

IN BRIEF

**BEFORE THE BOOM:
TRENDS IN LONG-TERM SUPPORTIVE SERVICES
FOR OLDER AMERICANS WITH DISABILITIES**

This *In Brief* summarizes the AARP Public Policy Institute issue paper, *Before the Boom: Trends in Long-Term Supportive Services for Older Americans with Disabilities*.¹ Much has been made of the aging of the “Baby Boom” and the potential demands they may make on the nation’s systems for providing long-term supportive services. However, Boomer-driven demand for long-term supportive services is not likely to increase substantially for at least 20 years and will not crest until after 2030.

The purpose of the report is to examine demographic, socioeconomic, market, and policy trends that have substantially changed the direction of long-term supportive services over the past couple of decades and how these trends are likely to affect demand for such services between now and 2030 when the oldest Baby Boomers turn 85.

The data presented come from a wide variety of secondary sources. AARP Public Policy Institute staff members have made additional analyses and projections based on data from the National Long-Term Care Survey (NLTC), the National Nursing Home Survey (NNHS), the Social Security Administration (SSA), and the Census Bureau. In addition, we have included data from other sources such as the Medicare Current Beneficiary Survey (MCBS), the Online Survey and Certification Assessment Reporting (OSCAR) system used by the Centers for Medicare and Medicaid Services (CMS), and the National Home and Hospice Care Survey (NHHCS). The report attempts to present or cite as many data sources as possible to allow the reader to make judgments about trends affecting the delivery of long-term supportive services to older persons with disabilities.

Summary of Trends

The report identifies 14 trends related to cohort characteristics, disability rates, services utilization patterns, and public policy that are rapidly changing the landscape of long-term supportive services for older persons with disabilities:

Trend #1 – Nursing home utilization rates have declined substantially, especially among persons aged 75 and older.

Trend #2 – Growth in the older population, which was heavily skewed toward the 75 and older age categories in the last decade, will shift to the younger old in the next two decades.

Trend #3 – Disability rates among older persons have declined substantially.

Trend #4 – Socioeconomic improvements have helped reduce disability rates among older persons.

¹ AARP Public Policy Institute Issue Paper #2002-15 (October 2002)

Trend #5 – Medical advances have also played a role in reducing disability rates.

Trend #6 – Socioeconomic improvement is increasing the service options available to older persons with disabilities.

Trend #7 – The narrowing ratio of men to women in old age has contributed to the declining use of institutional care and will likely continue to do so over the next few decades.

Trend #8 – Cohorts of older persons who will reach the high risk years of 75 and older during the next two decades will have more adult children than previous cohorts.

Trend #9 – Utilization trends for long-term supportive services differ substantially among racial/ethnic groups.

Trend #10 – Assisted living has grown substantially over the past decade, though the extent to which it has replaced nursing home services is not well documented.

Trend #11 – Home health care utilization grew rapidly then declined precipitously following cuts in Medicare reimbursements in the late 1990s.

Trend #12 – Many nursing homes have responded to the changing long-term supportive service market by becoming increasingly diversified, specialized, and medicalized.

Trend #13 – Medicaid’s institutional bias in favor of funding nursing home services is slowly shifting toward increased funding for home and community-based services.

Trend #14 – Increased public and private payments for home and community-based alternatives have combined with Medicare changes to reinforce the increased specialization and medicalization of nursing homes.

Conclusions and Implications for the Future

Projecting utilization patterns for long-term supportive services of future cohorts of older persons is likely to exaggerate potential demand for services and their costs unless cohort differences are taken into account. While predicting the future is an uncertain art, the characteristics of the cohorts who will enter late old age during the next two to three decades “before the boom” suggest that demand for long-term supportive services—especially those offered in institutional settings—will grow very slightly, if at all. Favorable demographic and socioeconomic trends should create a more consumer-driven market that will demand not only higher quality services but also a much higher quality of life.

Public policy will need to adapt to the greater diversity of needs and preferences of older persons with disabilities, so that long-term supportive services that enhance consumer control, autonomy, and dignity are not restricted to those who can afford to pay privately. The next twenty to thirty years offer a window of opportunity to make such changes—before the Boomers enter late old age.