

# Who's going to pay for long-term care?

By TERESA WILTZ  
STATELINE.ORG

WASHINGTON — Long-term care insurance is, for most of us, prohibitively expensive. Employer-based health insurance doesn't cover daily, extended care. Medicare pays for only a short stay in a nursing home or a limited amount of care at home.

Ninety percent of Americans don't have long-term care insurance — even though half of all people 65 and over will need such care at some point. Without it, seniors can go bankrupt paying for assisted living, nursing home care or home health care.

"This is a slow-moving train wreck," said Howard Gleckman, senior fellow at the Urban-Brookings Tax Policy Center at the Urban Institute, a nonpartisan think tank based in Washington, D.C.

"At some point, we will have a catastrophe."

This summer, Washington state created the first public long-term care insurance plan, which will be funded through payroll taxes.

In 2017, Hawaii began providing up to \$70 a day to residents who work while also taking care of elderly family members at home. Hawaii pays for the program, Kupuna Caregivers, out of its general budget.

The state estimates 154,000 residents are the unpaid caregivers of elderly family members. Kupuna Caregivers currently helps 134 Hawaiians pay for



MARIA ALEJANDRA CARDONA / Los Angeles Times

**A nursing assistant serves a patient a meal at the Californian-Pasadena, a nursing home in Pasadena, Calif., in July 2018. Long-term care is the reality for half of all people over the age of 65, but the high cost often makes the care a fantasy.**

transportation, adult day care, personal care services and home-delivered meals.

Another Hawaii program, Kupuna Care, provides services to seniors in need of help with daily activities. This year, lawmakers passed a series of elder care bills, adding \$11.2 million to the \$9.7 million appropriated in the state's budget.

A handful of other states, including Arizona, California, Michigan and Minnesota, also are exploring public long-term care options for people who otherwise might have to spend down their assets to qualify for Medicaid.

And there's been some action on the federal level,

too. In May, U.S. Rep. Frank Pallone, a Democrat from New Jersey, released a proposal to create a Medicare long-term care benefit.

The proposal would establish a public benefit within Medicare, regardless of income.

The moves come as Americans are having fewer children and living longer — in many instances, living longer with chronic conditions such as dementia. Fewer children means fewer family caregivers.

Many people aren't saving enough to pay for long-term care, and the supply of paid caregivers is shrinking.

Long-term care is

expensive. In Washington state, the average nursing home costs between \$70,000 and \$80,000 a year, and nationally the cost of a private room tops \$90,000.

U.S. Department of Health and Human Services data shows hiring a home health aide costs about \$20 an hour, which adds up quickly for round-the-clock care.

A couple in their early 60s can expect to spend as much as \$5,600 a year, according to the American Association for Long-Term Care Insurance.

A long-term insurance policy that covers two years of care would cost less than \$200 a month.