



North Dakota undertakes comprehensive long-term care study

by Laura A. Tomaka

One of the most recognized demographic trends is an American population that is growing increasingly older. In fact, in the next 50 years, the number of people age 65 and older will exceed the number of young in this country.

An aging population, along with extended life expectancy, results in a myriad of public policy challenges that require the attention of lawmakers across the nation. And while the older population in the Midwest has grown at considerably lower rates than that in the West or the South, this region will face particular challenges as its sizable baby boom generation begins to reach retirement age at the end of this decade. As a result, policymakers are trying to plan today for the social, economic and health impacts associated with growth in this segment of the population.

Leaders in North Dakota, which has one of the oldest populations in the nation, have begun to anticipate the health care needs of the state's aging citizenry, along with the increased demand that these seniors will place on state budgets, by conducting an extensive study of the issue.

As a result of legislation passed in 2001, the state has undertaken a study of long-term care needs and the nursing facility payment system in the state. The North Dakota Department of Human Services is working with the state's two major universities in conducting the study and will report the results to the Interim Budget Committee on

Human Services. Researchers at the University of North Dakota and North Dakota State University are in the process of developing and administering a survey instrument to get a handle on where the state's population is and where it's going. The universities will prepare profiles of the state's elderly and of care providers and facilities in the state, as well as a service area model, an elderly demand model and a labor demand model.

According to Dave Zentner, director of medical services for the Department of Human Services, the purpose of the study is to "determine what the future holds for long-term care in North Dakota and how to best deliver long-term care given the state's population."

The current study grew out of the Legislature's consideration, during last year's session, of using the intergovernmental transfer fund for programs related to the long-term care industry, including alternatives to nursing facility services and projects to reduce nursing facility bed capacity. "When we were looking at spending money in long-term care, it seemed to us like

throwing money into the wind without knowing right off the bat where we need to focus our efforts," says Rep. Amy Kliniske Warnke, chair of the Interim Budget Committee on Human Services, which is overseeing the study.

"It became very apparent to us that before we start spending money on long-term care, we first need to assess a number of things," explains the Republican from Grand Forks. "No. 1 is the continuum of care. Do we have all the services that we need, and where are the gaps, not only system wide, but in terms of rural vs. urban? Do we need to focus our efforts on skilled care or, as the trend has become, move more toward in-home and community-based services?"

During the course of last year's consideration of the intergovernmental transfer fund and budget discussions, Warnke explains, many questions came up that could not be answered with the available information on the state's aging population and on the state's long-term care industry.

"The study has broadened to take in a demographic study of the numbers of people that we are going to have in our state that are going to need care," Warnke says. "Are they going to be in rural North Dakota, or are they going to be in urban North Dakota? And in those areas do we have not only the services available, but also the labor force available to take care of those folks, and are we well staffed in those facilities?"

In a time of nursing shortages across the nation, the question of staffing is extremely important, especially in a state with low population growth and a shrinking workforce. The North Dakota Long Term Care Association reports that 40 percent of nursing

facilities have declined admissions in the past year because of insufficient staff, and 66 percent of all nursing facilities consider themselves in a staffing crisis. Furthermore, two out of every five of the state's residents will need some form of nursing care at some point in their lives.

The search for alternatives

This combination of staffing shortages, financial constraints, demand for care, and a desire for individual choice and options in care have led to greater consideration of alternatives to traditional nursing care facilities as care choices for seniors — a consideration that the North Dakota study is expected to explore.

"Of special interest is the need for alternative services to nursing home care," says Zentner, discussing new demands and trends in care provision. "How do we get a good balance of services so we can serve the elderly population in the way that they most want to be treated and cared for?"

Because the working population is essential in helping to pay for care services for the elderly, North Dakota is especially challenged by the outmigration of residents and the further loss of working-age citizens from rural areas. As the proportion of elderly increases in the most remote parts of the state, the challenge becomes one of delivering services through fully staffed and maintained nursing care facilities.



Rep. Amy Kliniske Warnke

"I just don't see how, especially in rural North Dakota, we're going to have enough of a labor force to be able to staff an entire facility to take care of a small number of individuals in need," says Warnke.

She expects the study's final report to be done by November, in time to release the findings to the Legislative Council and to assist the Legislature in crafting policy proposals to be considered in the 2003 session. "I think one area that we will focus on is, would it be a savings to the state and would it make a person more comfortable to stay at home if it were a family member taking care of [him or her]?" Warnke says. "And is there a way that we can fairly reimburse individuals for their help?"

The interim committee has been conducting surveys of long-term care administrators and the elderly population as part of its efforts to gauge needs in the state. Meanwhile, an ad hoc committee, which includes representatives from the long-term care industry and the Department of Human Services, has been discussing ways to fund long-term care and to "think outside the box" about the issue.

"I'm really hoping that this private group that has come together to help us with the payment portion of it will come up with a new system," Warnke says.

Nursing care facilities in North Dakota receive 56 percent of their payment from Medicaid, while only 35 percent comes from private sources and 4 percent comes from long-term care insurance. Warnke finds the state's current reliance on Medicaid for long-term care and the complexity of the payment structure, with its 34 levels of payment, to be troubling. "It's very confusing. There's a ton of paperwork for administrators to take care of and then try and focus their attention on the client."

Warnke is one of many policymakers who point out that Medicaid was never intended to be long-term care insurance. "Our Medicaid budgets are out of control. So what we're trying to do is figure out how to fund long-term care, and perhaps Medicaid is not the best resource to use." ✨