



SOCIETY OF ACTUARIES

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Book Review

by Beth Ludden and Jesse Slome

This is the first of a two-part review of the e-book titled *Universal Coverage of Long-Term Care in the United States: Can We Get There from Here?* edited by Douglas Wolf and Nancy Folbre. The e-book is a collection of essays addressing U.S. long-term care policy and issued by the Russell Sage Foundation. A summary of the book offered in the introduction is as follows: “After the high-profile suspension of the Obama Administration’s public long-term insurance program in 2011, this volume, the Foundation’s first free e-book, includes concrete suggestions for moving policy toward a more affordable and universal long-term care coverage in America.” The editors felt it would be valuable for those in the LTC section to be aware of the ideas suggested in this e-book to keep the conversation relative to LTC solutions moving forward.

Here is the link to the e-book: <https://www.russellsage.org/publications/universal-coverage-long-term-care-united-states>.

CHAPTER 4

THE CLASS PROMISE IN THE CONTEXT OF AMERICAN LONG-TERM CARE POLICY

By Robert B. Hudson

Reviewed by Beth Ludden

This chapter is not a rehash of the history of the CLASS Act but instead takes the position that its mere inclusion in the Affordable Care Act (ACA) is a watershed moment in the history of the treatment of long-term care in the United States. The piece gives a very short and dismal view of how long-term care recipients are thought of by the general population, government entities and medical professionals. The theory is that because the recipients are disadvantaged and generally without resources, they have no political or social clout and have therefore been ignored. Since they have been broadly ignored they have fallen under the auspices of local community resources and their family. The advent of CLASS, in the writer’s opinion, could have changed that perspective and brought the United States into line with

other countries who view long-term care as an important “institutional” responsibility. While lauding the CLASS effort, the writer also notes some of the challenges in the structure of the program. Of note is the issue that the program was conceived to be voluntary, which takes it out of the realm of social insurance. As everyone has concluded, the viability of a purely voluntary program is ultimately not feasible. It is interesting that one of the best attributes of the program that is touted in the chapter is the non-means-tested cash benefit aspect of the program. Giving the disadvantaged, frail, elderly and/or disabled a cash benefit is seen as a path for giving this population choice and control that it currently lacks. This newfound “purchasing power” would enable changes in where long-term care services are provided and further drive more community-based opportunities for recipients. Even more important is that cash would promote personal responsibility by virtue of having a work requirement as well as an accumulation requirement before recipients would be eligible for benefits. It was felt by the author that the CLASS program would more clearly delineate the role of government and citizens in providing for funding for long-term care services.

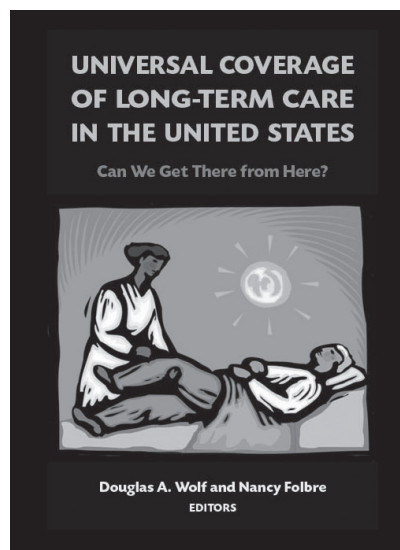
CHAPTER 8

THE LONG-TERM CARE WORKFORCE: FROM ACCIDENTAL TO VALUED PROFESSIONAL

By Robyn I. Stone

Reviewed by Beth Ludden

No discussion of long-term care services and supports is complete without addressing the topic of



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workforce. This chapter is an excellent primer on the topic. Beginning with a description of the various types of care providers, the reader is led down the path of understanding as to why there is an issue. All aspects of the issue are examined. Recruitment—given the negative image of the kind of people who provide long-term care services and the perception of unattractive working conditions, it’s hardly the career path of choice despite demand for workers. Layering on inadequate compensation and benefits creates a perfect storm of inadequate staffing to supply an overwhelming need. Stone goes on to tell us why adequate, well-trained staff is essential; she cites several studies that tie the quality of the workforce to the quality of the outcomes for elderly patients.

Suggestions and recommendations are made to address the workforce issues. First is to increase the supply of people entering the field. An example of a step in the right direction: ACA has established a 15-member national commission to review projected workforce needs and to make recommendations around alignment of federal programs to meet those needs. Investment in workforce education and training is also critical, and Stone identifies ways that schools of nursing are finding ways to address the issue. Again, ACA includes some provisions to authorize funding for new training opportunities of direct care workers. Finally, there is the need to make the jobs in long-term care services more competitive with other health care professions. Of key importance is to make benefits available to long-term care providers.

Given that unemployment is still an issue in this country, it appears that building toward more career opportunities in long-term care would be a win-win.

CHAPTERS 6 & 7

POPULATION AGING AND LONG-TERM CARE: THE SCANDINAVIAN CASE

By Svein Olav Daatland
Reviewed by Jesse Slome

LESSONS ON LONG-TERM CARE FROM GERMANY AND JAPAN

By Mary Jo Gibson
Reviewed by Jesse Slome

“I never think of the future. It comes soon enough.”—Albert Einstein.

There is a certain peace that comes from ignoring the world around you. It’s natural, and in today’s parsimonious political environment, it’s just too easy to say “enough”—what we are doing is just fine.

But clearly, things are not fine; and, despite the fate of CLASS, the measure was an important building block that helped to make long-term care (LTC) more prominent on the national agenda. While it is unlikely that the United States with a history of private sector health financing and our current “we’re better than everyone else” attitude is less likely to adopt a program similar to those already in place in other countries, three chapters in the book are well worth reading as they contain a treasure trove of very recent historical perspective, factual data and fairly straightforward commentary. This is valuable insight for anyone who has an interest in what will, I believe, be used to frame the discussion in the years to come.

Chapter 6, “Population Aging and Long-Term Care: The Scandinavian Case,” lays out an interesting look at how various models have been shaped as much by politics and demographics as by societal factors such as family culture. Of particular interest is the consideration of the changing demographic of working women in these countries.

Demographics clearly drove the need to address the issue with Germany and Spain. Their population of persons age 65+ will increase from around 16 percent today to around 30 percent in 2040. In Japan, more than 14 percent of the population will be 80+ in 2040 (double that of the United States).

Chapter 7, “Lessons on Long-Term Care from Germany and Japan,” examines and compares two

countries that have instituted programs. Germany's universal LTC legislation passed in 1994 when 15.8 percent of its population was age 65 or older. Japan passed legislation in 1997, when its 65+ population was 15.7 percent. The proportion of U.S. citizens 65+ was 13 percent in 2010 and is expected to be 19.8 percent in 2030.

The author notes, "Germany and Japan adopted many LTC reform goals and policies consonant with their existing structures, funding arrangements, and cultures, and the US is likely to do the same. However, especially in its decision to shift some of the responsibility for care of older persons from the family to the state, Japan does show that major changes are possible. It also adopted its reform in the midst of economic recession."

Both countries have experienced mid-course corrections to address major gaps and problems. When Japan's program was initially developed, almost all of the attention was on caregiving with little attention to spending projections. Germany focused primarily on financing issues and sustainability.

While the author states, "Today, the German and Japanese LTC social insurance systems are demon-

strably superior to the US system in terms of access to services and cost to the public purse," that isn't a message that plays well with the American populace more so than ever in our age of political polarization.

What I missed from the chapters was something I suspect existed when each of these countries instituted a significant change to their social welfare programs. Most significant changes evolve slowly until they are propelled by one individual who seizes the moment, who embodies and delivers the message that gains widespread public acceptance. Social Security had FDR; civil rights, Martin Luther King. I suspect that for each country, there was someone who personified the LTC effort. Hearing their story and what messaging they used would have been a valuable component to round out all the factual data.

Because I believe change is constant and inevitable, I want to end my review with another quote, this one from Margaret Mead. "Never doubt that a small group of thoughtful, committed citizens can change the world. Indeed, it is the only thing that ever has." ■



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