	Maryland	\$101,379	\$73,594	137.8
19	California	\$89,396	\$63,636	140.5
20	Ohio	\$76,650	\$53,301	143.8
21	Washington	\$96,933	\$67,243	144.2
22	North Carolina	\$75,190	\$50,797	148.0
23	Tennessee	\$70,080	\$47,330	148.1
24	Montana	\$76,650	\$51,395	149.1
25	South Carolina	\$69,350	\$46,360	149.6
SLC member state				

Appendix 5		Affordability of nursing home care (semi-private room) by state (cont.)		
Rank	State	Average annual cost, nursing home care (semi-private room)	Annual median household income	Cost as percent of median household income
26	Indiana	\$78,475	\$51,983	151.0
27	New Hampshire	\$115,340	\$75,675	152.4
28	Alabama	\$69,715	\$44,509	156.6
29	Oregon	\$95,904	\$60,834	157.6
30	Idaho	\$83,220	\$51,624	161.2
31	Wisconsin	\$90,064	\$55,425	162.5
32	New Mexico	\$74,643	\$45,119	165.4
33	Nevada	\$86,140	\$52,008	165.6
34	Rhode Island	\$93,075	\$55,701	167.1
35	Michigan	\$90,703	\$54,203	167.3
36	New Jersey	\$116,800	\$68,357	170.9
37	Vermont	\$102,018	\$59,494	171.5
38	Pennsylvania	\$105,485	\$60,389	174.7
39	North Dakota	\$100,375	\$57,415	174.8
40	Kentucky	\$75,920	\$42,387	179.1
41	Florida	\$87,600	\$48,825	179.4
42	Mississippi	\$74,825	\$40,037	186.9
43	Delaware	\$109,500	\$57,756	189.6
44	Massachusetts	\$128,845	\$67,861	189.9
45	Hawaii	\$124,830	\$64,514	193.5
46	Maine	\$100,375	\$50,756	197.8
47	Connecticut	\$146,000	\$72,889	200.3
48	New York	\$131,758	\$58,005	227.1
49	West Virginia	\$102,748	\$42,824	239.9
50	Alaska	\$281,415	\$75,112	374.7
SLC member state				

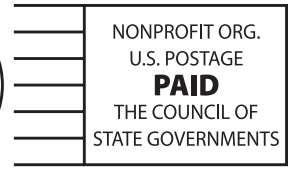
Appendix 6		Affordability of nursing home care (private room) by state		
Rank	State	Average annual cost, nursing home care (private room)	Annual median household income	Cost as percent of median household income
1	Missouri	\$60,773	\$59,196	102.7
2	Iowa	\$68,255	\$60,855	112.2
3	Utah	\$76,650	\$66,258	115.7
4	Kansas	\$65,700	\$54,865	119.7
5	Texas	\$68,620	\$56,473	121.5
6	Illinois	\$74,460	\$60,413	123.3
7	Oklahoma	\$60,225	\$47,077	127.9
8	Nebraska	\$79,570	\$60,474	131.6
9	Louisiana	\$62,050	\$45,922	135.1
10	Minnesota	\$96,021	\$68,730	139.7
11	Georgia	\$71,175	\$50,768	140.2
12	Colorado	\$93,531	\$66,596	140.4
13	South Dakota	\$77,380	\$55,065	140.5
14	Wyoming	\$89,243	\$60,925	146.5
15	Maryland	\$110,230	\$73,594	149.8
16	Virginia	\$92,688	\$61,486	150.7
17	Arkansas	\$65,850	\$42,798	153.9
18	Montana	\$80,300	\$51,395	156.2
19	Washington	\$105,631	\$67,243	157.1
20	Tennessee	\$75,555	\$47,330	159.6
21	Ohio	\$85,775	\$53,301	160.9
22	New Hampshire	\$122,275	\$75,675	161.6
23	North Carolina	\$82,125	\$50,797	161.7
24	South Carolina	\$75,008	\$46,360	161.8
25	Arizona	\$85,045	\$52,248	162.8
SLC member state				

Appendix 6		Affordability of nursing home care (private room) by state (cont.)		
Rank	State	Average annual cost, nursing home care (private room)	Annual median household income	Cost as percent of median household income
26	California	\$104,025	\$63,636	163.5
27	Oregon	\$102,018	\$60,834	167.7
28	Alabama	\$76,267	\$44,509	171.4
29	Idaho	\$88,513	\$51,624	171.5
30	Indiana	\$91,250	\$51,983	175.5
31	Vermont	\$105,120	\$59,494	176.7
32	Wisconsin	\$99,499	\$55,425	179.5
33	North Dakota	\$104,938	\$57,415	182.8
34	Michigan	\$99,098	\$54,203	182.8
35	Rhode Island	\$103,113	\$55,701	185.1
36	New Jersey	\$127,750	\$68,357	186.9
37	Pennsylvania	\$113,150	\$60,389	187.4
38	New Mexico	\$85,410	\$45,119	189.3
39	Nevada	\$98,550	\$52,008	189.5
40	Florida	\$96,725	\$48,825	198.1
41	Mississippi	\$80,300	\$40,037	200.6
42	Delaware	\$117,895	\$57,756	204.1
43	Massachusetts	\$139,580	\$67,861	205.7
44	Kentucky	\$87,235	\$42,387	205.8
45	Hawaii	\$135,050	\$64,514	209.3
46	Maine	\$107,675	\$50,756	212.1
47	Connecticut	\$158,775	\$72,889	217.8
48	New York	\$136,437	\$58,005	235.2
49	West Virginia	\$107,631	\$42,824	251.3
50	Alaska	\$281,415	\$75,112	374.7
SLC member state				

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REGIONAL VIEW NATIONAL REACH

This report was prepared by **Roger Moore**, policy analyst and committee liaison of the Human Services & Public Safety Committee of the Southern Legislative Conference (SLC), under the chairmanship of **Senator Doug Overbey** of Tennessee. This report reflects the body of policy research made available to appointed and elected officials by the **Southern Office of The Council of State Governments (CSG)**.

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