The number of Minnesota residents age 85 and older is projected to grow by 61 percent by 2030.

Minnesota’s older population can be at greater risk for chronic illnesses and in need of long-term care. Twelve percent of Minnesota’s population is age 65+ with nearly 107,000 residents age 85+. Minnesota’s age 85+ population – the age group that is most likely to need long-term care services – will grow 61% from 2007 to 2030. This ranks Minnesota 30th in the nation in the projected growth rate of the 85+ population.

Most prefer to receive long-term care at home; however, Minnesota spends over half 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. Over 774,000 Minnesotans rely on Medicaid, and 12% are age 65+. Home and community-based service (HCBS) waivers allow Medicaid recipients to receive Medicaid funding for in-home care. In Minnesota, Medicaid allows some to choose in-home care instead of nursing home care. In 2006, 20,248 people 65+ and 12,369 adults (18-64) with disabilities received a waiver. There were no people age 65+ who waited to receive a waiver in 2008. On average, the Medicaid program can provide HCBS to three people for the cost of serving one person in a nursing home.

Minnesota spends 44% of its Medicaid long-term care dollars for older people and adults with physical disabilities on home and community-based care – ranking Minnesota in the top ten (6th) in spending on home care services for this population.

In addition, 590,000 Minnesotans are providing family caregiving to a loved one at home. This care is valued at over $7 billion.

Minnesota has one of the lowest average nursing home private pay rates in the nation at $156 per day.

In 2007, Minnesota’s nursing homes had an occupancy rate of 92%. In 2008, Minnesota had one of the lowest average private pay daily rates of $156. Minnesota had one of the highest rates for home health aides ($23/hr private pay) but lower than average rates for Medicare-certified home health aides ($28/hr). Minnesota’s rate for adult day care was $58 a day.

Over one in three nursing homes in Minnesota 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.

![Health Inspections Rating](chart)

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

Recent studies have found that non-profit nursing homes generally deliver higher quality of care. In 2007, 28% of Minnesota’s nursing homes were for profit (60%, non-profit; 13%, government-owned).

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. 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. Minnesota has not adopted the most recent long-term care insurance recommendations from the National Association of Insurance Commissioners (NAIC).
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


5Ibid. Medicaid 1915(c) Home and Community-Based Service Waiver Participants, by Type of Waiver, 2006. Data Source: The Kaiser Commission on Medicaid and the Uninsured (KCMU) and The University of California at San Francisco’s (UCSF) analysis based on The Centers for Medicare & Medicaid Services (CMS) Form 372, December 2009, Table 5. “Medicaid 1915(c) Home and Community-Based Service Programs: Data Update” available at http://www.kff.org/medicaid/7720.cfm. URL: http://www.statehealthfacts.org/comparetable.jsp?ind=241&cat=4

6Ibid. Waiting Lists for Medicaid 1915(c) Home and Community-Based Waivers, 2008. Data Source: The Kaiser Commission on Medicaid and the Uninsured (KCMU) and The University of California at San Francisco’s (UCSF) analysis based on The Centers for Medicare & Medicaid Services (CMS) (Form 372, December 2009, Table 11. “Medicaid 1915(c) Home and Community-Based Service Programs: Data Update” available at http://www.kff.org/medicaid/7575.cfm. URL: http://www.statehealthfacts.org/comparetable.jsp?ind=247&cat=4&sub=62&yr=2008&typ=1


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/Questions/ProximitySearch.asp.

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State Long-Term Care Brief, December, 2009
AARP Knowledge Management
601 E Street, NW, Washington, DC 20049
www.aarp.org/research 202.434.6320
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