



Long-Term Care in North Carolina



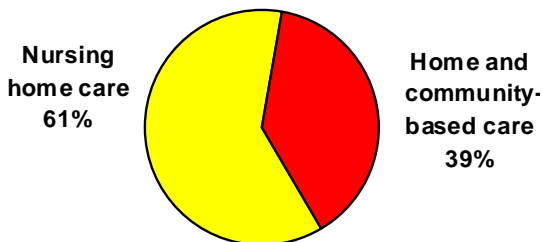
The number of North Carolina residents age 85 and older is projected to grow by 87 percent by 2030.

North Carolina's older population can be at greater risk for chronic illnesses and in need of long-term care. Twelve percent of North Carolina's population is age 65+ with nearly 150,000 residents age 85+.¹ North Carolina's age 85+ population – the age group that is most likely to need long-term care services – will nearly double from 2007 to 2030.² This ranks North Carolina 20th in the nation in the projected growth rate of the 85+ population.

Most prefer to receive long-term care at home; however, North Carolina spends over 60 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 1.6 million North Carolinians rely on Medicaid, and 11% are age 65+.⁴ Home and community-based service (HCBS) waivers allow Medicaid recipients to receive Medicaid funding for in-home care. In North Carolina, Medicaid allows some to choose in-home care instead of nursing home care. In 2006, 14,670 North Carolinians 65+ with disabilities received a waiver.⁵ On average, the Medicaid program can provide HCBS to three people for the cost of serving one person in a nursing home.⁶

North Carolina spends 39% of its Medicaid long-term care dollars for older people and adults with physical disabilities on home and community-based care – ranking it 9th in spending on home care services for this population.⁷ However, this percentage also includes Medicaid spending on long-term care for residents in adult care homes.



In addition, 1.1 million North Carolinians are providing family caregiving to a loved one at home. This care is valued at \$11.6 billion.⁸

North Carolina's average nursing home private pay rate is lower than the national average at \$184 per day.

In 2007, North Carolina's nursing homes had an occupancy rate of 88%.⁹ This care is expensive. In 2008, North Carolina's nursing homes ranked 28th in the country with an average private pay daily rate of over \$180.¹⁰ North Carolina had rates close to the national average for home health aides (\$17/hr private pay and \$39/hr Medicare-certified) but lower rates for adult day care (\$45/day).¹¹

About one-third of North Carolina'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.¹²

Recent studies have found that non-profit nursing homes generally deliver higher quality of care.¹³ In 2007, 74% of North Carolina's nursing homes were for profit (22%, non-profit; 3%, government-owned).¹⁴

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 \$100,000.¹⁵ 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.¹⁶ North Carolina has adopted the most recent long-term care insurance recommendations from the National Association of Insurance Commissioners (NAIC).¹⁷

End Notes

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

¹U.S. Census Bureau, Population Division. Estimates of the Resident Population by Selected Age Groups for the United States and Puerto Rico: July 1, 2008. Released May 14, 2009. URL: <http://www.census.gov/popest/states/asrh/SC-EST2008-01.html>

²Gibson, Mary Jo, Fox-Grage, Wendy, Houser, Ari. *Across the States 2009: Profiles of Long-Term Care and Independent Living: Executive Summary, State Data, and Rankings*. Page 34. AARP Public Policy Institute. Washington, D.C. URL: http://www.aarp.org/research/ppi/ltc/Other/articles/across_the_states_2009_profiles_of_long-term_care_and_independent_living.html

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/ppi/ltc/hcbs/articles/fs_hcbs_hcr.html

⁴The Kaiser Family Foundation, statehealthfacts.org. State Medicaid Fact Sheets, 2006-2007: North Carolina. URL: <http://www.statehealthfacts.org/mfs.jsp?rgn=35&rgn=1&x=9&y=12>.

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>

⁶Providing 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/ppi/ltc/hcbs/articles/fs_hcbs_hcr.html

⁷Gibson, Mary Jo, Fox-Grage, Wendy, Houser, Ari. *Across the States 2009: Profiles of Long-Term Care and Independent Living: Executive Summary, State Data, and Rankings*. Page 45. AARP Public Policy Institute. Washington, D.C. URL: http://www.aarp.org/research/ppi/ltc/Other/articles/across_the_states_2009_profiles_of_long-term_care_and_independent_living.html

⁸Ibid. Page 44.

⁹Ibid. Page 66.

¹⁰Ibid. Page 59.

¹¹Ibid. Page 60.

¹²Centers 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>.

¹³BMJ 2009 (British Medical Journal); 339:b2732. URL: www.pnhp.org/nursing_home

¹⁴The Kaiser Family Foundation, statehealthfacts.org. Table: *Distribution of Certified Nursing Facilities by Ownership Type, 2007*. Data Source: C. Harrington, H. Carrillo, and B. Blank. Table 7, "Nursing, Facilities, Staffing, Residents, and Facility Deficiencies, 2001 Through 2007," Department of Social and Behavioral Sciences, University of California, San Francisco, accessed September 2008. Available at <http://www.pascenter.org>. Based on the Online Survey, Certification, and Reporting system (OSCAR), Centers for Medicare and Medicaid Services, U.S. Department of Health and Human Services. URL: <http://www.statehealthfacts.org/comparetable.jsp?ind=412&cat=8&sub=97&yr=62&typ=2>

¹⁵Kassner, Enid. Long-Term Care Insurance Fact Sheet. AARP Public Policy Institute. June 2009. URL: http://www.aarp.org/research/ppi/ltc/ltc-ins/articles/LTCI_fact_sheet_2009_08.html

¹⁶Tumlinson, Anne, Aguiar, C. and Watts, M. Closing the Long-Term Care Funding Gap: The Challenge of Private Long-Term Care Insurance. Kaiser Family Foundation. Page 6. June 2009. URL: <http://www.kff.org/insurance/upload/Closing-the-Long-Term-Care-Funding-Gap-The-Challenge-of-Private-Long-Term-Care-Insurance-Report.pdf>

¹⁷Gibson, Mary Jo, Fox-Grage, Wendy, Houser, Ari. *Across the States 2009: Profiles of Long-Term Care and Independent Living*. Page 28. AARP Public Policy Institute. Washington, D.C. URL: http://www.aarp.org/research/ppi/ltc/Other/articles/across_the_states_2009_profiles_of_long-term_care_and_independent_living.html

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