Long-Term Care in Alabama

The number of Alabama residents age 85 and older is projected to grow by over 60 percent by 2030.

Alabama’s older population can be at greater risk for chronic illnesses and in need of long-term care. Fourteen percent of Alabama’s population is age 65+ with roughly 85,000 residents age 85+.1 Alabama’s age 85+ population – the age group that is most likely to need long-term care services – will grow 61% from 2007 to 2030.2 This ranks Alabama in the middle (#30) in the nation in the projected growth rate of the 85+ population.

Most prefer to receive long-term care at home; however, Alabama spends over ninety percent of the state’s Medicaid funds on institutional care.

The majority of Americans age 50+ (89%) want to stay in their homes for as long as they can.3 Over 973,000 Alabamans rely on Medicaid, and 13% are age 65+.4 Home and community-based service (HCBS) waivers allow Medicaid recipients to receive Medicaid funding for in-home care. In Alabama, Medicaid allows some to choose in-home care instead of nursing home care. In 2006, 8,533 people 65+ with disabilities and 570 adults (18-64) with disabilities received a waiver.5 In 2008, there were 7,094 people 65+ with disabilities and 150 adults (18-64) with disabilities who waited to receive a waiver.6 On average, the Medicaid program can provide HCBS to three people for the cost of serving one person in a nursing home.7

Alabama spends nine percent of its Medicaid long-term care dollars for older people and adults with physical disabilities on home and community-based care – ranking it 44th in spending on home care services for this population.8

In addition, 570,000 Alabamans are providing family caregiving to a loved one at home. This care is valued at over $5 billion.9

Alabama has one of the lowest average nursing home private pay rates in the nation at $158 per day.

In 2007, Alabama’s nursing homes had an occupancy rate of 88%.10 In 2008, Alabama ranked 39th in the nation in nursing home average private pay daily rates.11 Alabama had the highest rate for Medicare-certified home health aides ($76/hr) and some of the lowest rates for private pay health aides ($15/hr) and adult day care ($32/day).12

Over a third of Alabama’s nursing homes rated above average in health inspections.

The Centers for Medicare and Medicaid Services (CMS) created a five-star quality rating to help consumers compare nursing homes. CMS rates nursing homes on health inspections, staffing, and quality measures.

The health inspection process is comprehensive and conducted by a trained team of objective surveyors.13

Recent studies have found that non-profit nursing homes generally deliver higher quality of care.14 In 2007, 78% Alabama’s nursing homes were for profit (17%, non-profit; 6%, government-owned).15

Few Americans have long-term care insurance.

Nationally, about 7 million long-term care insurance policies were in effect in 2005, and the typical purchaser was age 61 with assets over $100,000.16 Cost is a major factor in the decision to purchase long-term care insurance. In 2008, premiums for a married couple in their sixties were about $3,000 a year.17 Alabama has not adopted the most recent long-term care insurance recommendations from the National Association of Insurance Commissioners (NAIC).18
End Notes

The data utilized in this report is the most recent publicly available data collected for all states


3Providing More Long-term Support and Services at Home: Why It’s Critical for Health Reform. AARP Public Policy Institute, June 2009. URL: http://www.aarp.org/research/ltc/hcbs/articles/fs_hcbs_hcr.html


9Ibid. Page 44.

10Ibid. Page 66.

11Ibid. Page 59.

12Ibid. Page 60.

13Centers for Medicare and Medicaid Services. Note: These data are updated monthly. Data for this brief was pulled on November 3, 2009. URL: http://www.medicare.gov/NHCompare/Include/DataSection/ProximitySearch.asp.

14BMJ 2009 (British Medical Journal); 339:b2732. URL: www.pnhp.org/nursing_home


