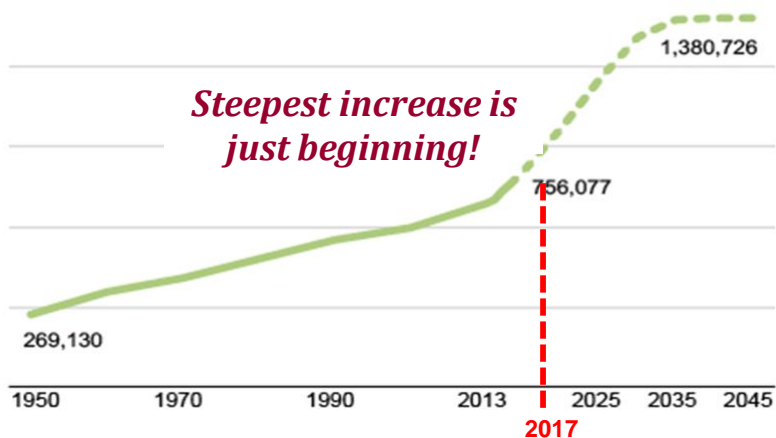


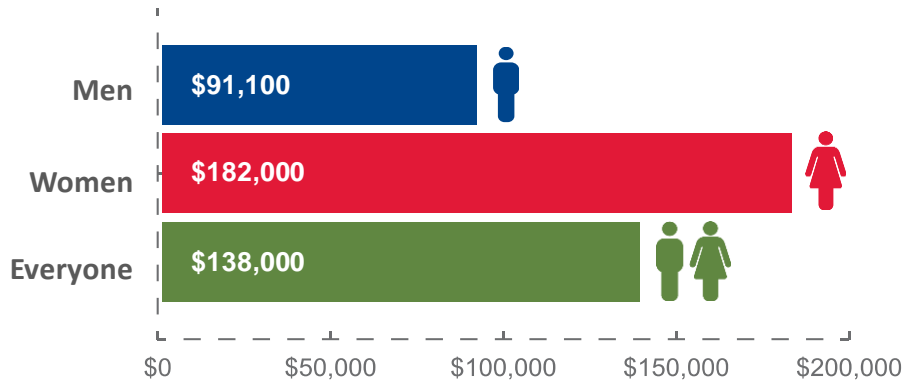


Future of Medicare & Medicaid

Increase in 65+ Population- Impacts Medicaid Enrollment

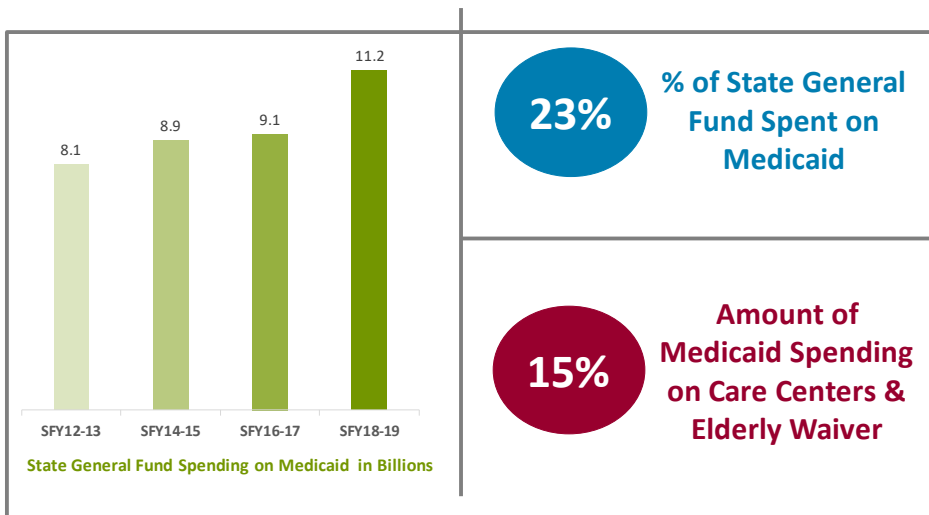


Average Lifetime Long Term Care Costs



Source: Ann Tumlinson Innovations, Tables 4A-4B, Favreault and Dey (2015)

State Spending Growth on Medicaid



Source: Minnesota Department of Human Services Budget Forecast

Medicaid Spending Will More Than **DOUBLE** in Next 10 Years

Year	Total Medicaid \$	Federal Medicaid \$	State Medicaid \$	Average Federal %
2011	\$427.4	\$270.7	\$156.7	63%
2012	\$431.0	\$248.8	\$182.2	58%
2013	\$456.4	\$262.2	\$194.2	57%
2022 (est)	\$853.8	\$511.1	\$342.5	60%



2013 CMS Actuarial Report: The Financial Outlook for Medicaid;
National Association of State Budget Officers "Report of the State Budget Crisis Task Force 2012"

What are the Waiver Programs

Part of the Medicaid Program for clients Eligible to LTC that provides services outside an institution

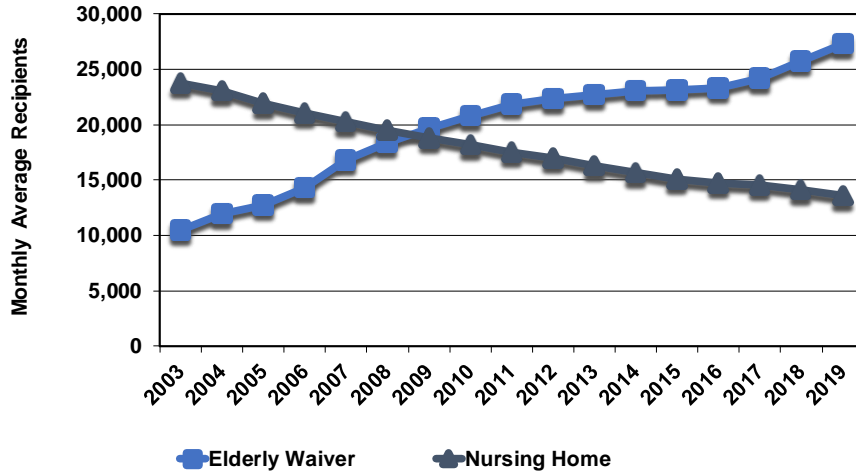
Services include:

- Adult companion
- Adult day
- Chore
- Extended state plan services
- Family caregiver supports
- Home-delivered meals
- Homemaker
- Individual community living support (ICLS)
- Respite/ in-home and out-of-home
- Transportation/mileage
- **Customized (assisted) Living**



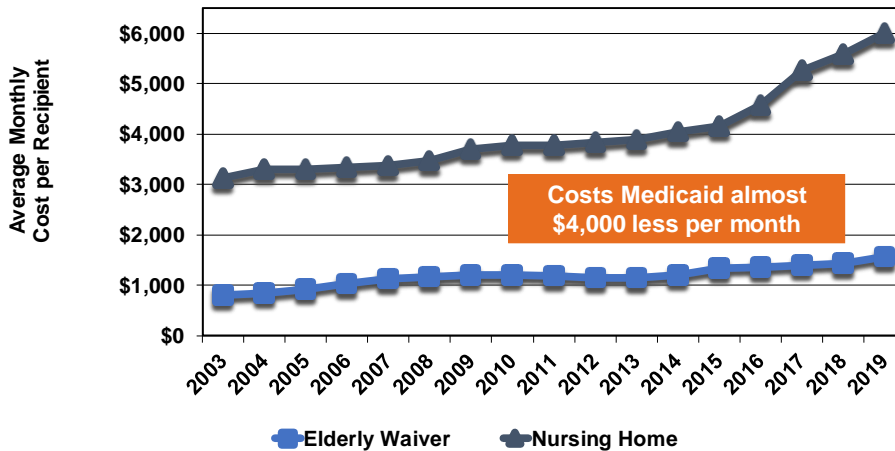
Source: Minnesota Department of Human Services

Elderly Waiver Enrollment Exceeds Medicaid Nursing Home Recipients



Source: Minnesota Department of Human Services, Spending Forecast, November 2017

Elderly Waiver is Economical Alternative to Care Centers



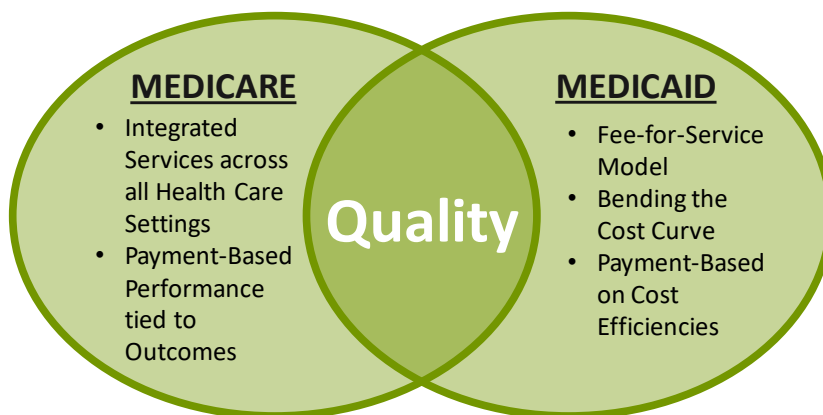
Source: Minnesota Department of Human Services, Spending Forecast, November 2017

Potential Threats to the Future of Medicaid

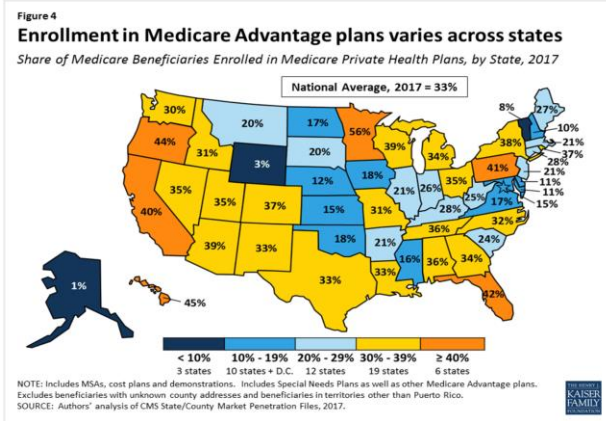
- End Federal Funding of Medicaid Expansion
- Cap federal match on state Medicaid spending
- State policy changes restricting coverage of some services (i.e., assisted living)
- **Implications:** less services covered, fewer people covered, reduced provider rates, reduced funding for other govt programs, and/or higher taxes



Payment Trends Similar in Medicare and Medicaid

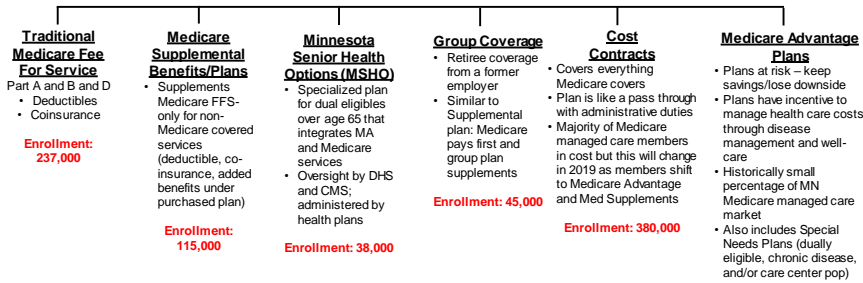


Minnesota has highest penetration of Medicare managed care



Context: Medicare Market Shift in Minnesota

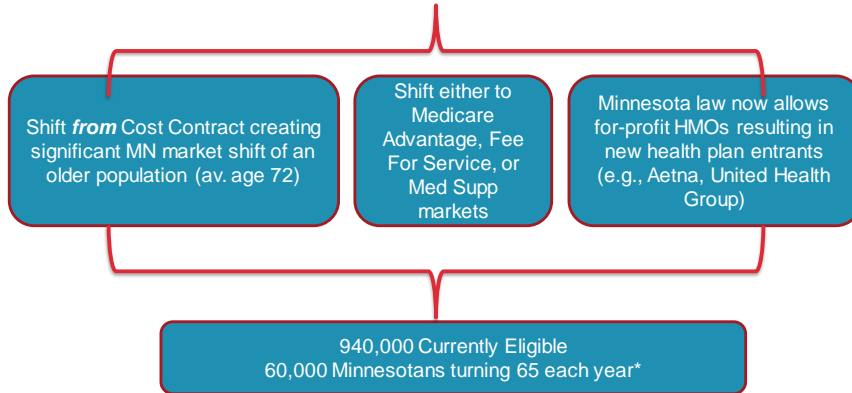
Medicare Enrollment in Minnesota
 Total MN enrollment = ~940,000



Sources: CMS 2015, DHS 2018, Kaiser Family Foundation 2017



Context: Medicare Market Shift in Minnesota



*Sources: Minnesota State Demographic Center, December 2014

LeadingAge[™]
Minnesota



Knowledge Center

www.leadingagemn.org/knowledge-center

LeadingAge[™]
Minnesota