June 2007

Draft Final Report for the Evaluation of Select Consumer, Program, and System Characteristics under the Supportive Services Program (Title III-B) of the Older Americans Act

Final Report

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EXECUTIVE SUMMARY

The Older Americans Act (OAA) was established in 1965 to help provide older Americans with the resources they need to maintain their health and live independently in the community for as long as possible. The OAA provides funding to help older persons through the planning, coordination, and delivery of a range of home and community-based services, including meals, home care, transportation services, information and assistance, case management, senior centers, and respite services. As the nation's population ages, these services will become increasingly important in serving the needs of our citizens. Although Medicaid provides coverage for long-term care services primarily for the low-income population, many older Americans with chronic impairments have financial resources above the eligibility level for Medicaid but not high enough to pay out of pocket for services. While focusing on underserved populations, the OAA addresses the needs of older Americans of all income levels.

Title III-B is one of the largest components of the Older Americans Act. Title III-B funds helped to develop the infrastructure of State Units on Aging (SUAs), area agencies on aging (AAAs), and local community providers, collectively known as the "aging network." The aging network works in local communities to support older persons throughout the United States. The Title III-B program helps the aging network to serve as the entry point into the long-term care system, providing critical information, case management services, and direct funding of long-term care services for individuals who otherwise might go without needed assistance. The Administration on Aging's (AoA's) current Choices for Independence initiative, a demonstration project to promote home and community-based long-term care options, builds directly on the mission and success of the Title III-B program.

This study assesses Title III-B and its role in planning, coordinating, and providing community services for older people. The overarching research question is: *How, to what extent, and with what results has the aging network implemented Title III-B of the Older Americans Act*? This project focuses on the aging network's involvement with key services supported by Title III-B: case management, information and assistance, personal care, chore services, homemaker services, transportation, and assisted transportation services using a combination of quantitative and qualitative methods.

This report summarizes the main findings from this multicomponent evaluation. In addition to analyzing several AoA quantitative data sets, RTI International conducted six focus sessions with AAA directors, SUA directors, and Title III-B service providers. RTI also convened a Technical Advisory Group to provide additional input.

E.1 How the Aging Network Has Implemented Title III-B

Since 1965, the aging network has relied on the Title III-B program to provide a range of home and community-based long-term care services to frail, older individuals and their families. Through this program, the aging network provides older Americans of all income levels with long-term care services and helps coordinate the delivery of services funded by other federal, state, local, and private sources.

Title III-B finances a substantial proportion of spending by AAAs for access services, which for this study include Information and Assistance (I&A) and case management services. It

is through these access services that the AAAs act as navigators of the long-term care system, helping people to get where they need to go and to do so efficiently. These services serve a broad spectrum of seniors and their families. This approach forms the foundation on which other AoA initiatives, such as Aging Disability Resource Centers (ADRCs) and Choices for Independence, can build.[1]

Title III-B home care and transportation services, which for this study include personal care, chore, and homemaker services, and both general and assisted transportation, help seniors remain in the community for as long as possible. The Title III-B program helps pay for the following:

- Planning for a balanced long-term care system, which would provide a greater role for home and community-based services.
- Services for individuals who do not qualify for Medicaid, either financially or functionally.
- Services for individuals who live in states where the home and community-based waiver has waiting lists or where Medicaid coverage is limited (e.g., personal care is not a covered service).
- Nonmedical services, such as homemaker services, that may not be covered by Medicaid or other programs.
- Coverage for individuals who are waiting for their Medicaid or other applications to be processed or are waiting to transition to other settings.

The role of Title III-B varies by type of direct service. For example, its role in the provision of chore and homemaker services is larger than its role for personal care because there are more alternative funding sources for personal care (largely Medicaid) than for homemaker services. In deciding how to allocate Title III-B services, AAAs target vulnerable populations, including the oldest of the old, people living alone, and persons who are severely disabled.

The implementation of Title III-B varies by state. For example, some states use Title III-B funding to support a large array of services, while others concentrate their resources on a smaller number of services (e.g., I&A) that are not likely to be covered by Medicaid or other state funding sources.

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[1] Choices for Independence aims to strengthen the nation's capacity to promote the dignity and independence of older people and meet the challenges associated with the aging of the baby boom generation. Choices integrates best practices from recent Department of Health and Human Service initiatives, including the ADRC initiative, the Cash & Counseling Demonstration, Evidence-Based Disease Prevention for the Elderly Program, etc., into a three-pronged strategy to: (1) empower individuals to make informed decisions about their long-term support options, (2) provide more choices for individuals at high risk of nursing home placement; and (3) enable older people to make behavioral changes that will reduce their risk of disease, disability, and injury. For more information on the Choices initiative, see http://www.aoa.gov/about/legbudg/oaa/Choices_for_Independence_White_Paper_3_9_2006.doc.

Geography also affects the role and implementation of Title III-B services. For example, the aging network reports that urban participants typically have better access to Title III-B transportation services relative to their more rural counterparts. Similarly, AAAs located in metropolitan areas are more likely than their nonmetropolitan counterparts to rely on performance measurement tools to monitor Title III-B activity, and to provide toll-free lines so that I&A participants can contact the AAA at no cost.

The aging network has successfully leveraged Title III-B funds to gain additional financial support services for older persons. In particular, the experience and expertise from the Title III-B program provides the AAAs with the credibility to obtain additional state and Medicaid funds. For example, for every dollar provided by Title III-B for case management services, another $4 was provided annually by other sources. AAAs also have extended their influence and reach by partnering with local, state, and other federal organizations to provide additional resources.

As the demand for and use of technology has increased throughout the aging network, AAA and SUA directors increasingly have relied on computers and other automated services to help their participants navigate the long-term care system and to obtain needed services in the community. Some observers contend, however, that the reliance on online systems exceeds the capacity of many older persons to use computers. Finally, the aging network has become more adept at monitoring program activity using a variety of tracking and performance management tools, although many providers are still not capable of producing computerized data on individuals.

E.2 Extent to Which the Aging Network Has Implemented Title III-B

For this study, we evaluated the extent of the aging network's implementation of Title III-B by examining its "reach" (e.g., characteristics of the people served, the type of services provided to help people stay in the community, and extent of involvement of community partners). While the total number of people using Title III-B services remained stable or decreased somewhat between 2001 and 2004, the risk of institutionalization of the older population served has increased, as evidenced by the fact that a larger proportion of AAA participants were living alone and had three or more limitations with activities of daily living.

Through its partnerships with state and local agencies, service providers, businesses, academic institutions, civic organizations, and volunteer associations, the aging network has successfully extended its service net to a broader population.

E.3 The Impact of the Aging Network's Implementation of Title III-B

In this study, we evaluated the impact of the aging network's implementation of Title III-B by analyzing the following types of measures: volume of service activity, participant satisfaction with program services, and the perceived importance/value of the Title III-B program (as reported by AAA directors, SUA directors, providers, and AAA participants). Although Title III-B programs represent only a small proportion of total expenditures for home and community-based care, SUA and AAA directors report that the Title III-B program is important to communities across the United States. Similarly, analyses of the 2003 and 2004

National Surveys of OAA Program Participants demonstrate that older persons are extremely satisfied with Title III-B services, in some cases requesting even more of them.

The Title III-B program serves substantial numbers of older people. Specifically, over 400,000 participants annually relied on Title III-B case management services during the years 2001 to 2004. Similarly, over 9 million hours of Title III-B personal care services were delivered annually, over 10 million hours of Title III-B homemaker services were provided, and over 1 million hours of chore services were supplied to older persons and their families during this 4-year period. In addition, over 34 million one-way trips were provided to general transportation users, and approximately 2 million assisted transportation trips were supplied annually to individuals with physical or cognitive impairments needing help to get to their appointments.

Title III-B transportation services facilitate access to health, wellness, and social activities, which are key factors to living a meaningful life in the community. Title III-B participants rely on these transportation services a great deal. For example, over 50% of Title III-B general transportation users reported using this service within the week prior to the survey, and over 50% of all general transportation users relied on Title III-B transportation for at least three quarters of their trips during the survey year.

Title III-B service participants value these services highly. Over 80% of survey respondents rate aspects of homemaker service as good or better, while the vast majority of respondents rate Title III-B transportation services as good, very good, or excellent.

Given the modest amounts of Title III-B funding compared to Medicaid, AoA, SUAs, and AAAs need to think strategically about how to spend future resources. One option would be to focus on filling the direct service gaps left by other funding programs. Another option would be to concentrate on infrastructure development, with a focus on becoming the single point of entry to the long-term care system.

SECTION 1
BACKGROUND AND INTRODUCTION

Over the past century, advances in medical care and prevention have increased life expectancy in the United States. They also have produced a major shift in the leading causes of disease for all age groups. The primary causes of death for all age groups, including older persons, have changed from infectious disease and acute illnesses to chronic disease and degenerative illnesses. Currently, about 80% of older Americans live with at least one chronic condition (Centers for Disease Control and Prevention & the Merck Company Foundation, 2007). Accompanying these chronic diseases is an increase in the number of people with disabilities and the need for long-term care services (Kemper, Komisar, & Alecxih, 2005/6; Wiener, Illston, & Hanley, 1994). Longer life spans and the aging of the Baby Boom generation will combine to double the population of Americans aged 65 and over during the next 25 years.

The current population and projected growth in the number of older people needing long-term care services is an increasing concern for families and for federal and state governments. Challenges of the current long-term care system include (Wiener et al., 2004):

- a lack of awareness of available community-based health and social supports;
- the fragmented financing and delivery system, making it difficult to navigate the long-term care system and coordinate the complex service needs of frail older people;
- the institutional bias of the existing financing and delivery system; and
- the high cost of long-term care, both to individuals and to federal and state governments.

Title III-B of the Older Americans Act (OAA) is a key federal response to the problems of the current long-term care system. Title III-B funds help to develop the infrastructure of State Units on Aging (SUAs), area agencies on aging (AAAs), and local community providers, collectively known as the "aging network." The aging network enables local communities to support older persons throughout the United States. The Title III-B program helps the aging network to serve as an entry point into the long-term care system, providing critical information and case management services in addition to direct funding of long-term care services for individuals who otherwise might go without needed assistance. In addition, Title III-B plays a crucial role as a catalyst for overall long-term care reform and for planning for a more comprehensive system. The overall purpose of the Title III-B program is to help older persons and their family members maintain their health and live independently in the community for as long as possible.

1.1 Overview of the Study

This study assesses Title III-B and its role in planning, coordinating, and providing community services for older people. The overarching study question is: *How, to what extent, and with what results has the aging network implemented Title III-B of the Older Americans Act*? This study question was addressed through the following three sub-questions (shown in Exhibit 1-1):

Exhibit 1-1
Title III-B Sub-Questions

- What is the role/importance of providing information and assistance (I&A) and care planning (case management) services for older persons through the aging network and what is the role/importance of providing assessment and care planning for community-based long-term care services to the aging network?
- What is the role/importance of providing transportation and home care (personal care, chore, and homemaker) services for older persons through the aging network and what is the role/importance of providing transportation and home care services to the aging network?
- What is the role/importance of financing long-term care services for older persons (via home care, transportation, and other Title III-B in-home services) through the aging network and what is the role of financing and delivering long-term care services to the aging network?

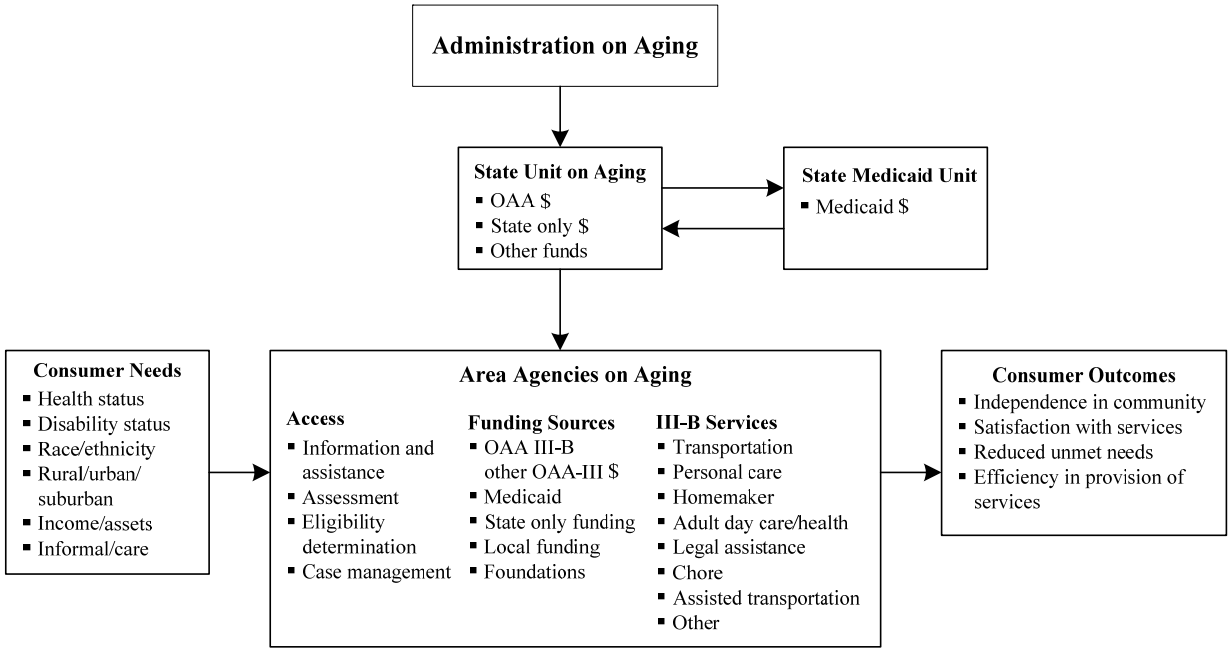
Using a combination of quantitative and qualitative methods, this project focuses on the aging network's involvement with key services supported by Title III-B: case management, I&A, personal care, chore services, homemaker services, transportation, and assisted transportation services.

This report summarizes the main findings from this multicomponent evaluation. In addition to analyzing several quantitative data sets, the project conducted six focus groups with AAA directors, SUA directors, and Title III-B service providers. The project also convened a Technical Advisory Group meeting in Washington, DC, which provided additional insight. For more detailed information on the quantitative study findings, see the Interim Quantitative Report (http://www.aoa.gov/about/results/TitleIIIB_quantitative-report_6-1-06_psgFINAL.pdf).

1.2 Conceptual Framework

A primary objective of OAA services is to maintain the independence of older people residing in the community. As shown in the conceptual model depicted in Exhibit 1-2, AoA accomplishes this objective by providing OAA funding to SUAs, which in turn distribute it to the AAAs. As depicted in Exhibit 1-2, AAAs partly depend on this support to address the health and social services needs of AAA participants. AAAs provide an entry point to the long-term care system for older persons and their families, deliver a range of Title III-B services, leverage other sources of funds to support additional services, and coordinate care provided by other service providers. This conceptual framework guided our analysis of the quantitative and qualitative data.

Exhibit 1-2
Conceptual Framework for the Study of the Title III-B Program[2]



[2] We recognize that in a few states, there is only one Planning and Service Area obtaining OAA funds to support older adults in the community. In these cases, the conceptual model would be adjusted to reflect the fact that the SUAs do not distribute funds to a series of AAAs.

SECTION 2
RESEARCH METHODS AND DATA SOURCES

RTI used several data sources to examine the characteristics of participants and Title III-B services and to evaluate the role/importance and administration of Title III-B services for older persons and their families. RTI and the Administration on Aging (AoA) relied on a multi-method design to determine who received Title III-B services and in what amount (based on quantitative data), and also explain why these findings occurred (based on qualitative data). While the analysis of quantitative data enabled RTI researchers to obtain estimates of the magnitude (and significance) of particular effects (i.e., the "what" of a given question), qualitative data were needed to help explain why (and how) certain findings emerged. Qualitative data also provided detailed information on topics that were not available/have not been addressed by the existing quantitative data. By combining quantitative and qualitative methods, RTI and AoA were able to mitigate some of the limitations of relying solely on one particular research approach.

2.1 Quantitative Methods and Data Sources

The quantitative data sources used for this study included the 2003 National Survey of Older Americans Act (OAA) Program Participants (2003 National Survey), the 2004 National Survey of Older Americans Act Program Participants (2004 National Survey), the 2001 through 2004 National Aging Program Information System State Program Performance Report (NAPIS SPR) data, and the 2006 National Survey of Area Agencies on Aging (AAA Survey). Information from AARP and the Urban Institute also was used to help understand the financial role of Title III-B services within the universe of home and community-based services. While these data sources provided information that otherwise would not be available given study resources, because they were not developed specifically for this particular study they included only limited information on some topics of interest to this study.

NAPIS SPR. RTI analyzed the 2001–2004 NAPIS SPR data to examine characteristics of Title III-B participants, characteristics of Title III-B services, and Title III-B and non-Title III-B expenditures. In this report, NAPIS SPR data were summarized at the national level based on input provided from all AAAs in each state. Data were summarized using descriptive statistics (totals, means, and frequencies) and presented in graphical form.

National Surveys. RTI analyzed the 2003 and 2004 National Survey data provided by randomly selected respondents using three Title III-B services: information and assistance, homemaker services, and transportation services. Descriptive and multivariate (ordinary least squares regression, logistic regression) analyses were conducted. All analyses of 2003 and 2004 National Surveys were weighted and adjusted for complex survey design effects resulting from the two-stage sampling strategy (i.e., sampling first by AAA and second by respondent).

RTI also analyzed the 2004 National Survey to examine satisfaction with services, the likelihood of using Title III-B services, and key predictors of service use. In line with OAA priorities, we focused on those predictors that signaled vulnerability for older persons: being aged 75 or older, being a minority, living in a rural area, living alone, and having substantial impairment in the activities of daily living.

To further identify predictors of satisfaction (or lack of satisfaction) with homemaker services, we examined differences in characteristics for homemaker respondents whose satisfaction was in the lowest quartile (bottom 25%) relative to the full sample. By conducting this supplementary analysis of the 2004 National Survey, we determined key characteristics of the least satisfied homemaker service sample relative to the general population served.

AAA Survey. Data from the following sections of the AAA survey were analyzed: information and assistance, case management, providers, and management information systems/ performance management activities. Due to extensive missing data on a large number of questions, data were imputed on a substantial number of responses.[3] With the application of these sampling weights, all survey data reported in the following tables are representative of all AAAs in the United States. The data were analyzed in total (nationally) using descriptive statistical procedures (i.e., frequencies and means), and then by subgroup (i.e., metropolitan statistical area [MSA] versus non-MSA and by U.S. Census region). We also tested for the statistical significance of differences between subgroups.

Supplementary Quantitative Data. RTI supplemented its analyses of AoA data by incorporating Medicaid and state-only home care expenditure data obtained from the Urban Institute and AARP, respectively, to assess the financial role of Title III-B funding in the overall long-term care system.

2.2 Qualitative Methods and Data Sources

RTI conducted six focus group sessions with AAA directors, State Unit on Aging (SUA) directors, and community-based providers in order to more fully examine the issues that could not be addressed by the quantitative data. The issues shown in Exhibit 2-1 were discussed during four focus group sessions with AAA directors and one focus group each with SUA directors and home care providers.

Four of the six focus groups were conducted in person and two were conducted by telephone in August and September 2006. Consistent with standard practice, the focus group sessions

- met for 1.5 hours,
- included five and nine participants, and
- addressed no more than three topics.

Focus group participants were selected using methods that varied by type of respondent.

[3] AAA survey data were imputed when the rate of missing data was less than 54%. Depending on the item to be imputed, we used one of the following methods: cold-deck imputation, hot-deck imputation, or regression imputation. While imputation accounted for item-level nonresponse, sampling weights were constructed and used in all analyses to compensate for unit-level nonresponse.

Exhibit 2-1
Topics Addressed by Type of Focus Group Session

Topics Addressed	SUA Director Focus Group (n=1)	AAA Director Focus Groups (n=4)	Home Care Provider Focus Group (n=1)
Barriers to the provision of Title III-B services	X	X	X
The role/importance of Title III-B in the states' community-based long-term care system	X		
The extent to which AAAs and SUAs engage in program management activities	X		
Changes needed to enable AAAs to do a better job of serving their local communities		X	
Partnerships developed with external providers to ensure that older persons get the services they need to stay in the community		X	
How agency recruits/enrolls home care participants			X
Best practices in the provision of home care services			X

SUA Directors. The National Association of State Units on Aging provided a listing of SUA directors who had extensive experience with the Title III-B program. RTI and AoA selected a representative sample of SUA participants from this list. Nine SUA directors participated in the focus group discussion.

AAA Directors. The National Association of AAA Directors (n4a) provided a list of AAA directors. RTI and AoA asked n4a to provide two lists of potential participants—those who were particularly innovative in their use and delivery of Title III-B services and those experiencing challenges in delivering Title III-B services. Although RTI conducted two focus groups with each type of participant, findings did not differ between types. As a result, the AAA focus group data were pooled across all four groups and analyzed as a whole. Twenty-four AAA directors participated in focus group discussions.

Providers. This focus group included private home care providers who served the AAA target population. In order to identify potential providers, the AAA directors who participated in the focus group sessions in Chicago were asked to nominate up to five private home care providers knowledgeable of best practices in the delivery of home care services. RTI stratified the list of potential providers by state and urban/rural/suburban status and randomly selected 15 individuals to contact. Nine of these individuals participated in the telephone-based focus group session.

To encourage participants to speak candidly and fully disclose their points of view, AoA staff did not attend focus group sessions. RTI staff also assured focus group participants that they would not be identified in any written report. RTI staff used digital audio recorders to record all focus group sessions (for note-taking purposes only) and wrote detailed notes following each session.

SECTION 3
ACCESS SERVICES

The current long-term care financing and delivery system is fragmented, making it difficult for older persons to find the services for which they qualify and to develop a comprehensive set of services that can maintain them in the community. Long-term care is funded by a mixture of state, federal, and private funding sources, including Medicare, Medicaid, the Older Americans Act (OAA), the Social Services Block Grant, the Rehabilitation Act, and state and local general revenue programs. Many of these programs have very different eligibility requirements in terms of level and type of disability and financial status and provide very different types of services (Wiener & Tilly, 2003).

State Units on Aging (SUAs) and area agencies on aging (AAAs) play a key role in providing consumers with information and assistance as well as case management to negotiate the long-term care system. In addition, SUAs and AAAs help Medicaid and other state agencies plan a more integrated and consumer-responsive long-term care system. Title III-B finances a substantial proportion of spending for access services provided by AAAs. AAAs act as navigators of the long-term care system, helping older people and their families understand their options and choose what is best for them. These services form the foundation on which other Administration on Aging (AoA) initiatives such as Aging Disability Resource Centers (ADRCs) and Choices can build.

This section addresses issues related to Title III-B access services, including the characteristics of access service participants, characteristics of access services, and the role/importance of Title III-B access services. For this study, Title III-B access services include information and assistance (I&A) and case management services. I&A services:

- provide individuals with current information on resources that are available in their communities,
- assess the problems and capabilities of individuals,
- link individuals to available community resources, and
- help ensure that individuals receive needed services and are knowledgeable about the resources that are available to them in the community (AoA, 2006).

Similarly, case management coordinates and monitors care, where older persons or their caregivers are experiencing diminished functional capacities, health conditions, or other challenges that require assistance by formal service providers. Case management activities may include:

- assessing needs,
- developing care plans,
- authorizing services,

- arranging services,
- coordinating the provision of services among providers, and
- following up and reassessing needs (AoA, 2006).

3.1 Characteristics of Network Participants

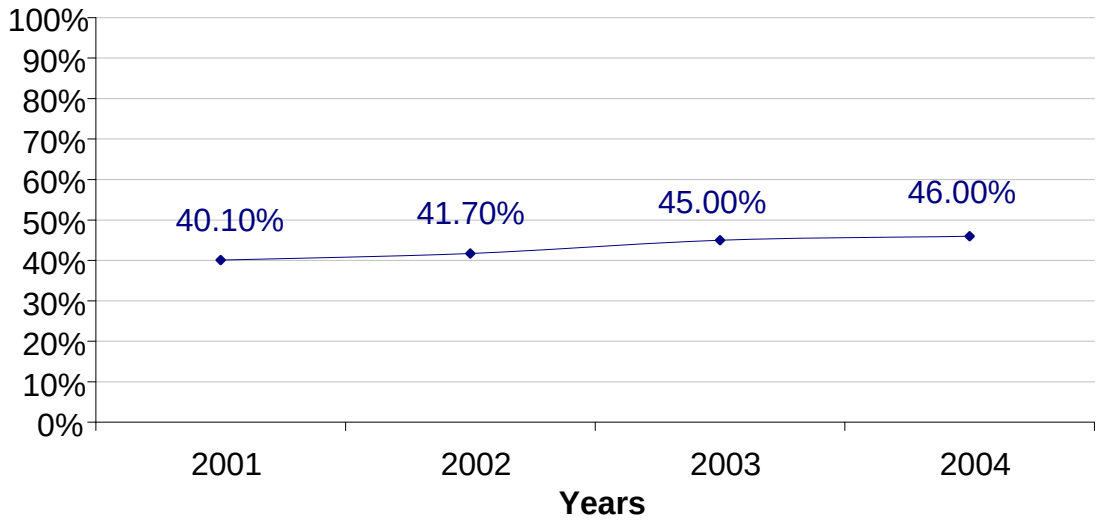
Information and Assistance Services

Demographic data from the 2003 and 2004 National Surveys of I&A users indicate that between 21% and 29% of I&A participants were under age 60, and less than 20% of I&A participants were of minority descent. The considerable proportion of users under age 60 was likely due to the fact that I&A services were available both to older persons and to their family members/caregivers, while other OAA services were available only to persons aged 60 and over. In addition, the 2003 and 2004 National Survey data indicate that 5% of the population receiving I&A services was of Hispanic descent, between 9% and 14% was of African American descent, and between 1.5% and 6% was Asian/Pacific Islander/Native American in 2003 or 2004.

Case Management Services

Analyses of 2001–2004 National Aging Program Information System State Program Performance Report (NAPIS SPR) data indicate that case management services were used predominantly by older seniors, those in frail health, those living alone, and women. Specifically, over 65% of all case management participants served by the Title III-B program were at least 75 years of age. About 50% of those receiving Title III-B case management services lived alone. Approximately 70% of case management participants were female. The proportion of case management participants with three or more activity of daily living (ADL) impairments, a population at risk of institutionalization, increased from 40% in 2001 to 46% in 2004 (Exhibit 3-1). A much larger proportion of case management users (at least 70%) needed help with instrumental activities of daily living (IADLs) relative to ADLs during this period.

Exhibit 3-1
Percentage of Case Management Clients Needing Assistance with Three or More ADLs



Note: The definition of ADL impairment used in the NAPIS SPR system is the following: "the inability to perform one or more of the following six activities of daily living without personal assistance, stand-by assistance, supervision or cues: eating, dressing, bathing, toileting, transferring in and out of bed/chair, and walking." See http://www.aoa.gov/prof/agingnet/NAPIS/SPR/SPR_guidance/definspr.asp for more information on the definition of ADLs used for the NAPIS SPR data.
Source: RTI analysis of 2001–2004 NAPIS SPR case management data.

3.2 Characteristics of Access Services

Information and Assistance Services

Service Use. Results from 2003 and 2004 National Survey data indicate that approximately 58% of callers inquired about how to obtain help for themselves. An additional 40% called for help for relatives/someone else, while roughly 6% to 10% called from another agency to obtain information on behalf of a client. Approximately one quarter of all of callers previously had used I&A services, suggesting that they had found the previous responses useful. I&A providers were efficient in answering telephone calls, with over 80% of calls being answered in fewer than five rings and about 80% of calls being answered by a person (rather than an answering machine).

The 2004 National Survey data also were analyzed to determine which demographic and health status factors predicted whether participants had contacted I&A service providers for themselves or their relatives. Results from logistic regression analyses indicated that the following variables were significant predictors of the likelihood of a participant calling the I&A service for him- or herself:

- being aged 75 and over;
- being male;

- having less formal education; and
- living alone, perhaps due to the fact that no one else was available to call on his or her behalf.

These results suggest that the I&A services provided the information to a segment of the population that would have had particular difficulty accessing services without help.

Conversely, those who were more likely to contact I&A service providers for their relatives:

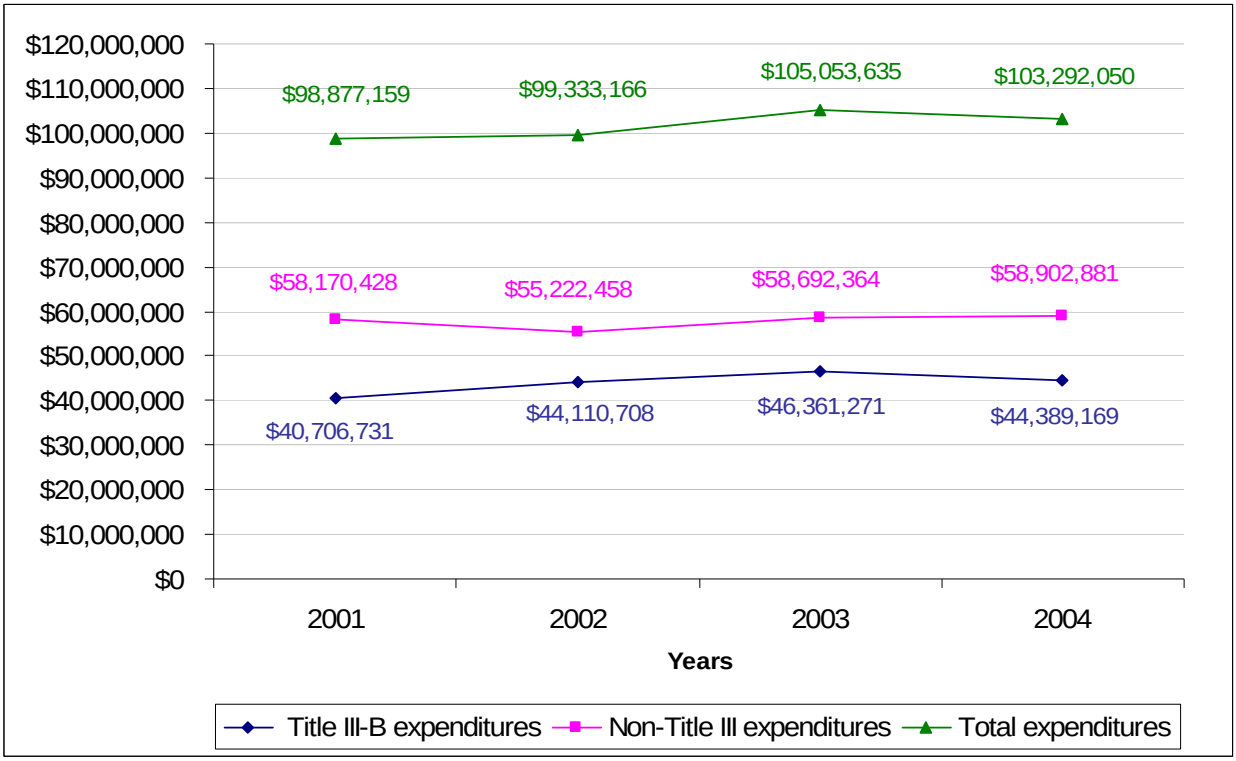
- were younger,
- were married, or
- lived with others (e.g., spouses or other family members).

Because I&A services were available to family members and other caregivers (in contrast to other Title III-B services, which primarily benefit the older person), it was not surprising that a significant proportion of I&A callers were under the age of 60 and living with others.

Expenditures. Title III-B represents an important funding source to support the delivery of I&A services provided by AAAs. The NAPIS SPR expenditure data for 2001 to 2004 show that over 40% of the total AAA expenditures for I&A services was funded by the Title III-B program (Exhibit 3-2). Importantly, AAAs did not rely solely on Title III-B funding, but also used other sources. Every $2 provided by the Title III-B program to support I&A services leveraged an additional $3 from non-Title III-B funding sources.[4] The AAAs spent a total of approximately $100 million annually (unadjusted for inflation) on I&A services.

[4] Non-Title III-B expenditures included all funds that flowed through the AAAs from sources other than Title III.

Exhibit 3-2
I&A Expenditures



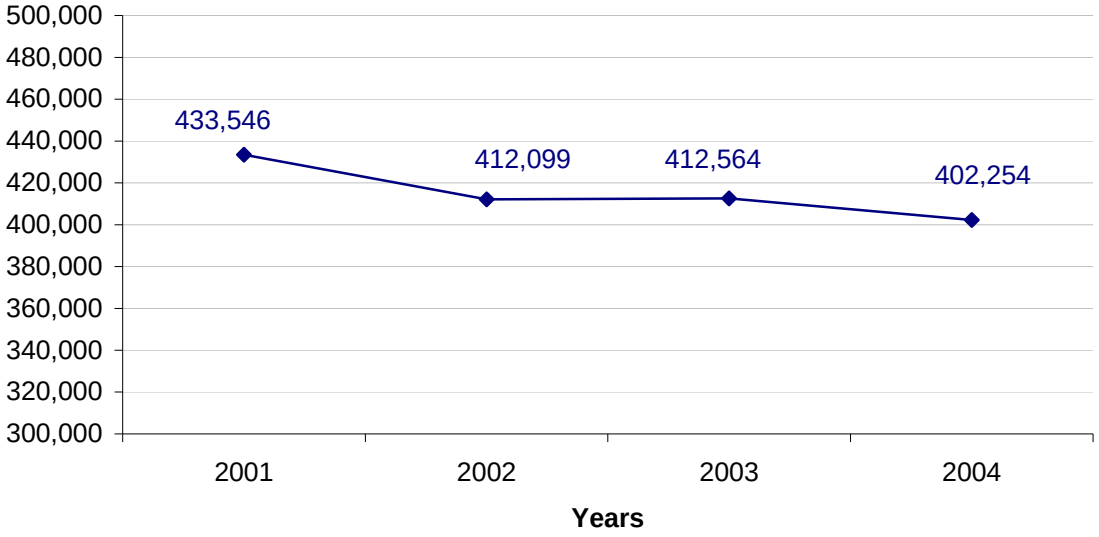
Source: RTI analysis of 2001–2004 NAPIS SPR I&A expenditure data.

Case Management Services

Service Use. The total hours of case management service provided per year between 2001 and 2004 remained constant, while the number of persons using this service declined (falling from 433,546 in 2001 to 402,254 in 2004) (Exhibit 3-3). When outliers were removed, the average number of hours of case management services per person remained stable from 2001 to 2004, ranging from 10 to 11 hours per person per year. The number of case management hours per person is consistent with the hypothesis that case management services primarily help participants obtain other services through other funding arrangements.

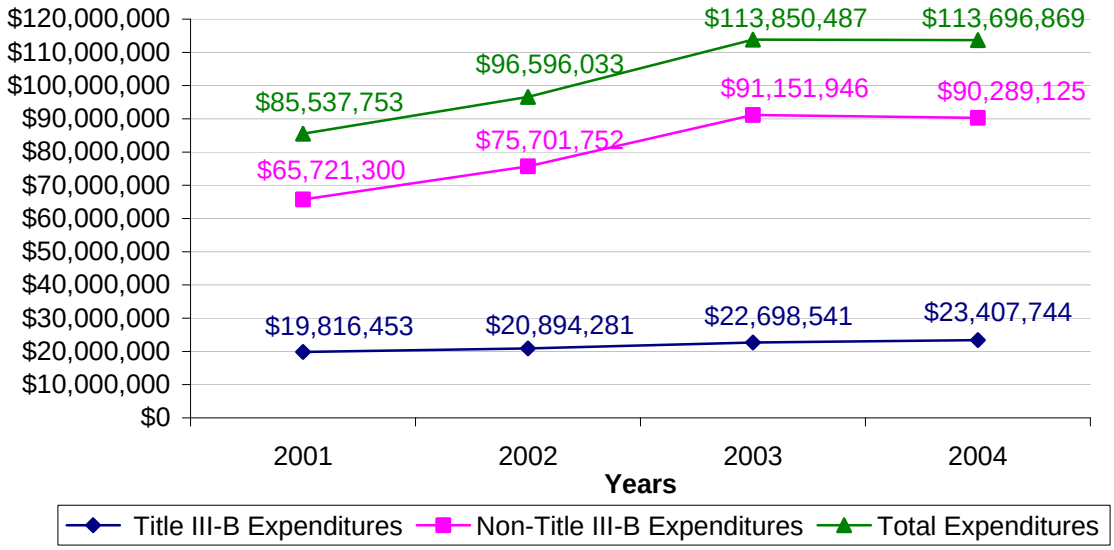
Expenditures. Analyses of the 2001–2004 NAPIS SPR expenditure data (shown in Exhibit 3-4) indicate that Title III-B represents an important source of funds for case management services provided by AAAs. However, most funding comes from other sources, which mostly likely reflects the involvement of AAAs in Medicaid home and community-based services waivers. For every $1 provided by Title III-B to support case management services during this period, another $4 was obtained from non-Title III-B sources. An additional $66 million in 2001 to $91 million in 2004 was provided annually by other sources to support these activities, with non-Title III-B funds to support case management increasing during this 4-year period. The proportion of case management services that were provided by AAAs and supported directly from Title III-B funds declined slightly during this 4-year period. Not adjusting for inflation, total funds used by the AAAs to support case management services increased during this 4-year period from $85.5 million in 2001 to almost $114 million in 2004.

Exhibit 3-3
Unduplicated Count of Case Management Participants



Source: RTI analysis of 2001–2004 NAPIS SPR case management data.

Exhibit 3-4
Case Management Expenditures



Source: RTI analysis of 2001–2004 NAPIS SPR case management expenditure data.

3.3 Role of Access Services

The aging network considers I&A services to be a key component of the long-term care system. AoA classifies I&A as a core service provided by the Older Americans Act. By design, I&A services help older persons and their family members navigate the system, locate needed resources, plan for the future, and identify providers to directly serve them. Typically, I&A services are provided directly by AAAs. Similarly, focus group discussions with SUA directors suggests that I&A services are considered the single most important Title III-B service available to the community at large. Focus group participants also reported that AAAs are widely known

as the place to go for this type of service. In their view, I&A is the service initially needed by older persons and their families to gain entry into the long-term care system.

While AAA directors stressed the importance of case management services to the care and well-being of older individuals and their caregivers, they acknowledged that some states have chosen other organizations to provide most case management, especially to the Medicaid population eligible for home and community-based services waivers. On the other hand, in a number of states, such as Washington, case management for home and community-based service waivers is provided by the AAAs (http://www.nasua.org/40YearsofLeadership.pdf).

AAA directors felt that AAAs should have a central role in the care management of their older participants. While some AAA directors wanted all case management services provided by Medicaid waivers or through the ADRCs to be performed by the AAAs, others simply wanted AAAs to have the right of first refusal under a waiver for case management. The general consensus among AAA directors was that since the aging network developed a comprehensive infrastructure to help older persons and their families navigate the long-term care system, the AAAs should have the opportunity to coordinate service delivery for all community-dwelling older persons (including those receiving services funded by Medicaid and other non-OAA sources).

3.4 Administration of Access Services

Results of the AAA survey indicate that I&A and case management services help ensure that older persons obtain a range of services needed to keep them independent and engaged in their communities. While individuals in urban and more rural areas generally have access to these I&A and case management services, those living in urban areas appear to be particularly likely to benefit. Highlights of AAA survey findings follow:

- Most AAAs provide I&A services directly rather than contracting them out. Over 70% of all AAAs provide I&A services themselves. Only 5% of AAAs provide I&A services through contracts with another agency. A significantly higher percentage of AAAs in nonmetropolitan versus metropolitan areas provide I&A services directly (over 78% versus 63%).

- Thousands of people are served by I&A programs annually. On average, over 13,000 I&A calls are handled annually by each AAA. AAAs located in metropolitan areas receive significantly more calls relative to nonmetropolitan areas (an average of almost 19,000 calls versus 8,200 calls, respectively).

- The vast majority of I&A providers screen participants for eligibility for home and community-based services programs.

- More than half of the AAA I&A specialists screen callers to determine if case management services are needed.

- Almost half of all AAAs (46.8%) provide a toll-free line so that I&A participants can contact the AAA at no cost. AAAs in metropolitan areas are significantly more likely

to provide a toll-free phone number to I&A participants than AAAs in nonmetropolitan areas (53% versus 41%, respectively).

Results from the 2006 AAA Survey also indicate that slightly more than half of AAAs provide or contract for case management services. AAAs typically provide case management services for the population aged 60 and over. There is considerable regional variation in how these services are delivered, with the Western region having the largest case loads and the longest waiting lists relative to other U.S. census regions. Specifically:

- Of the AAAs that provide case management services, nearly three quarters provide this service only to participants aged 60 and over. A larger proportion of AAAs located in nonmetropolitan regions serve only people aged 60 and over relative to AAAs in metropolitan areas (80% and 65%, respectively). Regionally, AAAs in the Northeast and South are significantly more likely to provide case management services only to individuals aged 60 and over relative to other regions.

- More than 61% of the AAA case managers have a case load of more than 50 persons. On average, most AAA case managers work with 75 or more participants. AAAs in the West have the largest caseloads relative to AAAs in the other census regions.

- Over a third of AAAs have waiting lists for case management services. AAAs located in metropolitan areas are more likely to have waiting lists than AAAs in nonmetropolitan areas. AAAs in the West have the longest waiting lists relative to AAAs in other census regions.

3.5 Access Services: Summary of Findings and Policy Implications

I&A and case management help older persons and their families navigate the long-term care system and identify needed resources in the community. Highlights from RTI's analysis are summarized in Exhibit 3-5 below.

Exhibit 3-5
I&A and Case Management: Key Findings

Information and Assistance

- Title III-B is an important source of funding for the delivery of I&A services by the AAAs, providing over 40% of total expenditures for this service.
- The I&A service, in contrast to other Title III-B services reviewed in this study, serves both older persons and their family members.
- Many callers are repeat users, suggesting that I&A services satisfy the needs of callers to identify potential sources of support and to navigate the long-term care system.
- The I&A service system is responsive to I&A callers, with the vast majority of calls answered in fewer than five rings, and directly by a person.

Case Management

- While contributing a smaller share of revenue than for I&A services, Title III-B is also an important source of funding to support the delivery of case management services, accounting for approximately 20% of total expenditures for this service by AAAs.
- Title III-B case management serves a population that is at risk of institutionalization—those aged 75 and over, people with substantial disabilities, and those living alone.
- The frailty of the population served increased over time: The proportion of case management participants with three or more ADL limitations increased between 2001 and 2004, as did the proportion living alone.
- Seniors receive about 10 hours of case management services per person per year, consistent with Title III-B case management's role as a temporary brokerage service linking individuals to other supportive services rather than providing an ongoing service.

I&A services help family caregivers and vulnerable individuals—people living alone, the oldest of the old, and persons with significant functional limitations—to navigate the long-term care system and identify needed resources in their communities. Similarly, case management services enable at-risk individuals to obtain needed home and community-based services. In cases where older individuals are eligible to receive other long-term care services (such as Medicaid or other state-provided service benefits), the aging network locates and coordinates benefits for older persons and their family members. The Aging and Disability Resource Center Program, part of the AoA's Choices for Independence Initiative, builds on the Title III-B I&A and case management roles that were firmly established by the aging network.

SECTION 4
SUPPORTIVE SERVICES

Creation of a more balanced long-term care financing and delivery system by expanding home and community-based services is a major goal of the federal government and the states. Older people want to stay in the community if at all possible. In one study, 30% of older people indicated that they would rather die than move to an institutional setting (Mattimore et al., 1997). However, in order to stay in the community, older persons need appropriate supports, including assistance with personal care, help with domestic chores, and transportation. Prior research has indicated that older people in the community often have unmet needs for personal care and other home and community-based services. This may lead to higher rates of adverse events, including weight loss, dehydration, falls, burns, skin problems, missed meals, inability to follow special diets, missed doctor visits, and wearing dirty clothes (LaPlante et al., 2004).

For this study, RTI analyzed a subset of Title III-B home care services for which data were available—personal care, chore, and homemaker services; transportation services; and assisted transportation services. Personal care consists of in-home personal assistance for persons with the inability to perform activities of daily living (ADLs), such as eating, dressing, bathing, toileting, transferring in and out of bed/chair, and walking. Homemaker services provide assistance to persons unable to perform instrumental activities of daily living (IADLs), such as preparing meals, shopping for personal items, managing money, using the telephone, and doing light housework. Chore services assist persons having difficulty with heavy housework, yard work, or light housework (Administration on Aging [AoA], 2006). Similarly, transportation services—which for this study include both general transportation and assisted transportation services—provide frail individuals and older persons with the means to get from one location to another. While general transportation services provide a means of going from one location to another (with no other service provided), assisted transportation services provide assistance, including escort, to a person who has difficulties (physical or cognitive) using regular vehicular transportation. For more information on transportation service definitions using in the NAPIS SPR data, see http://www.aoa.gov/prof/agingnet/NAPIS/SPR/SPR_guidance/definspr.asp.

4.1 Characteristics of Network Participants

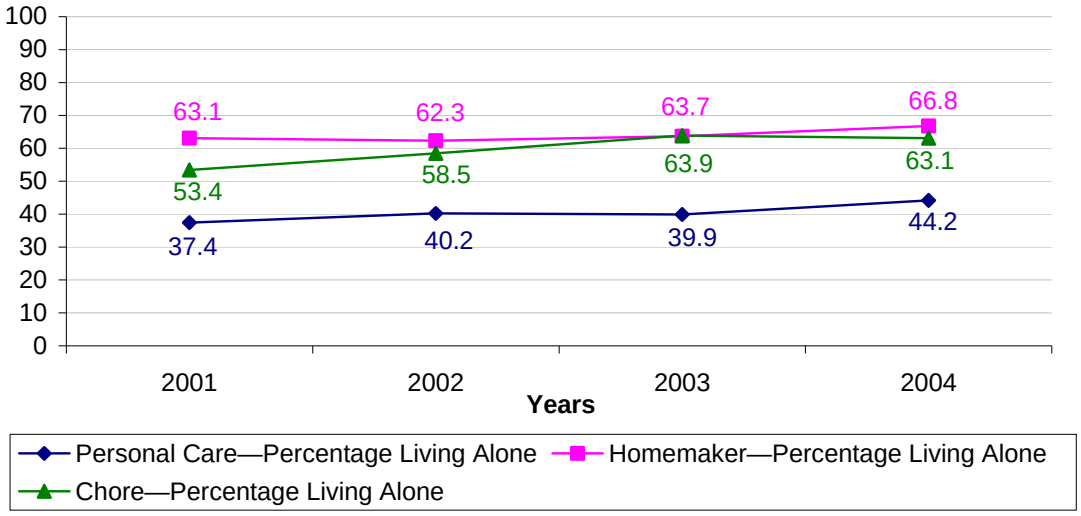
Vulnerable individuals—those who are older, living alone, and persons with three or more functional limitations (ADLs and IADLs)—are particularly likely to use Title III-B direct care services. However, Title III-B direct care services also serve others who may not qualify for services through other programs.

Home Care Services

Title III-B home care services serve a frail population. Analyses of 2001–2004 National Aging Program Information System State Program Performance Report (NAPIS SPR) data indicate that Title III-B participants were the oldest of the old, those in poor health, and those living alone. Specifically, over 70% of all Title III-B home care participants were at least 75 years of age. As shown in Exhibit 4-1, an increasingly large proportion of persons receiving Title III-B home care services lived alone, especially those receiving homemaker services (over 60%) and chore services (over 50% in 2001 and over 60% in 2004). A somewhat smaller proportion of personal care participants lived alone (between 35% and 44%). This may be explained by the

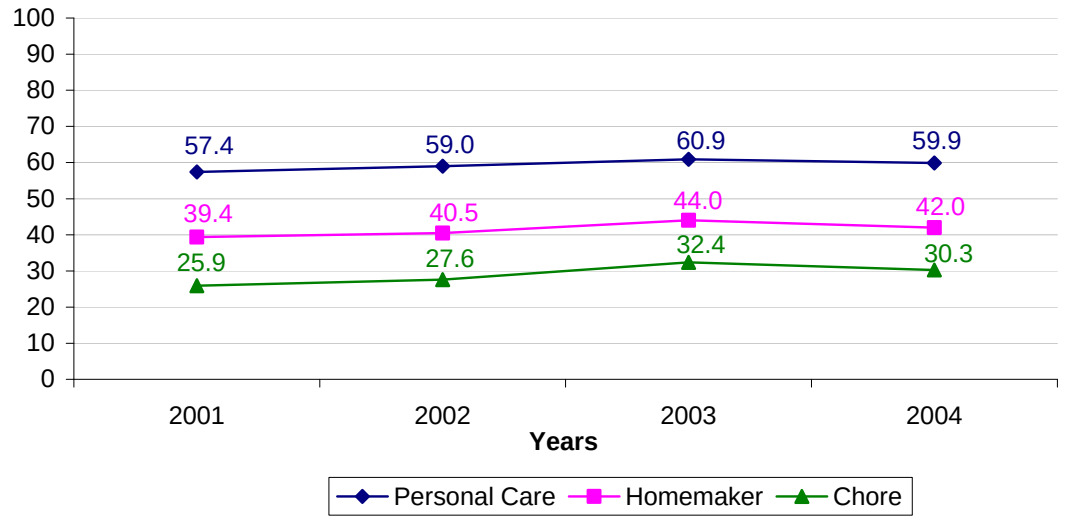
fact that Title III-B personal care users have greater assistance needs, which make living alone more difficult (Exhibit 4-2). Approximately 75% of home care participants were female.

Exhibit 4-1
Living Alone Status of Home Care Clients (percentage)



Source: RTI analysis of 2001–2004 NAPIS SPR home care data.

Exhibit 4-2
Home Care Clients Needing Assistance with Three or More ADLs (percentage)



Note: The definition of ADL impairment used in the NAPIS SPR system is the following: "the inability to perform one or more of the following six activities of daily living without personal assistance, stand-by assistance, supervision or cues: eating, dressing, bathing, toileting, transferring in and out of bed/chair, and walking." See http://www.aoa.gov/prof/agingnet/NAPIS/SPR/SPR_guidance/definspr.asp for more information on the definition of ADLs used for the NAPIS SPR data.

Source: RTI analysis of 2001–2004 NAPIS SPR home care data.

A significant proportion of home care participants needed assistance with three or more ADL limitations, although the actual proportion requiring this level of assistance varied widely by the type of home care service—ranging from a high of 60% for personal care services to a

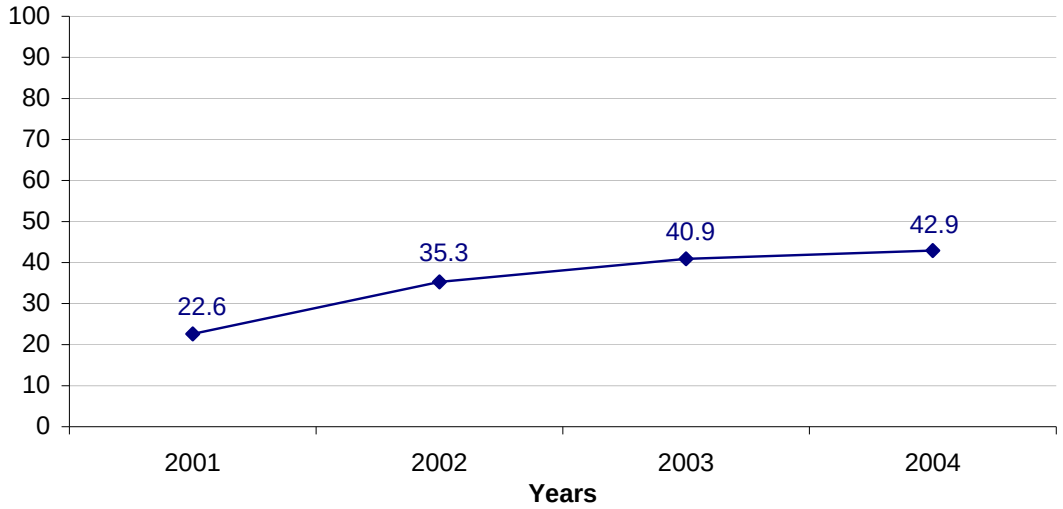
low of 30% for those receiving chore services in 2004 (see Exhibit 4-2). Some of the reported differences in prevalence of functional limitations by type of home care may reflect variation in AoA's functional limitation requirements to obtain different Title III-B home care services. More specifically, those individuals who were eligible for personal care assistance must need help with one or more of the following ADLs: eating, bathing, dressing, toileting, transferring in/out of bed, or walking. Alternatively, those eligible for homemaker services must need help with one or more of the following IADLs: preparing meals, shopping for personal items, managing money, using the telephone, or doing light housework. Finally, those eligible for chore services must need help with one of the following IADLs: heavy housework, yard work, or sidewalk maintenance. (See http://www.aoa.gov/prof/agingnet/NAPIS/SPR/SPR_guidance/definspr.asp for more information on the various home care entry criteria.) The proportion of home care participants with three or more ADL limitations increased between 2001 and 2004, suggesting increased targeting on the frailest population by the area agencies on aging (AAAs).

While the percentage of home care users who had high ADL needs increased between 2001 and 2004, IADL dependency remained stable by type of home care service. Over 85% of seniors using personal care service needed help with three or more IADL activities, about 80% of those receiving homemaker services needed help with three or more IADLs, and approximately 55% of those receiving chore services needed help with three or more IADLs during this 4-year period.

Transportation Services

No information on the demographic characteristics or functional status of general transportation users is available from the NAPIS SPR data. However, analyses of the 2001–2004 NAPIS SPR data indicate that assisted transportation services were targeted to older seniors and those living alone. About 60% of all assisted transportation participants served by the Title III-B program were at least 75 years of age. The proportion of assisted transportation service participants who lived alone increased substantially between 2001 and 2004. As shown in Exhibit 4-3, 23% of those receiving Title III-B assisted transportation services lived alone in 2001, while 43% lived alone in 2004. Approximately 70% of assisted transportation participants were female.

Exhibit 4-3
Living Alone Status of Assisted Transportation Clients (percentage)



Source: RTI analysis of 2001–2004 NAPIS SPR assisted transportation data.

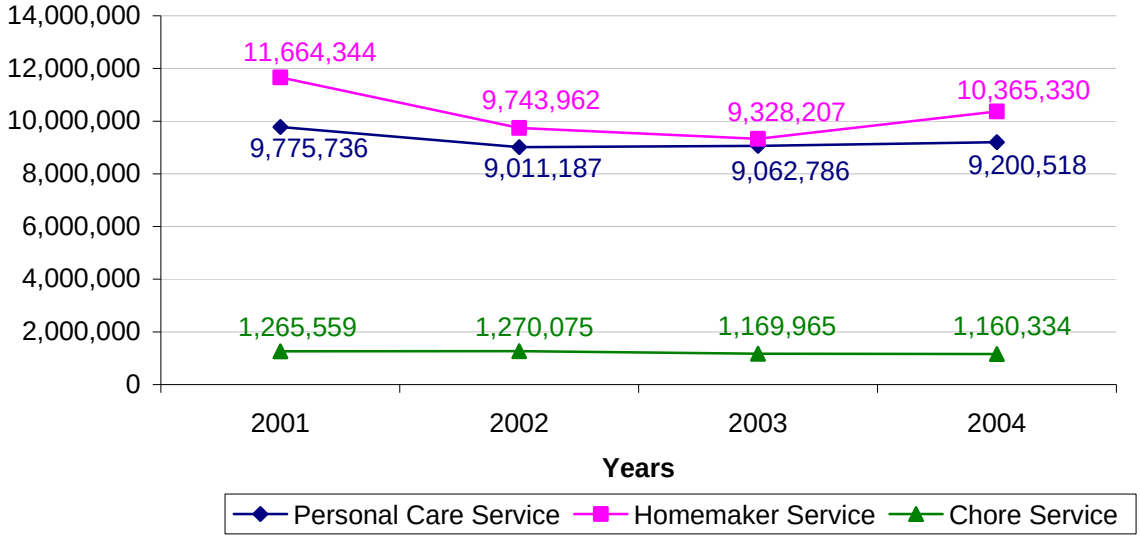
4.2 Characteristics of Home Care and Transportation Services

RTI's quantitative analysis identified several trends in home care and transportation services use during the 4-year period. In general, Title III-B home care use declined somewhat between 2001 and 2004. The number of persons using assisted transportation services declined markedly. However, the decline in the number of persons using assisted transportation was offset somewhat by a rise in the intensity of those services. Home care expenditures varied widely by type of service. This could be explained, in part, by the availability of other funding sources for personal care services.

Home Care Services

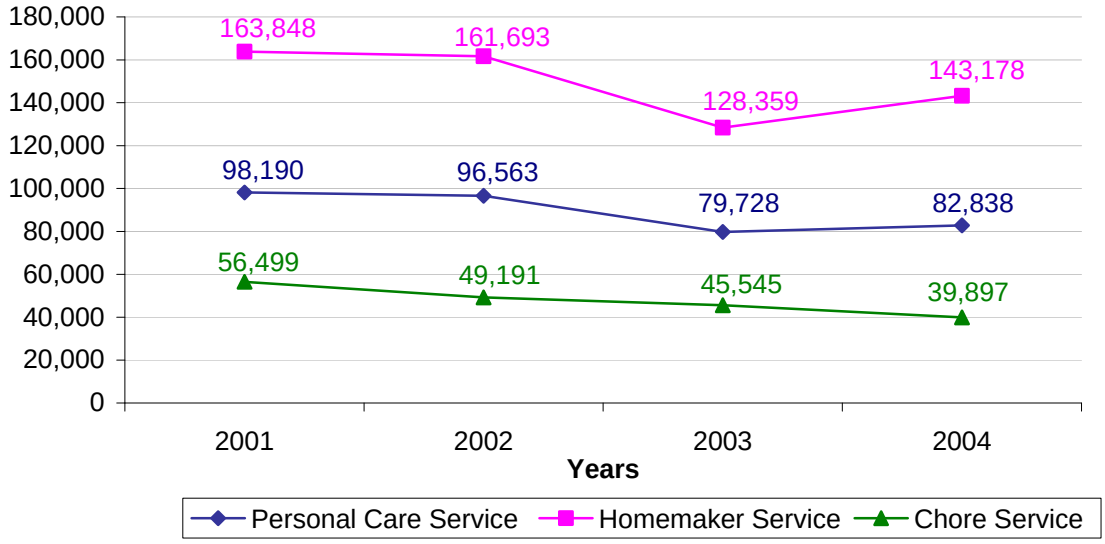
Service Use. The total number of hours of Title III-B home care services used by older disabled persons declined somewhat over the 2001–2004 period (Exhibit 4-4). The total (unduplicated) number of persons using home care services also declined during this period (Exhibit 4-5).

Exhibit 4-4
Number of Hours of Home Care Services



Source: RTI analysis of 2001–2004 NAPIS SPR home care data.

Exhibit 4-5
Unduplicated Count of Home Care Participants



Source: RTI analysis of 2001–2004 NAPIS SPR home care data.

Expenditures. NAPIS SPR expenditure data for 2001 to 2004 indicate that the Title III-B program has represented a stable source of funding of home care services for AAAs (see Exhibit 4-6).

Exhibit 4-6
AAA Home Care Expenditures by Source of Funding, 2001–2004

	2001	2002	2003	2004
Personal Care				
Title III-B expenditures	$12,605,838	$12,644,067	$16,928,237	$14,681,278
Non-Title III-B expenditures	88,143,747	97,584,277	84,878,391	85,832,168
Total expenditures	100,749,585	110,228,344	101,806,628	100,513,446
Percentage of total expenditures from Title III-B	12.5	11.5	16.6	14.6
Homemaker				
Title III-B expenditures	21,566,253	26,470,604	30,196,794	25,733,033
Non-Title III-B expenditures	76,240,036	73,844,371	79,329,493	69,364,110
Total expenditures	97,806,289	100,314,975	109,526,287	95,097,143
Percentage of total expenditures from Title III-B	22.0	26.4	27.6	27.1
Chore				
Title III-B expenditures	5,870,893	5,844,989	8,257,617	6,351,626
Non-Title III-B expenditures	12,409,792	13,720,865	12,778,912	9,889,821
Total expenditures	18,280,685	19,565,854	21,036,529	16,241,447
Percentage of total expenditures from Title III-B	32.1	29.9	39.3	39.1

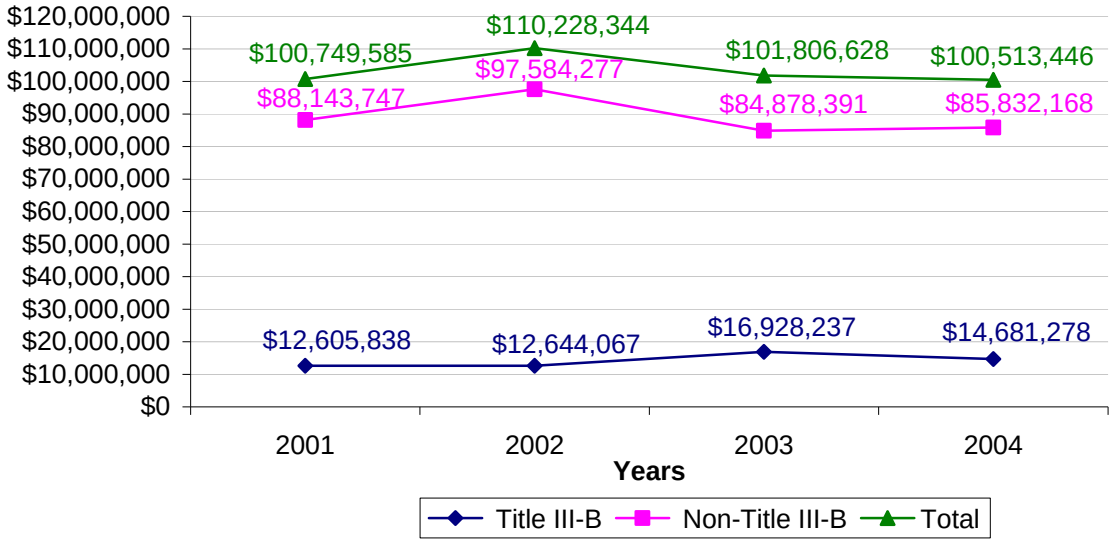
Source: RTI analysis of 2001–2004 NAPIS SPR data.

Title III-B funds supported a larger proportion of homemaker and chore services relative to personal care services, most likely due to the availability of Medicaid dollars to support personal care activities in the states (Exhibit 4-6). Over the period from 2001 to 2004, Title III-B provided between 12% and 17% of funds to support personal care services. In contrast, Title III-B provided between 22% and 28% of expenditures to support homemaker services and between 30% and 39% of expenditures to support chore services. Stated differently, every $1 provided by the Title III-B program for home care services leveraged an additional $2 to $6 of non-Title III-B funds (depending on service). Between 2001 and 2003, the total amount of Title III-B and non-Title III-B funds used to support home care services remained fairly stable across home care services; however, in 2004, both Title III-B and non-Title III-B expenditures for home care generally declined (see Exhibits 4-7 through 4-9). Similarly, between 2001 and 2003, total expenditures for home care services remained relatively constant, but in 2004, total expenditures for home care services declined for all but personal care services.

According to home care providers participating in the focus groups, the recent decline in Title III-B expenditures for home care may be attributable to the AAA negotiated reimbursement rates, which are lower than those paid by Medicaid for the same type of care. While home care

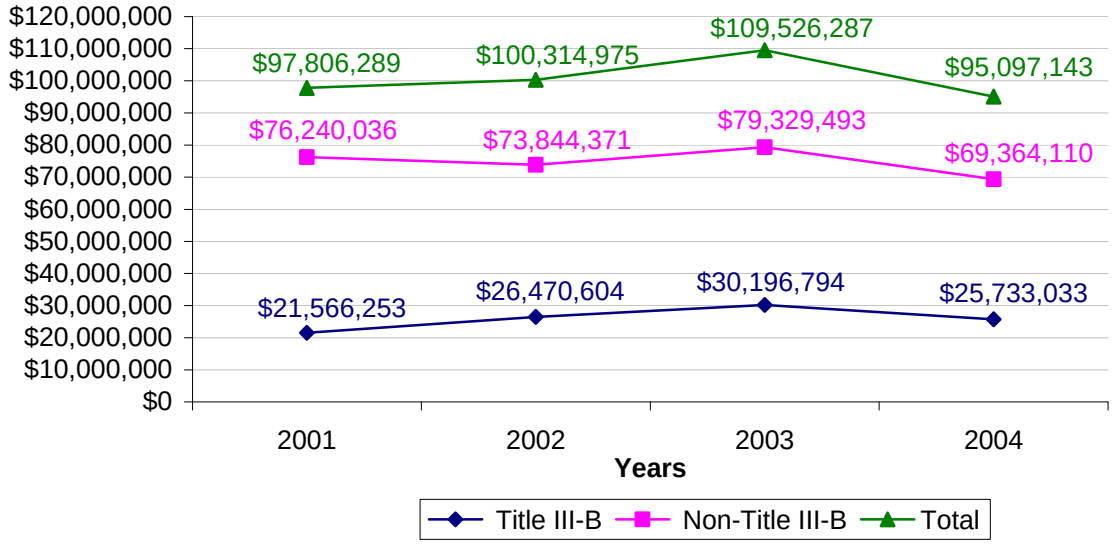
providers participating in focus groups claimed that they did not discriminate among clients based on payment or reimbursement rates, they reported that their ability to provide services was compromised when a funding agency would not pay enough for services. The home care providers suggested that while home care providers tried to include Title III-B participants in their mix of home care clients, ultimately only a limited number of such participants could be served, signaling potential access problems for AAA participants.

Exhibit 4-7
Title III-B Expenditures, Other Expenditures, and Total Expenditures for Personal Care Services



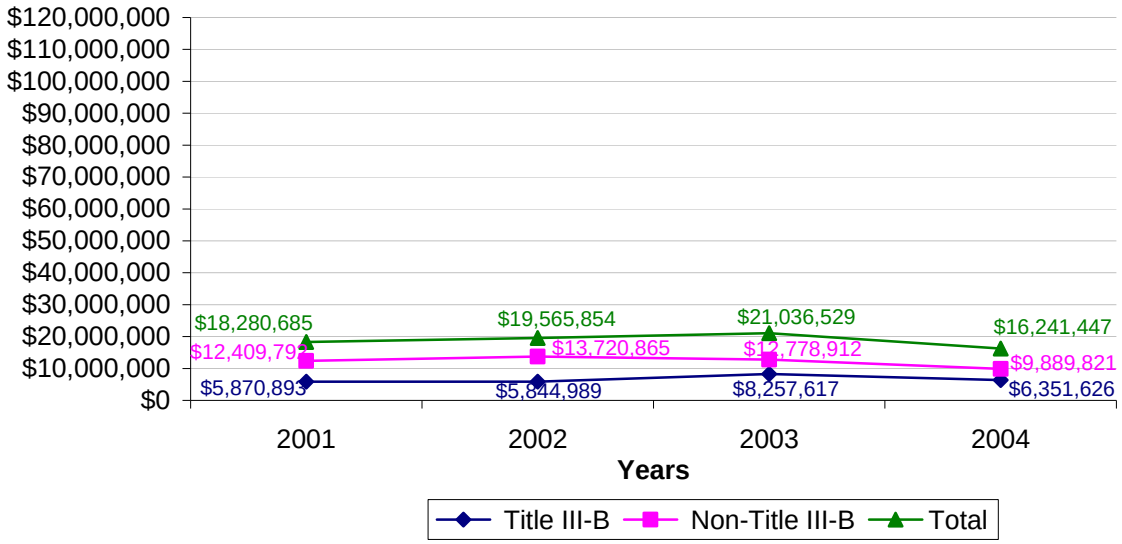
Source: RTI analysis of 2001–2004 NAPIS SPR home care expenditure data.

Exhibit 4-8
Title III-B Expenditures, Other Expenditures, and Total Expenditures for Homemaker Services



Source: RTI analysis of 2001–2004 NAPIS SPR home care expenditure data.

Exhibit 4-9
Title III-B Expenditures, Other Expenditures, and Total Expenditures for Chore Services



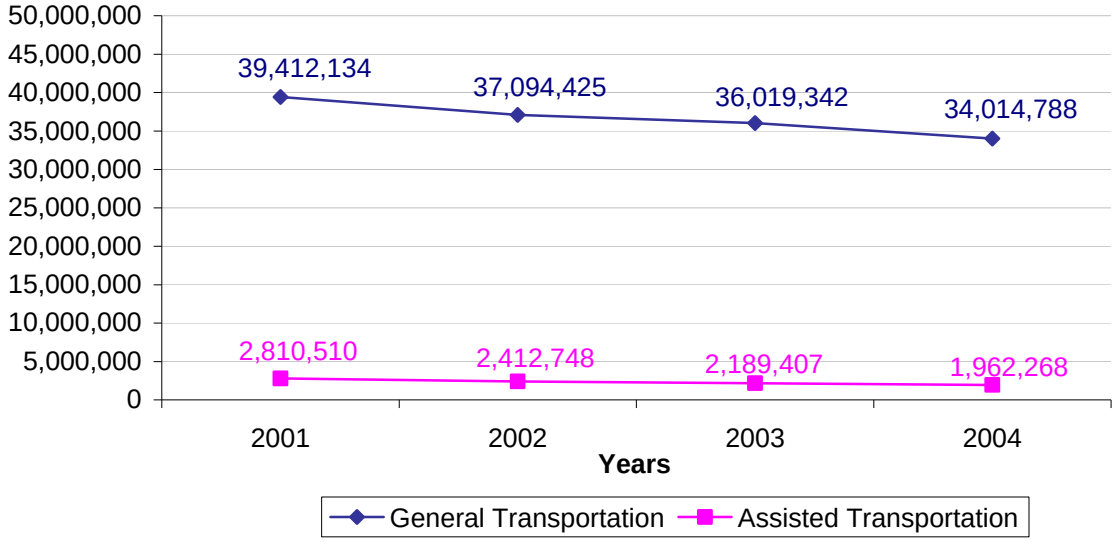
Source: RTI analysis of 2001–2004 NAPIS SPR home care expenditure data.

Technical Advisory Group (TAG) members and AAA directors offered another potential reason for the recent decline in home care use. Based on their collective experience, AAAs increasingly have targeted home care services, referring older persons to other state and local home care programs (such as Medicaid and state-funded home care services) whenever they were eligible to receive them. These alternative programs sometimes provide a larger array and higher intensity of home care services than Title III-B programs. Thus, AAAs may be shifting their focus away from the direct funding of services and concentrating on becoming navigators of the long-term care system for older adults.

Transportation Services

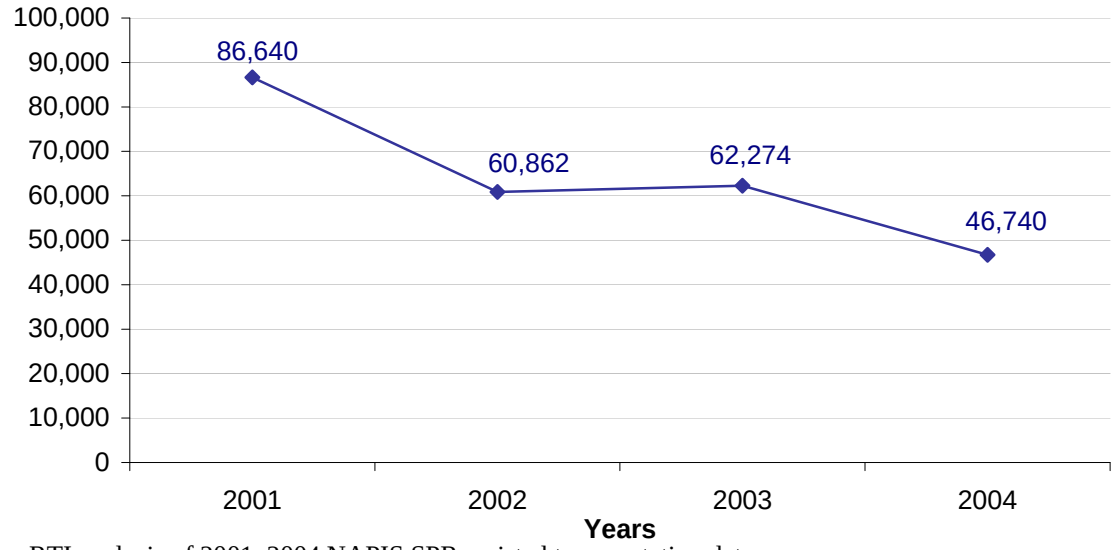
Service Use. The total units of general transportation and assisted transportation services declined during the 4-year period (Exhibit 4-10). In particular, the number of persons using assisted transportation services declined markedly between 2001 and 2004 (Exhibit 4-11). However, the decline in the number of persons served by assisted transportation was offset somewhat by a rise in the intensity of services, increasing from 32 one-way trips per person per year in 2001 (or roughly one trip every 11 days) to 38 one-way trips in 2004 (or roughly one trip every 9 days). AoA staff speculate that the total use of transportation services declined as the proportion of nutrition service participants obtaining their meals at home (rather than at congregate meal sites) increased, reducing the need for at least some Title III-B transportation services.

Exhibit 4-10
Units of Transportation and Assisted Transportation Service



Source: RTI analysis of 2001–2004 NAPIS SPR transportation data.

Exhibit 4-11
Unduplicated Count of Assisted Transportation Participants



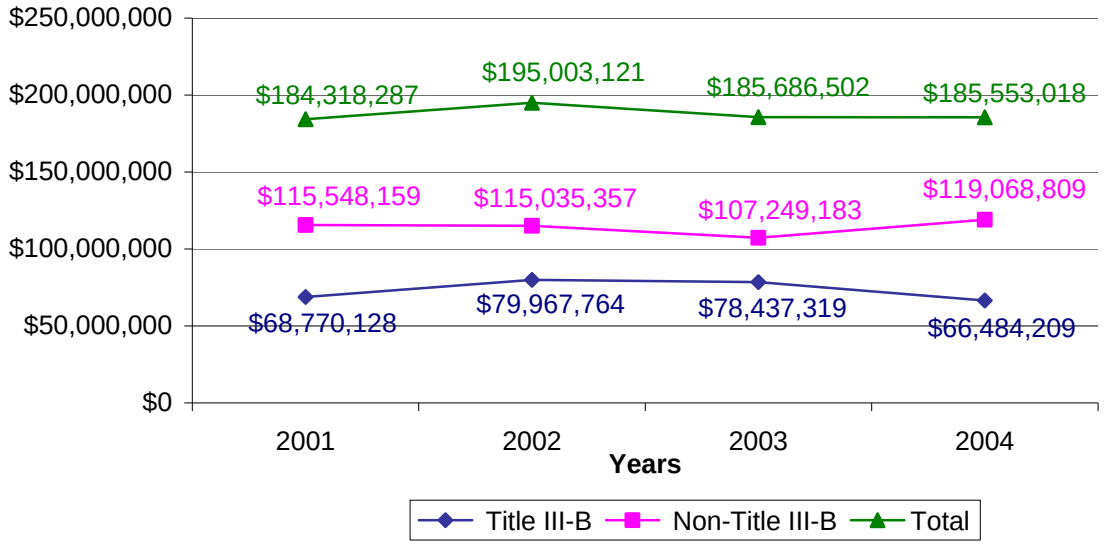
Source: RTI analysis of 2001–2004 NAPIS SPR assisted transportation data.

AAA directors provided several alternative explanations for this decline in transportation services. First, AAA directors reported that increases in the price of gasoline limited their ability to provide transportation services to seniors. Second, the limited number of transportation providers available was considered a major barrier to the provision of services. Third, volunteers, who until recently provided a large proportion of the transportation services to frail older persons living in rural areas, have become less willing to offer these services to AAA participants as the cost of fuel has increased.

Additional data on characteristics of general (but not assisted) transportation services are available from the 2003 and 2004 National Surveys. General transportation services were extremely important to individuals who relied on them to participate in the community. For example, over 50% of respondents used transportation services within the week prior to the survey. Similarly, approximately half of all respondents used Title III-B transportation services for at least three quarters of all trips. The average number of general transportation trips used varied by year, ranging from 8 to 13 per month, reflecting the fact that individuals used Title III-B transportation services about every 3 to 4 days. Survey respondents reported that transportation services helped them to get to medical appointments and senior centers.

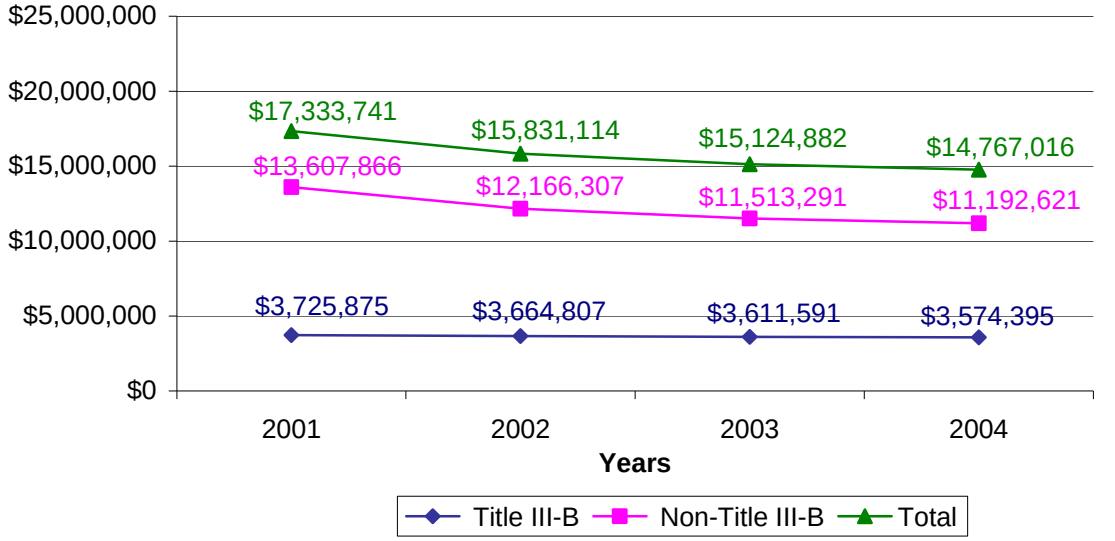
Expenditures. Analyses of 2001–2004 NAPIS SPR expenditure data (shown in Exhibits 4-12 and 4-13) indicate that Title III-B represents a substantial source of funds for transportation services funded by AAAs. Between 2001 and 2004, 36% to 42% of all general transportation services provided by the AAAs were funded by the Title III-B program. Similarly, 22% to 24% of all assisted transportation services provided by the aging network were funded by the Title III-B program. This means that for every $1 of Title III-B funds provided, an additional $2 or $3 came from other sources for general and assisted transportation services, respectively. Roughly $110 to $120 million from non-Title III-B funds was used annually to support general transportation services, while approximately $11 to $13 million from non-Title III-B funds annually supported assisted transportation services. Total expenditures for general transportation remained fairly constant over time, while total expenditures for assisted transportation services declined somewhat during this 4-year period. Overall, the total expenditures for general transportation services exceeded those for assisted transportation services by a factor of 12 to 1.

Exhibit 4-12
Title III-B Expenditures, Other Expenditures, and Total Expenditures for General Transportation Services



Source: RTI analysis of 2001–2004 NAPIS SPR general transportation expenditure data.

Exhibit 4-13
Title III-B Expenditures, Other Expenditures, and Total Expenditures for Assisted Transportation Services



Source: RTI analysis of 2001–2004 NAPIS SPR assisted transportation expenditure data.

4.3 Satisfaction with Supportive Services

Satisfaction with care is the main client outcome available from AoA data sources. Satisfaction relates to how older persons experience the care/services received compared to their standards or expectations (Coughlin, Long, & Kendall, 2002; Haviland et al., 2003; Linder-Peltz, 1982; Pascoe & Attkisson, 1983). Satisfaction measures provide important information on interpersonal aspects of care, such as communication between providers and participants; participants' perceptions of how much providers respect, understand, and listen to them; and whether participants are treated with dignity (Khatutsky, Anderson, & Wiener, 2006). The 2003–2004 National Surveys were used to examine participant satisfaction with homemaker and transportation services. Findings indicate that Title III-B users were very satisfied with these services.

Home Care Services

Consistent with other reports of home care satisfaction (Doty, Kasper, & Litvak, 1996; Geron et al., 2000; Khatutsky, Anderson & Wiener, 2006; Office of the Inspector General, 1995), participants responding to the 2003 and 2004 National Surveys generally were quite satisfied with homemaker services. However, RTI's research indicates that survey respondents responded with more satisfaction with the quality than with the quantity of services: over 80% of those responding to most questions about homemaker thoroughness, comprehensiveness, willingness to do extra things, politeness, promptness, and competence responded "Yes, definitely" or "Yes, I think so" to the positively worded homemaker satisfaction items. However, 36% to 39% of respondents wanted more hours of homemaker services each week, and approximately 44% of respondents wished that the homemaker could do more things for them. Satisfaction results were consistent for both years.

We used multivariate OLS modeling to identify factors associated with general satisfaction with homemaker services. Overall, demographic characteristics were not strong predictors of satisfaction with this service. Urban residents were somewhat more satisfied with homemaker services than those living in suburban or rural areas, rating the service about 4 percentage points higher, on average. This may reflect the greater access to services that persons in urban areas have. Having substantial functional impairment (three or more ADL limitations) was a negative predictor of satisfaction, reducing the overall satisfaction score by about 5 percentage points. On the other hand, having significant IADL impairment did not significantly affect satisfaction with care. The finding on ADLs may reflect the desire on the part of participants for homemakers to perform a wider range of tasks than they are allowed and a desire for more hours of service.

We performed a supplementary analysis of the 2004 homemaker satisfaction sample to compare the characteristics of those least satisfied with homemaker services versus the overall homemaker sample. Consistent with other studies reporting that vulnerability groups generally experience low satisfaction with services, we found that those with a combination of "vulnerability" factors, such as living in a rural area and having substantial ADL impairment, or being nonwhite and having substantial ADL impairment, or being 75 and older and of minority descent decreased satisfaction with homemaker services.

In summary, we found that AAA participants with more physical limitations, of minority descent, living in a suburban or rural area, and with a combination of vulnerability factors were less satisfied with homemaker services relative to their counterparts.

Transportation Services

RTI analyzed predictors of use and satisfaction with Title III-B transportation services. Two logistic regression models were estimated to determine factors that affected the likelihood of (1) being able to get around more than before because of Title III-B transportation services; and (2) rating the transportation service as good, very good, or excellent. We found that respondents with the least amount of formal education were twice as likely as those with a college degree or more to say that they were able to get around more than before due to Title III-B transportation services. Functional status was not a significant predictor of the likelihood of being able to get around more than before because of Title III-B transportation services. In summary, use of transportation services was significantly higher for AAA participants with less education.

Urban/rural status and levels of functional impairment were significant predictors of satisfaction with transportation services: when all other factors in our models were held constant, we found that urban residents and those with a high level of functional impairment were significantly more likely to give transportation a rating of at least good. Urban residents were about five times more likely than those in suburban areas to rate transportation services positively. This finding may reflect the fact that it is difficult to run transportation services across large suburban areas. Similarly, respondents with three or more ADLs were over seven times as likely as their healthier counterparts to rate Title III-B transportation services as at least good, indicating the transportation service's value to older persons with high levels of frailty.

4.4 Administration of Supportive Services

Home care services typically initiate services after receiving a referral from other service providers. According to home care focus group participants, a wide range of referral sources are used, ranging from AAAs and other public agencies to health care organizations, other community-based organizations, direct marketing campaigns, and personal contacts. Home care providers consider AAAs to be an important but not primary source of client referrals to home care. Among the more novel sources of referrals to home care agencies are insurance companies selling long-term care policies and utility companies.

Home care providers reported that a number of administrative problems hampered their ability to work with the AAAs. Most participating providers came from states where each AAA was allowed to determine its own reimbursement rates. As a result, home care agencies contended with numerous reimbursement rates and extensive paperwork to obtain contracts with each AAA in their service area. Overall, home care providers wanted more consistency in reporting and contractual requirements across AAAs to simplify their administrative work load and to reduce barriers to providing home care service for Title III-B participants.

While focus group protocols did not contain specific questions on the administration of transportation services, it was clear from conversations with AAA directors that transportation services, like other direct services, were in short supply in many community settings (particularly in inner cities and rural areas) and that volunteers and waiting lists were being used to address the imbalance between the demand for and supply of direct care services.

Given the limited number of providers in some service areas, direct services were administered on an as-needed basis. Typically, AAA participants were referred to other service providers whenever more comprehensive benefits were available elsewhere. This strategy has enabled AAA directors to retain their limited direct service dollars for those individuals who either had incomes too large to qualify for Medicaid or other state-provided benefits or who did not meet the functional limitation requirements to be eligible for alternative service programs.

4.5 Supportive Services: Summary of Findings and Policy Implications

Home care and transportation services are two direct services that make an important difference to the quality of life of frail and older persons living at home. Highlights from RTI's analysis of qualitative and quantitative data are summarized in Exhibit 4-14 below.

Exhibit 4-14
Home Care and Transportation: Key Findings

Home Care

- The Title III-B program is a significant, but not primary, source of AAA funds for home care services, covering approximately 15% of total expenditures for personal care, 25% of total expenditures for homemaker services, and 35% of total expenditures for chore services from 2001 to 2004.
- Home care serves a population at risk of institutionalization: the oldest of the old, frail individuals, and those who live alone.
- Home care services utilization declined during the period 2001 to 2004: Information provided from AAA directors and TAG members suggests that the aging network referred people to other service programs/providers whenever possible to allow these individuals to obtain a broader range of home care services elsewhere.
- Satisfaction with homemaker service is very high: Over 80% of survey respondents rated various aspects of homemaking service positively. Those who were least satisfied tended to be minority, live in a rural/suburban area, and report high ADL impairment. Having a combination of vulnerability factors compounded the likelihood of being less satisfied with homemaker services.

Transportation

- The Title III-B program provides substantial support for the delivery of general and assisted transportation services, covering approximately 40% of total AAA expenditures for general transportation services and 23% of total AAA expenditures for assisted transportation services from 2001 and 2004.
- Title III-B assisted transportation serves a population needing transportation services: the oldest of the old and people living alone.
- Seniors using transportation rely heavily on this service: Over 50% of general transportation users had used this Title III-B service in the week prior to the survey, and over 50% of all general transportation users relied on Title III-B transportation for at least three quarters of their trips.
- While Title III-B transportation services are generally rated very highly by most survey respondents, urban residents and highly impaired individuals are significantly more likely to rate this service positively.

Despite the presence of a number of a number of home and community-based initiatives such as the Real Change System Change Grants to States Program that have sought to rebalance the long-term care system, the delivery of long-term care services in the United States remains biased toward institutional care. While the Medicaid program provides services to low-income and categorically needy individuals, benefits vary widely by state. Medicare covers a finite set of long-term care services, but many older persons need additional supports in order to remain living in the community. Only a small proportion of the older population has private long-term care insurance. To help fill this gap, Title III-B funds additional long-term care services and infrastructure development to help older people remain in the community. Title III-B helps pay for the following:

- Planning and infrastructure development for a more balanced long-term care system, which would provide a greater role for home and community-based services.

- Services for individuals who do not qualify for Medicaid, either financially or functionally (e.g., they do not qualify for Medicaid home and community-based services waivers because they do not need an institutional level of care).

- Services for individuals who live in states where the home and community-based waiver has waiting lists or where Medicaid coverage is limited (e.g., there is no personal care benefit).

- Nonmedical services, such as homemaker services, that may not be covered by Medicaid or other programs.

- Coverage to individuals who are waiting for their Medicaid or other applications to be processed or are waiting to transition to other settings.

By gaining experience through the design and contracting of services, AAAs and State Units on Aging have acquired the credibility and expertise to obtain additional state and Medicaid funds for home and community-based services that leverage Title III-B resources.

General transportation and assisted transportation services are a critical component of the home and community-based services system. Transportation services ensure that older frail people living at home are able to participate in the community—by providing rides to medical providers, to social events, and to visit family members. Without these services, many older people with disabilities would be unable to participate in the many positive aspects of community living. The data demonstrate that people who use these services rely heavily on them.

The implementation of Title III-B direct services varies by state. For example, some states use Title III-B funding to support a large array of services, while others concentrate their resources on a smaller number of services that are less likely to be covered by Medicaid and other state funding sources.

Geography also affects the role and implementation of Title III-B services. For example, the aging network reports that urban participants typically have better access to Title III-B transportation services relative to their more rural counterparts.

The role of Title III-B financing varies by service type. For example, its role in providing personal care services is smaller than its role in the financing of chore services because there are alternative funding sources available for personal care (such as Medicaid) but not as many alternative funding sources for chore and homemaker services. In allocating resources for direct care services, AAAs target vulnerable populations, particularly the oldest of the old, persons with functional disabilities, and those living alone.

SECTION 5
FINANCING AND MANAGEMENT OF TITLE III-B SERVICES

The aging network has used Title III-B funds to guide older people and their families through the complex home and community-based service system, and as a base onto which they have built a broader system of long-term care services. However, since Title III-B funding is not unlimited, questions of allocation and management of resources are crucial to the success of the program and to the broader question of how the program fits into the larger long-term care system. This section addresses the following questions:

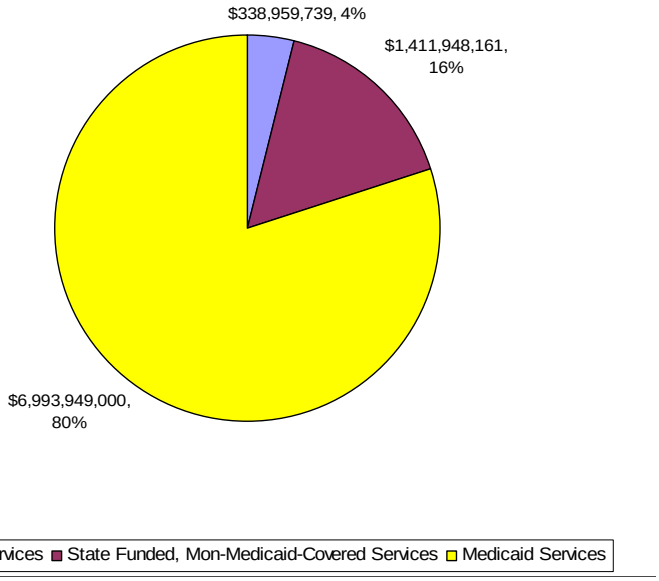
- How does funding for Title III-B fit into the larger financing of long-term care?
- How should Title III-B funds be allocated and integrated with other long-term care funding streams?
- How should Title III-B and, by implication, other Older Americans Act (OAA) programs be managed?

5.1 Title III-B Expenditures in the Long-Term Care System

Exhibit 5-1 provides a graphical portrayal of estimated total federal and state spending for home and community-based services by source of funding. This graph includes all Title III-B services, including those beyond the access and supportive services highlighted in this report. Title III-B expenditures were compiled from National Aging Program Information System State Program Performance Report (NAPIS SPR) data, state-funded service expenditures were reported by AARP (Summer & Ihara, 2004), and Medicaid home and community-based service expenditures for older people were provided by the Urban Institute.[5]

[5] The Medicaid data came from Urban Institute's analysis of state-reported service expenditures for elderly Medicaid beneficiaries. For more information on this analysis, see RTI's Interim Quantitative Report (http://www.aoa.gov/about/results/TitleIIIB_quantitative-report_6-1-06_psgFINAL.pdf).

Exhibit 5-1
Public Funding for Supportive Services, by Source, 2002

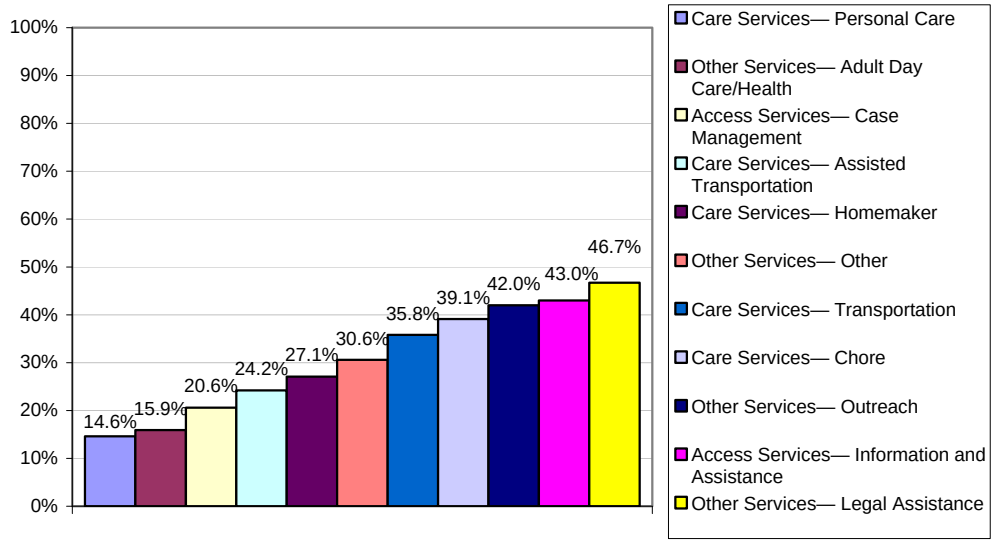


Source: RTI analysis of NAPIS SPR, AARP, and Urban Institute data.

RTI combined data from the three expenditure sources to determine that Title III-B represented approximately 4% of estimated total government expenditures on home and community-based services in 2002. Similar information was not available for other years.

Exhibit 5-2 depicts the proportion of service expenditures by area agencies on aging (AAAs) directly supported by Title III-B by type of service. This chart includes all Title III-B services, including services not highlighted in this report. Since the relative contribution of Title III-B funds does not vary much from 2001 to 2004, we highlight the proportion of Title III-B funding only in 2004.

Exhibit 5-2
Proportion of Total AAA Expenditures Supported by Title III-B, by Service, 2004

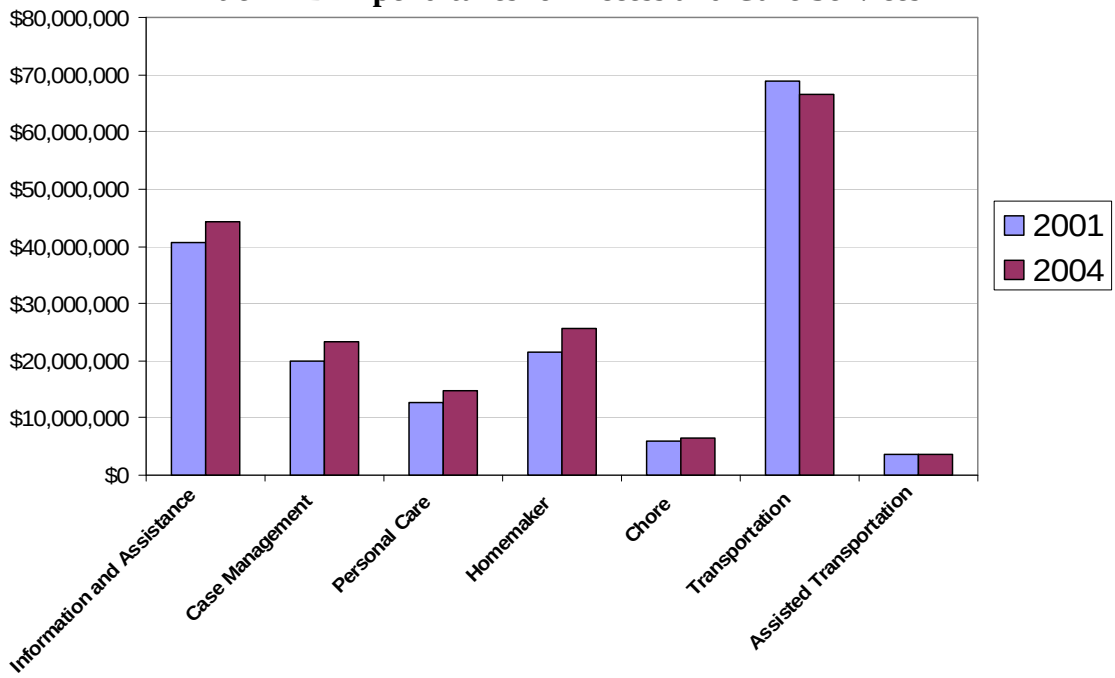


Source: RTI analysis of 2004 NAPIS SPR expenditure data.

The Title III-B services that relied most heavily on Title III-B funds included legal assistance, information and assistance (I&A), and outreach. For each of these services, at least 40% of all AAA expenditures came from Title III-B. In contrast, case management services were largely funded by non-Title III-B resources. Home care services were funded by a combination of Title III-B and non-Title III-B funds, with the proportion paid for by Title III-B varying by type of service. Personal care services relied less heavily on Title III-B sources (due, most likely, to the availability of Medicaid funds) than did homemaker and chore services.

Exhibit 5-3 depicts Title III-B access and care expenditures for the years 2001 and 2004. Title III-B expenditures are typically under the control of AAAs. The Title III-B access and direct services that expended the most absolute dollars from 2001 through 2004 were general transportation services, I&A services, and homemaker services, with each service expending more than $25 million by 2004. Most Title III-B services increased slightly during this period.

Exhibit 5-3
Title III-B Expenditures for Access and Care Services



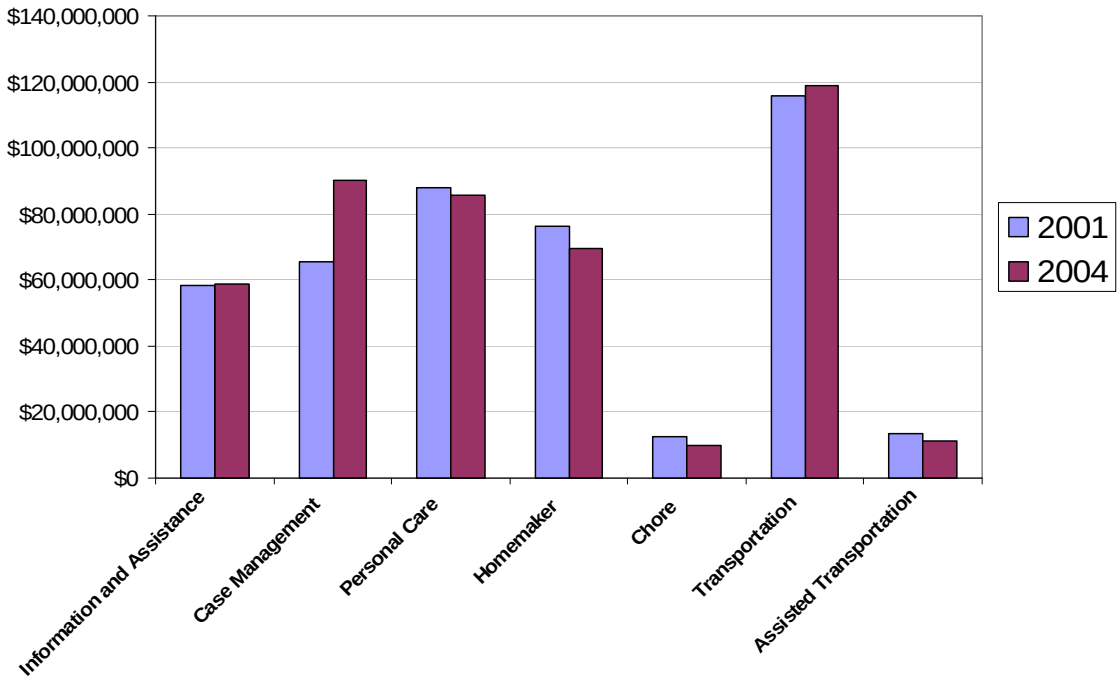
Source: RTI analysis of 2001 and 2004 NAPIS SPR data.

As shown in Exhibit 5-4, non-Title III-B expenditures for access and care services were two to three times the amount of funding provided by Title III-B.[6] The services covered in this study that benefited the most (in absolute terms) from non-Title III-B sources were transportation, case management, and personal care services (with each service expending more than $85 million by 2004). Medicaid home and community-based services waiver programs are often the largest payer. For example, a National Association of State Units on Aging (NASUA, 2004) study indicates that over 33 of the 50 SUAs (approximately two thirds) also serve as the

[6] As noted previously, non-Title III-B expenditures were defined by the AAAs and entered into the NAPIS SPR system. These funds included any dollars that passed through the AAA and were not associated with Title III-B.

designated operating agency for one or more Medicaid home and community-based services waiver programs.

Exhibit 5-4
Non-Title III-B Expenditures for Access and Care Services

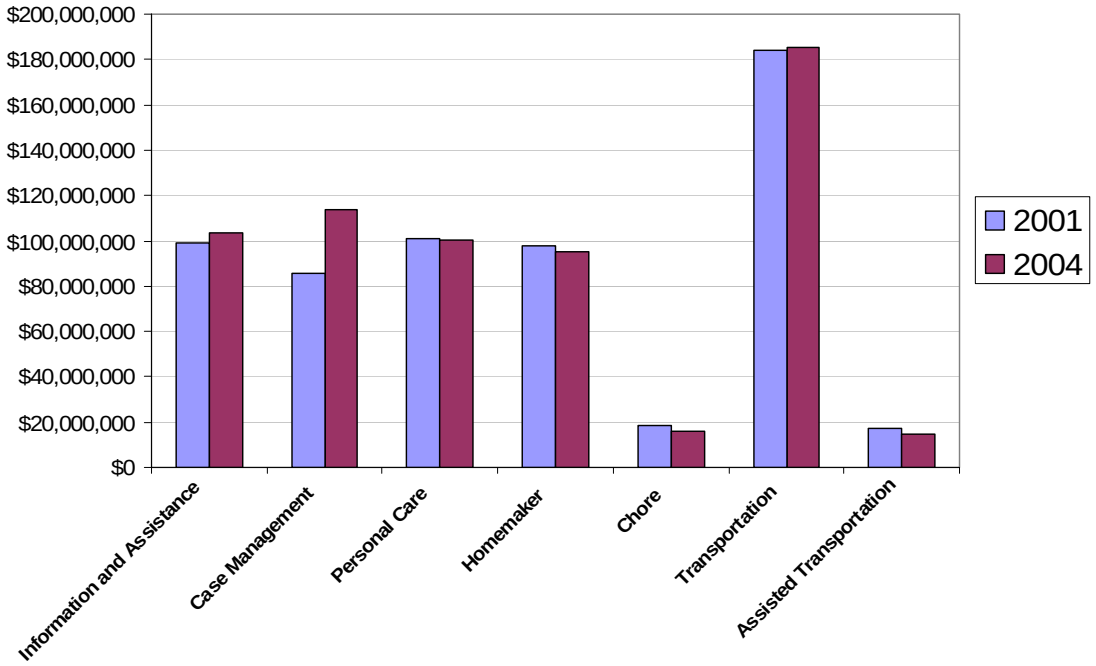


Source: RTI analysis of 2001 and 2004 NAPIS SPR data.

Non-Title III-B expenditures for most supportive services administered by the AAAs either remained stable or declined somewhat by the end of the 4-year period (2001 to 2004). For example, non-Title III-B expenditures for homemaker services declined from over $76 million in 2001 to $69 million in 2004. One notable exception to this general pattern, however, was case management services. Non-Title III-B expenditures for case management services increased from $65 million in 2001 to over $90 million in 2004, potentially due to increases in Medicaid funding for case management.

As shown in Exhibit 5-5, the total amount of resources (Title III-B and non-Title III-B) available to AAAs to support Title III-B programming remained stable between 2001 and 2004, at about $1.1 billion. Of the Title III-B services studied in this report, those that used the largest amount of total Title III resources during the period were general transportation services and case management, with personal care, information and assistance (I&A), and homemaker services following closely behind.

Exhibit 5-5
Total Expenditures for Access and Care Services



Source: RTI analysis of 2001 and 2004 NAPIS SPR data.

5.2 Issues Related to the Financing of Supportive Services

The focus group participants raised several issues related to the financing of supportive services for older persons. These topics relate to:

- current funding challenges/recommendations,
- support for infrastructure development, and
- the leveraging of multiple sources of funds.

Current Funding Challenges/Recommendations

During the four focus group sessions, AAA directors raised several issues related to the OAA funding formula. While AAA directors knew that OAA allocation formulas were set at the state level, they were not fully familiar with how the formula has been implemented at the state level. AAA directors asked that the federal guidelines be changed to give greater weight to the growing number of older persons, the needs of seniors in poverty and persons aged 75 and older, and the special needs of those living in rural areas. AAA directors also wanted Congress to reconsider age 60 as the main eligibility criterion for OAA-funded services. In particular, AAA directors wanted the allocation formula to do the following:

- *Reflect the growing number of people over age 60 between U.S. Census measurements.* AAA directors in one group wanted to update AAA funding

allocations to reflect the changing demographics of the population between decennial censuses.[7]

- *Support seniors in poverty and the oldest of the old.* AAA directors in one focus group asked that the formula for determining AAA allocations be changed to provide extra support for AAAs that serve a population with a disproportionate number of participants in poverty or the population aged 75 and older.

- *Address special needs of rural and minority populations.* In one group, AAA directors asked for more support for services to rural clients and minority groups. AAA directors in another group requested that the number of square miles in an AAA service area be considered as a factor in allocating funding to better reflect the special needs of rural areas.

- *Alter the role of age in service eligibility.* AAA directors in another group asked for flexibility in the age criteria used to establish eligibility for OAA-funded services. A number of AAA directors wanted to be able to provide preventive services to persons under age 60 rather than having to wait until they are older and "in serious trouble."

Support for Infrastructure Development

AAA directors report that the infrastructure supporting the aging network needs to be updated. They were interested in further developing capacities for long-range planning, grant writing, research and development, data management/information systems, and management training on established business practices. AAA directors stressed the need to plan for the Baby Boomer generation, reported having insufficient capacity to write grant applications to obtain additional funding, and wanted to learn about potential funding to support staff training and to conduct research.

Both State Unit on Aging (SUA) directors and AAA directors hoped that the aging network's data management systems would provide more extensive information on Title III-B program performance over time. In addition, AAA directors were eager to find ways to share resources, including information on computer technologies, best practices, and other management tools, but felt that dissemination might be more effectively handled at the national level, with technical assistance provided to the AAAs. Support for the initial and ongoing training of AAA and SUA directors was recommended to provide the critical skills needed to effectively manage the increasingly complex home and community-based services programs.

Home care providers also asked for support to help the aging network develop more uniform systems/procedures to enhance program operations and to make it more appealing for

[7] Although the proportion of the population over age 60 is taken into account in the intrastate funding formula, the age distribution often used is based on the last published decennial census. Because of the time lag in reporting and accounting for changes in population growth occurring between census measurement points, some states with substantial increases in their older population between U.S. censuses do not "get credit" for this growth until the next census. AoA staff noted that states that serve populations living in areas that do not coincide with the geographic units for which annual census estimates are issued are particularly likely to use outdated census data since these states are unable to benefit from the annual updates provided by the Census.

providers to work with AAAs. Most of the participating providers came from states where each AAA determined its own reimbursement rates, reporting requirements, and standard operating procedures. As a result, participating providers were required to contend with multiple reimbursement rates and extensive paperwork to manage contracts with each AAA in a region.

Leveraging Multiple Sources of Funds

Both SUA and AAA directors reported difficulty integrating multiple sources of funds to support the delivery of Title III-B services to their AAA participants. However, neither group of participants was able to identify specific regulations/rules that prevented them from doing so. AAA directors generally felt that state interpretations of federal regulations precluded them from relying on both Medicaid and Title III-B funds to support a given AAA participant.

According to AoA staff, federal regulations do not preclude the use of other sources of funding to support Title III-B participants. Not only can states move funds between titles of the OAA (if state policies allow for the transfer of such funds), they also can tap into multiple funding streams (e.g., other state-supported programs) when serving a given AAA participant.[8]

5.3 Issues Related to the Management/Delivery of Supportive Services

Key findings from focus group discussions and the analysis of AAA survey data on the management/delivery of supported services related to four issues:

- determination of which Title III-B services to provide,
- role/importance of state/community partnerships,
- availability/use of technology, and
- use of performance measurement to enhance program operations.

Determination of Which Title III-B Services to Provide

AAA directors in all the focus groups wanted more local authority to distribute Title III funding among Title III-B and other Title III programs. In particular, they wanted increased flexibility at the AAA level to more effectively support their most frail AAA participants. AAA directors also wanted to be empowered to make decisions locally and to manage their own Title III-B budgets.

The Role/Importance of State/Community Partnerships

AAA directors identified a large group of partnerships with external providers and other organizations. Established relationships included federal, state, and local government agencies and programs; research and academic institutions; healthcare providers; advocacy groups; and

[8] AoA clarified that Medicaid rules strictly prohibit Medicaid providers from billing any other party for services reimbursed by Medicaid, thereby precluding the use of Title III-B funding to supplement Medicaid reimbursement for particular services.

volunteer, not-for-profit groups. These partners helped the AAAs to serve additional participants, refer existing participants to other needed services, obtain information on new developments/best practices in the field, and share program resources.

Of note were some more recent or emerging partnerships formed with emergency and disaster response officials at the federal, state, and local levels, and private businesses. Partnerships to meet the emergency needs of older persons developed around issues such as disaster planning with the Federal Emergency Management Agency, emergency preparedness agencies at the local level, and development of communication networks with emergency medical technicians, law enforcement officials, and fire departments.

Similarly, several AAAs said that they were forging partnerships with private corporations and employer groups to obtain highly skilled volunteers and in-kind services for their AAA participants. Important new partners included the utility companies (which provided weatherization or heat for individuals in poverty), financial institutions (which provided financial management advice), and media companies (which provided public service announcements, as well as stories in newspapers and on the evening news).

The Availability/Use of Technology

The use of computers to inform the public and to support AAA operations has increased in recent years. In particular, some AAAs expressed concern over the lack of a formal computer strategy within the aging network and the limited comfort with computers among participants and providers.

Lack of Strategy/Sophistication with Computer Technology. AAA directors reported that the aging network lacked a standard approach to the use of technology to ensure that scarce resources were being used effectively. In particular, AAA directors said that the aging network had developed a "plethora of solutions" to address a common set of problems. While a one-size-fits-all approach was not necessarily being recommended, AAA directors saw value in having the computer systems be sufficiently compatible to enable AAAs to communicate with each other and to share resources across the network. A related issue raised by the AAA directors was the cost of updating Internet-based applications to remain current with software upgrades and licenses.

Limited Access to and Participant Comfort with Computers. AAA directors observed that AoA, the aging network, and other federal agencies increasingly were encouraging the use of online resources. However, AAA directors felt that many older persons could not take advantage of these tools since they often were not computer literate and would not feel comfortable using these online resources for some time to come. Another barrier cited by AAA directors was that computers were intimidating to some of the smaller "mom and pop" service providers. Finally, some AAA directors were concerned about the uneven distribution of technology across AAAs.

Performance Management Tools

Based on information provided from focus groups and AAA survey data, the aging network depended on a variety of performance management tools to oversee Title III-B

operations. Despite the fact that AAA directors reported facing a number of challenges in accessing and using computers, AAA survey results indicate that the majority of AAA directors do take advantage of computer support tools at their agencies. For example, over 65% of AAAs have computerized client tracking systems to collect individual-level data. Similarly, the vast majority have the following computerized management information systems: intake/registration, assessment, referral, case management, use of services, and provider billing, although almost three quarters of these AAAs reported using commercial vendors/software packages (rather than in-house resources) to provide these services for them.

SUA directors, in particular, reported that their states regularly engaged in a variety of management practices to monitor Title III-B activity. The strategies they employed to track program performance included the following:

- *Conducting needs assessments*. These assessments educate the public, help AAAs determine where to target local activities, and empower local communities with necessary information to advocate for the needs of their older populations.

- *Monitoring data from local service providers.* While SUA directors were eager to analyze utilization data from local service providers, they reported that many community-based agencies did not have the resources to enter individual-level data. As a result, the monitoring of local service providers continued to be a work in progress, with a few states being able to obtain point-of-service data from providers, while others were only able to analyze aggregated data on overall service activity.

- *Using performance outcome data.* Almost 80% of all AAAs rely on performance data to better manage their programs and over 90% conduct consumer assessments to ensure continuous quality improvement.While these activities are somewhat more likely to occur in metropolitan areas than nonmetropolitan areas, the vast majority of AAAs from both types of settings make use of these performance measurement tools (ranging from 84% to 74% for performance outcomes in metropolitan versus nonmetroplitan areas, respectively, and from 94% to 88% for consumer assessments).

5.4 Financing and Management of Supportive Services: Summary of Findings and Policy Implications

Each year, AoA provides approximately $300 million in Title III-B funds for home and community-based services and other social supports to frail and older individuals. States provide an additional $750 to $800 million annually to support these services in AAAs using non-Title III-B dollars. During 2001–2004, total expenditures through the AAAs to support Title III-B services and to provide other essential care coordination and planning activities exceeded $1 billion annually (unadjusted for inflation) and have remained relatively constant. Highlights of the analysis of qualitative and quantitative data on the financing and management of Title III-B services are summarized in Exhibit 5-6.

Exhibit 5-6
Financing and Management of Title III-B: Key Findings

Title III-B Expenditures in the Long-Term Care System

- The Title III-B program funded approximately 4% of total government funding for home and community-based services in 2002.
- Although the proportion of long-term care expenditures directly funded by the Title III-B program is small, Title III-B funds have enabled AAAs to develop long-term care service delivery systems and programs to support local communities throughout the United States.
- Technical Advisory Group members reported that the aging network contributed to the well-being of older persons by providing the leadership and infrastructure needed to help older persons navigate the long-term care system and to serve as the entry and coordination point for older persons and their families.

Policy Issues Related to the Financing of Long-Term Care Supportive Services

- Some AAA directors would like to reexamine the criteria for allocating OAA resources to and within states to reflect the growing numbers of people over age 60, seniors in poverty, the 75 and older population, rural location, and minority populations. Directors would also like more flexibility to provide services to persons under age 60.
- Although the Older Americans Act does not preclude states or local governments from integrating multiple sources of funds, SUA and AAA directors report being hampered in their efforts to do so.
- AAA directors would like the aging network's infrastructure to be updated. Among the areas cited for future development are long-range planning, grant writing, research and development, data management/information systems, and management skills.

Policy Issues Related to the Management/Delivery of Long-Term Care Supportive Services

- Partnerships, including newer collaborations with emergency and disaster response officials and private businesses, are critical to the aging network's ability to serve their older participants and manage program resources.
- While AAA directors are eager to find ways to share resources, information on computer technologies, best practices, and other management tools, they believe that this type of information dissemination should be supported at the national level, with technical assistance provided to AAAs.
- Although the use of technology is fairly widespread among the aging network, SUA and AAA directors would like the aging network's data management systems to provide more extensive information on Title III-B performance.

Title III-B funds have enabled AAAs to work toward comprehensive long-term care service delivery systems, but the total level of funding is limited as a proportion of total government funding for home and community-based services, especially compared to Medicaid. As a result, the aging network needs to think strategically about how to use these critical resources—especially the balance between direct provision of services and infrastructure development.

The main argument in favor of the provision of these supportive services is that Title III-B fills some clear gaps in the financing system, providing services to severely disabled older people who cannot otherwise afford them and where there are limited other sources of financing. In addition, by directly providing these services to older individuals in communities across America, AAAs have the expertise and experience to leverage other funds for home and community-based services. Within the aging network, there are voices for a different allocation of existing resources that would target funding to populations likely to be in greater need—areas with rapidly growing older populations, with high concentrations of low-income persons and the oldest of the old, and with rural and central city locations. At current funding levels for Title III-B, this implies a zero sum game—some AAAs would receive more money and others would receive less, always a difficult dynamic.

The main argument in favor of focusing on I&A, case management, and infrastructure development is that funding for Title III-B is likely to remain modest compared to the dominance of Medicaid. As a result, the aging network could be more influential in shaping the overall system if it was involved in planning the system, providing information, and acting as the main point of access for the overall long-term care system.

In addition, while there is always a fine line between local control and central direction, the focus groups also suggested that AAAs would welcome more help from AoA regarding matters of computer technologies, best practices, and other management tools that would allow them to make better use of the funds they receive. They also would appreciate learning strategies to integrate funding streams and to leverage other funds.

SECTION 6
CONCLUSIONS

America is aging, and with it the number of people with disabilities is increasing. With the aging of the "baby boom" generation, the number of older persons in the United States is projected to increase from 35 million persons to 80 million persons between 2000 and 2040 (U.S. Census Bureau, 2004). The 85-and-over population, which has the highest disability rate of any age group, is expected to grow even faster, from 4 million persons in 2000 to 15 million persons by 2040. Since disability rates are strongly correlated with age, this growing number of older people has profound implications for the number of people with disabilities. Although estimates vary, one recent projection suggested that the number of older adults with disabilities will more than double from 2000 to 2040, increasing from about 10 million persons to about 21 million persons (Johnson, Toohey, and Wiener, 2007). Similarly, the demand for informal care, paid home care, and nursing home care is likely to more than double as well.

The Older Americans Act (OAA) was established in 1965 to help provide older Americans with the resources they need to maintain their health and live independently in the community for as long as possible. The OAA provides funding to help older persons through the planning, coordination, and delivery of a range of home and community-based services, including meals, home care, transportation services, information and assistance, case management, senior centers, and respite services. As the nation's population ages, these services will become increasingly important in serving the needs of our citizens. Although Medicaid provides coverage for long-term care services primarily for the low-income population, many older Americans with chronic impairments have financial resources above the eligibility level for Medicaid but not high enough to pay out of pocket for services. While focusing on underserved populations, the OAA addresses the needs of older Americans of all income levels.

Title III-B is a key component of the OAA. Title III-B funds helped to develop the infrastructure of State Units on Aging (SUAs), area agencies on aging (AAAs), and local community providers, collectively known as the "aging network." The aging network works in local communities to support older persons throughout the United States. The Title III-B program helps the aging network to serve as the entry point into the long-term care system, providing critical information, case management services, and direct funding of long-term care services for individuals who otherwise might go without needed assistance. The Administration on Aging's (AoA's) current *Choices for Independence* initiative, a demonstration project to promote home and community-based long-term care options, builds directly on the mission and success of the Title III-B program.

This study assesses Title III-B and its role in planning, coordinating, and providing community services for older people. **Exhibit 6-1** briefly summarizes the broad highlights of the analyses.

Exhibit 6-1
Highlights of the Analyses of Title III-B

- In contrast with other Older Americans Act services, information and assistance serve both older persons and their family members.
- Case management and supportive services, including home care and transportation services, are targeted to people at risk of institutionalization—persons aged 75 and older, people with substantial disabilities, and those living alone.
- For virtually all services, Title III-B provides a minority of funding to AAAs, who successfully obtain funds from other sources. For example, Title III-B funds about 15% of AAA spending for personal care, 25% of their spending for homemaker services, and 23% of AAA expenditures for assisted transportation services.
- For homemaker and transportation services, the two Title III-B services for which measures are available, satisfaction among participants is quite high. For example, over 80% of survey respondents rated various aspects of homemaker services positively.
- The Title III-B program funded approximately 4% of total non-Medicare government expenditures for home and community-based services in 2002.
- While there have been some changes over time in the allocation of resources, funding of Title III-B services were stable between 2001 and 2004, while the number of persons served and the number of hours of service declined slightly over time.

6.1 Access Services

The financing and organization of long-term care is fragmented, with funding coming from Medicare, Medicaid, the Older Americans Act, Title XX of the Social Security Act, the Department of Veterans Affairs, various state programs, private long-term care insurance, and out of pocket (Wiener & Tilly, 2003). Because of this complexity, many seniors do not know what community-based long-term care services are available and what the eligibility requirements are for services for which they might be eligible. As a result, it is difficult for older people and their families to navigate the system and to put together a comprehensive set of services that will allow them to remain in the community. Title III-B access services provide a central community location where older persons and their family members can obtain help identifying community resources and coordinating necessary supportive services.

The grants by the AoA and the Centers for Medicare & Medicaid Services (CMS) for Aging and Disability Resource Centers (ADRC) consciously build on the expertise and infrastructure developed by Title III-B on information and assistance and case management. The ADRC initiative supports state efforts to develop "one-stop shop" programs at the community level that will help people make informed decisions about their service use and support options and serve as the entry point to the long-term care system (U.S. Administration on Aging, 2005). In addition to providing information and assistance, ADRCs serve as the entry point to publicly administered long-term care, including those funded by Medicaid, the Older Americans Act, and state revenue programs. The premise of the ADRC is that empowering individuals to make informed choices and to streamline access to comprehensive home and community-based

services will enable people with disabilities to put to access the services that will enable them to stay in the community.

6.2 Support Services

A broad consensus exists across the federal and state governments that the current long-term care system is institutionally biased. The U.S. Congressional Budget Office (2004) estimated that 32% of total (public and private) long-term care spending for older people was for home and community-based services in 2004. Within Medicaid, home and community-based services accounted for 27% of long-term care expenditures for older people in 2002, much less than for people with developmental disabilities (Urban Institute, unpublished data, 2006).

The Title III-B program is a source of funding for home and community-based services. For home care and transportation services, Title III-B directly funds services that help seniors to remain in the community for as long as possible. The flexibility of Title III-B allows the AAAs to adapt to the local situation and needs. The Title III-B program pays for:

- Planning for a balanced long-term care system, which would provide a greater role for home and community-based services.

- Services for individuals who do not qualify for Medicaid, either financially or functionally (e.g., they do not qualify for Medicaid home and community-based services waivers because they do not need an institutional level of care).

- Services for individuals who live in states where the home and community-based waiver has waiting lists or where Medicaid coverage is limited (e.g., there is no personal care benefit).

- Nonmedical services, such as homemaker and transportation services, that may not be covered by Medicaid or other programs.

- Coverage for individuals who are waiting for their Medicaid or other applications to be processed or waiting to transition to other settings.

A challenge for the AAAs will be how to incorporate consumer-directed care into their home care services. A growing number of American states, including California, Michigan, Oregon, Washington, and Wisconsin, are integrating consumer direction into their home care programs (Tilly and Wiener, 2001; Wiener, Tilly, and Alecxih, 2002). The National Association of State Units on Aging reported that 40 states and territories operated a total of 62 consumer-directed programs that served older people in 2004 (Infield, 2005). Consumer-directed care is also a key component of the Administration on Aging's *Choice's for Independence* strategy (Administration on Aging, 2007). CMS is promoting consumer-directed services through the Real Choice Systems Change Grants and the Independence Plus Initiative (O'Keeffe, Wiener, and Greene, 2005). In addition, the Office of the Assistant Secretary for Planning and Evaluation, CMS, and The Robert Wood Johnson Foundation are sponsoring "cash and counseling" demonstrations in Arkansas, Florida, New Jersey, and other states (Dale et al., 2003).

6.3 Financing and Management

The Older Americans Act provides Title III-B funds to the states and AAAs, which are supplemented at the AAA level by money from state programs, Medicaid, and the private sector. States and AAAs have substantial flexibility in how they spend and manage their Title III-B dollars.

This arrangement has both strengths and challenges for financing and management. On the one hand, Title III-B forms a consistent and stable base of funding for AAAs and the long-term care system. Over the period for this study, 2001–2004, funding for Title III-B services was level, unadjusted for inflation. AAAs have used Title III-B as a platform, using the expertise and experience they have with Title III-B services to obtain additional funding, which accounts for most of their funding. The flexibility in management allows the AAAs to tailor their resource allocation and management choices to the local situation, preferences, and values rather than requiring a "one size fits all," uniform national approach.

On the other hand, Title III-B accounted for approximately 4% of government spending for home and community-based services in 2002; if Medicare were included, the percentage would be lower. Non-Title III-B funding for AAA services was also level during 2001 to 2004, with the exception of funds for case management which increased substantially in percentage terms. In contrast, Medicaid spending for home and community-based services for persons of all ages increased by 37% between 2001 and 2004, further increasing its dominance of long-term care funding (Burwell, Eiken, and Sredl, 2006). From the management perspective, the lack of national guidance and administrative tools may leave individual AAAs "reinventing the wheel" in some instances.

6.4 Looking Forward

Title III-B provides older Americans with a range of needed services and helps them navigate a complex and confusing long-term care system. Looking forward, the Administration on Aging, the State Units on Aging, and the AAAs face two broad challenges. The first challenge is how to reinvent the long-term care system so that it is more consumer directed. The key issue is how to empower people with disabilities and their families. The second challenge is how to make the most strategic use of Title III-B funding so that it will have the largest impact. One option would be to continue to focus on filling the direct service gaps left by other service programs. Another option would be to concentrate on infrastructure development, with a focus on becoming the single point of entry to the long-term care system.

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