

Long Term Care for the Frail Elderly in Florida: Expanding Choices, Containing Costs

by

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Introduction

Long-term care is a complicated and often overlooked part of the health care policy debate. Long-term care will soon, however, begin to receive more attention as policy makers confront the need to contain Medicaid costs while preparing for increases in the size of the older population that will characterize the demography of the first quarter of the 21st century. Florida will confront these issues well in advance of the rest of the country as its 85+ population grows by more than 90% over the next 15 years.

This paper is an integrated overview of three reports prepared by the Florida Policy Exchange Center on Aging at the University of South Florida and the Southeast Florida Center on Aging at Florida International University for the Commission on Long-Term Care in Florida. These three reports were designed to document the trends described above to portray the current long-term care delivery system and to identify the kinds of changes that would best position the state to address the dilemma of growing demand and declining resources.

This paper has nine sections beginning with demographic trends and ending with conclusions, recommendations and cost projections. The middle sections include analyses of long-term care policy and funding trends and the literature on the cost effectiveness of community-based long-term care programs, a critique of current long-term care policies, services and program administration based on information gathered from the research literature, focus group sessions and key informants, and a review and assessment of managed care approaches to long-term care. The focus of the reports and this paper is an assessment of the substitutability of community based care for institutional care and the potential role of managed care in the organization and delivery of long-term care services.

The assessment results are used to generate a series of policy recommendations for consideration by the Commission. These recommendations are the work of the authors. Those adopted by the Commission are contained in the Commission's final report published December 15, 1995. In addition to the cost saving recommendations related to substituting community-based care for institutional care, the authors also recommend adjustments in eligibility criteria and a moratorium on the construction of new nursing home beds. These recommendations represent a substantial departure from current long-term policies in Florida.

This report is the first (Volume I) in a series of reports on long-term care for the frail elderly prepared for the Commission on Long-Term Care in Florida in the fall of 1995.

We hope that these reports provide some of the information that policy makers will need to make the changes and take the initiatives required to create an effective, efficient and ethical long-term care system for the frail elderly and other people in need of long-term care services. In order to ensure the utility and currency of these policy analyses, the Center plans to update these volumes every two to three years for the next several years and to supplement the series with additional papers or long-term care related topics as the need arises.