

**Too Rich to be Poor, Too Poor to be Rich:
The “Senior Gap”**



Montgomery County Commission on Aging

October 2019

Executive Summary

Background

In Montgomery County, long-term care is available for individuals through Medicaid or through private payment. However, most County residents neither qualify for government assistance options nor are they wealthy enough to afford the high cost of assisted living. These are the people in the “middle” or the “Senior Gap” who are “too rich” to qualify for Medicaid services but “too poor” to afford the high cost of private care. While it is hard to define the exact number of people in this “Senior Gap,” it is estimated that 25,000 people fall in this middle ground and that this number will only continue to increase. This growing population needs more quality options to keep them safe and living in their communities with quality of life.

Health and Wellness Committee Findings:

- Most available subsidized long-term care programs are only offered to individuals living at or near the poverty level;
- There are very few, if any, options for addressing the “Senior Gap” population living independently.

Available Services

Maryland’s Group Home Subsidy is a financial assistance program for lower income older adults that can be used to help pay for the cost of assisted living care.

Independent living with supportive wrap-around services is an informal, unregulated approach to assisted living, provided on a small scale (e.g., Homecrest House, Seabury’s Springvale Terrace, Charles E. Smith Life Communities Revitz House). These are independent living communities with supportive services.

Victory Housing is the nonprofit housing development arm of the Archdiocese of Washington, providing affordable housing and related services for low- and moderate-income senior citizens and families.

Wellness and Independence for Seniors at Home (WISH) aims to reduce avoidable hospital use by connecting older adults to the services they need before their health declines.

Social Services to Adults (SSTA), Montgomery County Department of Health and Human Services provides case management to lower income older adults.

Maryland Primary Care Program is a pilot program developed with CMS that addresses the total cost of healthcare using a care coordination model.

The Senior Health Insurance Program (SHIP) provides free information, educational programs, and individual assistance and counseling about Medicare, including among other topics, supplements, advantage plans, and prescription drug plans.

Recommendations

The Committee recommends a multipronged approach to expanding resources that increase affordability and access to service. **This approach requires both political and financial support.**

1. Expand the County’s Case Management Programs.
2. Expand Education, Communication, and Outreach.

3. Expand Resources such as Vouchers for Transportation, Meals on Wheels, Adult Day Care, Home Care, Affordable Assisted Living, and Congregate Care Service.
4. Provide Financial Assistance for Medicare Part B and D.

Conclusion

Montgomery County has a sizable population of people 65 years of age or older who fall in between Medicaid eligibility and having the private resources to pay for the long-term care they may need to live safely and with quality of life in their homes and communities. This “Senior Gap” of individuals needs enhanced supports to avoid early and unnecessary facility-based care that is more costly and often requires public assistance. Through this report, the Montgomery County Commission on Aging’s Health and Wellness Committee provides recommendations to the County Administration and Council for taking action to enhance resources to increase the availability and access to long-term care in the County.

Acronyms in this paper:

- ADL: Activities of Daily Living
- CMS: Centers for Medicare and Medicaid
- CNA: Certified Nursing Assistant
- CRISP: Chesapeake Regional Information System for our Patients
- CTO: Care Transformation Organization
- EMS: Emergency Medical Services
- GNA: Geriatric Nursing Assistant
- HOC: Housing Opportunities Commission
- IADL: Instrumental Activities of Daily Living
- JSSA: Jewish Social Services Agency
- MDoA: Maryland Department on Aging
- MDH: Maryland Department of Health
- MDPCP: Maryland Primary Care Program
- RN: Registered Nurse
- SHIP: Senior Health Insurance Program
- SSTA: Social Services to Adults
- VH: Victory Housing
- VNA: Visiting Nurse Association
- WISH: Wellness and Independence for Seniors at Home

Background:

In Montgomery County, long-term care is available for individuals through Medicaid and for others with enough private funds to cover the high cost of assisted living. However, most County residents neither qualify for government assistance options nor are wealthy enough to afford multiple years in a long-term care facility. The Commission on Aging’s Health and Wellness Committee is particularly concerned about County residents who do not meet the comparatively low-income requirement for Medicaid and other State options and cannot afford more expensive private-pay alternatives. These are people in the “middle” or the “Senior Gap” who cannot qualify for Medicaid services nor can they afford the high cost of private care. The exact number of people in this “Senior Gap” is hard to assess; however, we know that this population will continue to increase.

Based on County data, the Committee has tried to estimate the number of individuals in need. The Planning Department’s Research and Special Projects Division, in response to the County’s growing number of residents aged 55 and older, recently completed a “Housing for Older Adults Study.” The 2017 American Community Survey estimates the number of County residents 65+ to be 146,712. Currently, private pay assisted living for an individual, on the low end, is estimated between \$4500/month for a smaller group home and approximately \$6500/month for a larger assisted living facility. As a result, based on current costs of assisted living, an individual would need a minimum of \$60,000 in **net annual income** to afford the high cost of care. Approximately 18,287 people (about 9 percent), of County residents over 65 and older are already registered for Medicaid. Based on these figures, the current “Senior Gap” group is more than 25,000 individuals and will continue to grow.

Average Income and Average Rent cost For the State of Maryland and Montgomery County

Average	Maryland 65+	Montgomery County 65+
Average Income	\$74, 455	\$109,712
Average Rent	\$1050	\$1488
Average Housing Mortgage	\$1658	\$2197
Percentage who are burdened with rent	55.5%	56.4%
Percentage who are burdened with owning a house/mortgage	28.9%	27.4%

This growing population needs more quality options to keep them safe. In many situations, individuals are unaware of available services. Many individuals in this “Senior Gap” may have challenges taking their medications properly, performing daily hygiene, preparing nutritious meals, and accessing transportation. Medicare or private insurance (other than long-term care insurance) does not currently cover costs associated with care needs such as assisted living, home care, adult day care, or transportation. Some of the population might not be able to afford Medicare Parts B and D that cover medically necessary services to diagnose and treat one’s illness, preventive services and prescriptions, let alone supplemental insurance to cover the twenty percent of medical costs that Medicare does not cover. In the United States:

- The estimated direct and indirect cost of non-adherence is about \$337 billion.¹
- 125,000 Americans die annually due to poor adherence.²
- Poor medication adherence is responsible for 33-69 percent of all medication-related hospital admissions, at a cost of about \$100 billion per year.³

By addressing this “Senior Gap” and providing services for healthy independent living, the goal is to minimize costly hospital readmissions, extend independence, and improve quality of life.

A large group of individuals in the “Senior Gap” do not qualify for Medicaid. To qualify for Medicaid, individuals have less than \$2,500 in assets and require help with a minimum of two Activities of Daily Living (ADL’s) for long-term care assistance. The population has some income and assets but also has some need for assistance. Additionally, a married couple may need to spend down assets, leaving the spouse with a little more than \$100,000 in assets, excluding the home and car. In 1988, Congress enacted provisions to prevent what has come to be called "spousal impoverishment," which leaves the spouse still living at home in the community with little or no income or resources. These provisions now help ensure that this situation will not occur and that spouses are able to live out their lives in the community with independence and dignity. However, the amount left for the spouse is arguably not enough.

The Committee spent many months hearing from experts in the community as it sought solutions that address needs of those in the “Senior Gap.” Some of those options are listed below.

¹ The Costs of Nonadherence. Express Scripts White paper 2015.

² McCarthy R. “the price you pay for the drug not taken.” *Bus Health*. 1998:16:27-28,30,32-33

³ Osterberg, Blaschke T. “Adherence to Medication,” *New Engl. J. Med*. 2005:353(5): 487-497.

Committee Findings:

- **Most available programs offered relate to individuals living at or near the poverty level;**
- **There are very few, if any, options for addressing the “Senior Gap” population living independently.**

Examples of Options Available for the “Senior Gap”

- 1) **Maryland’s Group Home Subsidy** is more formally referred to as the Senior Assisted Living Group Home Subsidy Program. This is a financial assistance program provided to older adult Maryland residents to be used to help pay for the cost of assisted-living care. The objective of the program is to prevent premature, costly nursing home placement. Providing financial assistance to needy individuals benefits both the State and individuals--the State saves money on expensive nursing home care and individuals have the opportunity to live in environments better suited to their care needs. Individuals who require 24/7 assistance greatly benefit by this option.

Assisted-living facilities under the Group Home Subsidy require licensing and approval by the Maryland Department of Aging (MDoA). By regulation, group homes are defined as serving at least four and no more than 16 clients. This program is not available in every county and there may be waiting lists for assistance in some counties. If the program is not available in their county, seniors can move to an approved assisted-living residence in another county where the program is available, and then enroll to receive assistance.

The Group Home Subsidy is available to Maryland residents who currently live in a "group home," an assisted-living facility, or who are assessed as having the need for assisted living and plan to move to such a residence in the very near future. The State of Maryland operates on a fiscal calendar starting in July. Financial eligibility redeterminations take place in the spring of each fiscal year for approval by the end of June. Eligibility requirements include the following:

- Applicants must be at least 62 years of age.
- Monthly gross income cannot exceed 60% of the State’s median. As of October 2018, this amount is \$2,904 (\$34,848/year) for an individual or \$3,797 (\$45,564/year) for a couple.
- Countable asset limits for an individual or a couple are set at \$11,000 and \$14,000, respectively. This can include cash, savings and checking accounts, stocks, mutual funds, certificates of deposit, life insurance policies with cash values, and property.

- Individuals must be assessed to determine their personal care needs. Eligible applicants must require assistance with Activities of Daily Living (ADLs), such as grooming, dressing, walking, and eating.

The Committee was informed in February 2018 that there was a waiting list for this subsidy, with 23 individuals currently receiving services. The State of Maryland allocated additional funding to the Group Home Subsidy in FY18 and FY19. At the end of March 2019, the program had a rolling enrollment and a fluid waitlist, but it is difficult to capture the exact number of people who are currently on the waitlist.

The Committee feels strongly that the State of Maryland should continue to fund this program, because it is extremely helpful for individuals in the "Senior Gap" services area. The average subsidy amount is \$650 per person.

2) **Independent living with supportive wrap-around services** is an informal, unregulated approach to assisted living, provided on a small scale with communities such as Homecrest House, Seabury's Springvale Terrace, and Charles E. Smith Life Communities Revitz House. These are independent living communities with supportive services. Homecrest House's Edwards personal care building provides individuals with some care needs services, allowing them to age in place. The Housing Opportunities Commission (HOC) supports the apartments, with services provided by many informal and formal partners in care. Most often clients' needs revolve around medication issues (i.e., properly taking medications) as well as the need for assistance with Instrumental Activities of Daily Living (IADL) such as housekeeping.

- Service Providers
 - Many community-based doctors and hospitals
 - Maryland Department on Aging (MDoA)
 - Support with IADLS – meals, social, housekeeping
 - 24-hour services Geriatric Nursing Assistant/Certified Nursing Assistant (GNA/CNA) - help with showers, self-care cueing, medication administration (option) overseen by a registered nurse
 - Breakfasts funded by the Senior Nutrition Program
 - One full mid-day meal as part of congregate care program
 - Optional dinner program
- Informal Partners in Care

- Premier Homecare – onsite homecare services – financially qualified subsidies available
- Jewish Social Services Agency (JSSA) – Social work case management, mental health counseling, hospice care, care for life-limiting illnesses
- Wellness and Independence for Seniors at Home (WISH) – manage new medications, perform medication reconciliation, health services coordination, resource and services allocation, review paper work
- Home Health – MedStar Visiting Nurse Association (VNA) – In-home home health services
- Fox Rehabilitation
 - Physical Therapy/Occupational Therapy/Speech Therapy
- Visiting Nurses Association – In-home medical services that coordinate with primary care doctor
- Because the Edwards Building is not an assisted living community, most residents apply for Medicaid when their needs become too extensive.

3) Victory Housing

- Victory Housing (VH) is the nonprofit housing development arm of the Archdiocese of Washington, providing affordable housing and related services for low- and moderate-income senior citizens and families.
- VH has both private pay and subsidized options.
- VH assisted living communities do not receive outside subsidies or support. These communities accept rental/housing assistance and partner with Prince George's and Montgomery Counties for qualified residents at several locations. To assist seniors with moderate-to-low incomes, VH offers internal financial assistance that is need-based and available on a limited basis. This funding is not provided by the Archdiocese but internally by each community itself.

4) Springvale Terrace

- Seabury at Springvale Terrace offers residential living, assisted living, and enhanced personal care to suit the unique needs of each resident.

- Seabury Resources for Aging's mission is to provide personalized, affordable services and housing options to help older adults in the greater Washington, DC area live with independence and dignity.

Seabury is a not-for-profit organization and provides some internal subsidies for lower income individuals.

5) Wellness and Independence for Seniors at Home (WISH)

- WISH provides free, confidential health surveys for seniors with Medicare who live independently in the community.
- WISH aims to reduce avoidable hospital use by connecting older adults to the services they need before their health declines.
- Working with a variety of community partners. WISH identifies people in jeopardy of declining health and connects them with the services and support they need to remain independent and out of the hospital for as long as possible.
- The WISH program serves adults 65+ with Medicare at no cost to the client. It involves interventions with seniors in 44 independent living facilities, with expectation for near-future expansion. WISH conducts 60- and 90-day interventions to understand client needs, connect them with appropriate services, and makes connections with family members who can help navigate the system.

6) Social Services to Adults (SSTA), Montgomery County Department of Health and Human Services

- SSTA provides case management and seeks to enable maximum client self-sufficiency in the community and to reduce inappropriate institutionalization. SSTA case management is geared to mitigating those factors that may lead to abuse, neglect, self-neglect and/or exploitation. Often the case management is related to a specific need such as personal care, or the need for assessment to determine a plan of care. Services are available to adults who have functional disabilities due to advanced age (65+) without regard to income. Those adults with disabilities under age 65 may receive services provided their income does not exceed 80% of the State median income. As of March 2019, the waitlist was 329 for SSTA and 148 for the Senior Care Program.

7) ARC of Montgomery County Respite Program

- Respite care can be provided for a few hours, a day, a weekend, or sometimes longer. However, respite care is not a substitute for ongoing care. It is a way to support families who take care of their love ones at home. Families can choose from many respite care venues, including the family home, community and recreational programs, and approved respite facilities.
- The ARC Montgomery County can provide short-term relief to unpaid, live-in caregivers of:
 - Children or adults with functional disabilities (limited activities of daily living which require ongoing support like cancer, MS, traumatic brain injury, advanced diabetes);
 - Children or adults with intellectual/developmental disabilities;
 - Children with challenging behaviors;
 - Frail senior citizens.

8) Maryland Primary Care Program

- The State of Maryland has entered into a Total Cost of Care All-Payer Model contract with the Federal Government that is designed to coordinate care for patients across both hospital and non-hospital settings, improve health outcomes, and constrain the growth of health care costs in Maryland. A key element of the model is the development of the Maryland Primary Care Program (MDPCP) by Centers for Medicare and Medicaid (CMS) and Maryland Department of Health (MDH). MDPCP is a voluntary program open to all qualifying Maryland primary care providers that provides funding and support for the delivery of advanced primary care throughout the State to Medicare recipients identified as high risk by CMS. The MDPCP supports the overall health care transformation process and allows primary care providers to play an increased role in prevention, management of chronic disease, and preventing unnecessary hospital utilization.
- The MDPCP Program is in its first year and approximately 60 practices in Montgomery County are participating in the program. One key element is that participant practices are integrated with The Chesapeake Regional Information System for our Patients (CRISP) a database that will assist in coordinating care across the healthcare entities. The practices that don't have the necessary resources, a Care Transformation Organization (CTO), funded by CMS, provides assistance. Thirteen (13) CTOs provide support for the 60 practices in Montgomery County.
- The five key planks of the MDPCP program are:
 - Access to care

- Care Management
 - Care Coordination
 - Patient and Caregiver Experience
 - Planned Care and Population Health
 - Goals
 - Extend independence, improve quality of life; and help keep individuals in their homes as much as possible.
 - The total cost of care model is expected to save Medicare \$1 billion between 2014 and 2023
- b. This program is limited to Medicare referred high-risk patients and patients referred by a participating physician

9. The Senior Health Insurance Program (SHIP)

- SHIP provides free information, educational programs, individual assistance and counseling about Medicare, supplements to Medicare (Medigap plans), Medicare Advantage (managed care) plans, prescription drug plans, income-saving programs such as Qualified Medicare Beneficiary (QMB), Specified Low-Income Medicare Beneficiary (SLMB), Senior Prescription Drug Assistance Program (SPDAP), Maryland health insurance plans, employer health insurance plans, and long-term care insurance. The SHIP program also works to curb Medicare fraud and abuse and to resolve billing issues.
- The SHIP program serves more than 100,000 people in Montgomery County with Medicare, including those who are aged 65 and older, and those who are disabled. SHIP conducts outreach to this population, their family members and caregivers, as well as to aging network partners.
- SHIP provides educational programs, seminars, and training to community groups, church groups, clubs, neighborhood associations, and its aging network partners. SHIP updates and supplies printed information, comparison charts and tables outlining health insurance options and maintains a web site (MedicareABCD.org). SHIP aims to respond to phone messages in a timely manner. Trained volunteers meet on an individual basis with seniors, the disabled, their family members and caregivers, by scheduled appointments, in County libraries, senior centers, senior communities, and other places to provide objective information, help solve individual

insurance problems, assist with Medicare and Medicaid forms, insurance claims, and act as advocates in making appeals.

Recommendations to Address the “Senior Gap

In addressing the “Senior Gap,” the Committee recommends a multipronged approach to expanding resources that increase affordability and access to service. **This approach requires both political and financial support.**

Based on the increasing need for support, the Committee recommends expanding the eligibility and the current services to further reach the “Senior Gap” population. Recommended services include the following:

1. Expand Case Management Programs

By expanding Montgomery County’s Case Management services, our “Senior Gap” population can be evaluated and have access to programs and services of which they may be unaware and/or not know they need. Case management is a collaborative process of assessment, planning, facilitation, care coordination, evaluation, and advocacy for options and services to meet an individual’s and family’s comprehensive health needs; this requires effective communication and adequate, available resources for promoting patient safety, quality of care, and cost-effective outcomes. Currently, these services are available to vulnerable individuals; expansion would extend services to more people in the “Senior Gap.”

- a. The Senior Care Program through Aging and Disabilities Services offers services with a required case management component. The State MDoA provides money to the County for clients who meet the income eligibility and Activities of Daily Living (ADL) deficit criteria. The Senior Care Program helps seniors live with dignity and comfort in their own homes with family or in other community settings. These services include help with personal care, home-delivered meals, adult day care, emergency response systems, transportation to medical appointments, medication reimbursement and purchase of medical supplies. Currently, these services do not reach the “Senior Gap” population. Additionally, there is both a waiting list and inadequate staff and funding to meet the need. By expanding the eligibility criteria and adding additional staff and financial resources to administer this program, the County can serve more of this “Senior Gap” population.
- b. Maryland Primary Care Program (MDPCP) – This program should be monitored, and if proven successful, encourage broader practice participation. The MDPCP has the potential to positively impact the “Senior Gap” population. The program, while still in its infancy, is an exciting

concept. Participation is voluntary and is not tied to patients' income; eligible seniors are identified by the Centers for Medicare and Medicaid Services (CMS) based upon patient acuity as determined by Medicare claims. The primary care provider is also able to refer patients. An older adult in the "Senior Gap" may not have access to these services because they may be unable to afford Medicare Parts B and D. Medicare Part B specifically is essential for participation in the physician programs, so the older adult may not see a physician.

2. Expand Education, Communication, and Outreach

Many of our seniors and their families do not know of the services available to them. Holding seminars throughout the County would help provide useful information for people to have, especially in times of need. Volunteers could provide some of the seminars and outreach might include print and online flyers and a guidebook. Outreach to many of the senior centers, community centers, and places of worship could help reach many of those in need. Additionally, partnering with public service companies could help reach this population through use of informational inserts in utility bills, newspapers, TV ads, and public service announcements.

3. Expand Resources such as Vouchers for Transportation, Meals on Wheels, Adult Day Care, Home Care, Affordable Assisted Living, and Congregate Care Services.

A major challenge with our "Senior Gap" population is the inability to access needed services to maintain a healthy lifestyle. Many are not getting adequate nutrition, may not be refilling prescriptions regularly, and may lack access to transportation. Expanding the Voucher programs can help our target population access services, keeping them safer in their homes. In addition, expanding resources for affordable assisted living and congregate care services can help older adults in the "Senior Gap" maintain their independence longer and avoid premature, costly facility-based care.

4. Provide Financial Assistance for Medicare Part B and D.

Another risk to the "Senior Gap" population is the high cost of insurance. Many in this population do not purchase Medicare Parts B and D, and Medicare supplemental insurance which helps pay co-

insurance, co-payments and deductibles. Expanding subsidies for purchases of Part B and medication vouchers for Part D will allow a larger group to access the critical services needed for maintaining independence

Success Measurements:

As the “Senior Gap” continues to expand, the Committee believes that the recommended extra support will ultimately save money and provide County residents with options as they age. Each program implemented will be accompanied by success measures as reported by the existing programs. The ultimate goals and success measures tracked will be defined by:

- Increasing numbers of people being served by each program;
- Shortening and/or eliminating waitlists of the programs;
- Reducing hospitalizations tracked through CMS data and CRISP; and
- Reducing the number of calls to Emergency Medical Services (EMS).

Conclusion

Montgomery County has a sizable population of people 65 years of age or older who fall in between Medicaid eligibility and having the private resources to pay for the long-term care they may need to live safely and with quality of life in their homes and communities. This “Senior Gap” of individuals needs enhanced supports to avoid early and unnecessary facility-based care that is more costly and often requires public assistance. Through this report, the Montgomery County Commission on Aging’s Health and Wellness Committee provides recommendations to the County Administration and Council for taking action to enhance resources to increase the availability and access to long-term care in the County.

List of Speakers, Presenters and Contributors for the Senior Gap Paper

Marsha Aaron, LCSW-C
Program Manger II
Supervisor, Social Services to Adults/Senior Care
Montgomery County Aging and Disability Services
401 Hungerford Drive
Rockville, MD 20850

Eileen Bennett
Program Manger II
Long Term Care Ombudsman
Montgomery County Dept. of Health and Human Services
3950 Ferrara Drive, 2nd floor
Silver Spring, MD 20906

Livleen Gill, MBA, RD, LDN
Executive Director
Bethesda NEWtrition and Wellness Solutions
10215 Fernwood Road
Suite-630
Bethesda, MD-20817

Lisa Peet, MS
Program Manager I
Senior Assisted Living Group Home Subsidy Program
Montgomery County Dept. of Health & Human Services
401 Hungerford Drive, 4th floor
Rockville, MD 20850

Deborah M. Royster
Chief Executive Officer
Seabury Resources for Aging
6031 Kansas Avenue, N.W.
Washington, D.C. 2001

Erin Kate Smith, PhD
Area Agency on Aging Data and Evaluation Manager
Montgomery County Health and Human Services, Aging and Disability Services
401 Hungerford Drive
Rockville, Maryland 20850