

Valerie S. Mason
Chair

Will Brightbill
District Manager



505 Park Avenue, Suite 620
New York, N.Y. 10022-1106
(212) 758-4340
(212) 758-4616 (Fax)
www.cb8m.com – Website
info@cb8m.com – E-Mail

**The City of New York
Community Board 8 Manhattan
Joint Meeting of the Women and Families Committee
and the Health, Seniors, and Social Services Committee**
Wednesday, January 31, 2024 - 6:30 PM
Conducted Remotely on Zoom

Please note: The resolution contained in the committee minutes is a recommendation submitted by the committee co-chairs to the Community Board. At the monthly full board meeting, the resolution is discussed and voted upon by all members of Community Board 8 Manhattan.

Minutes

Present: Elizabeth Ashby, Gayle Baron, Lori Bores, Meryl Brodsky (Public Member), Alida Camp, Saundra Coleman, Rebecca Dangoor, Susan Evans (Public Member), Wilma Johnson, Rita Popper, Peggy Price, Barbara Rudder, and Robin Seligson.

Approximate Number of Public Attendees: 95

Resolution For Approval:

Item 1: Increasing Transparency of New York State Assisted Living Facilities and Nursing Homes

The meeting was called to order at 6:32 PM.

Item 1: Forum On The High Cost of Elder Care

Four speakers addressed the challenges of finding affordable, quality care and illuminated ways to help locate and pay for such essential services.

This Jan. 31 event was sponsored jointly by the Women & Families and the Health, Seniors, and Social Services Committees. Expert panelists included: Jessica Forden, a researcher at the New School for Social Research; Naomi Cahn, professor at the University of Virginia Law School; Jill Gianola, financial planner, author, and founder of Gianola Financial; and Dr. Eilon Caspi, assistant research professor at the University of Connecticut.

Speakers covered an array of elder care issues, including: the rising need for elder care in facilities or at home; ways to help finance the high cost of this care; and steps to help overcome the limited public information on care facilities.

Jessica Forden, a researcher at the New School for Social Research, reported that 20 million Americans age 55 or older require some type of assistance with activities such as bathing, preparing meals, and taking medication. Citing her co-authored report, she said that America's middle class is the least able to afford professional long-term care, since the wealthy can self-fund this care, while the poor can seek Medicaid. Specifically, some 25% of adults can pay for professional care, while another 25% are among the low-income adults who qualify for Medicaid. But the remaining 50% are less likely to qualify for government assistance, despite the high cost of professional care. In New York, for example, nursing homes currently cost an annual average \$160,000 and home care averages about \$66,000 annually.

The elderly with a family—a spouse and/or children—have higher odds of obtaining usually low-cost family care. But more than 40% of the elderly have no family who can help them with daily activities.

Ms. Forden’s report recommends that America should better address the needs of the middle class by expanding Medicaid’s coverage of long term-care. In 2021, 44% of the \$467 billion spent on support services for those in need came from Medicaid.

Currently Medicaid payments fall into two categories: nursing home Medicaid and community Medicaid, which includes home and community-based Medicaid (HCBS) and aged, blind, disabled Medicaid (ABD). To qualify for Medicaid in New York State, income is capped at \$1,700 per month with assets capped at \$30,000 for a single person. The number differs if there is a spouse or if one lives in another state. Expanding access and raising enrollment caps can help to alleviate care access disparities for the middle class.

Naomi Cahn, a professor at the University of Virginia Law School, emphasized the need to plan ahead for long term care. The longer American adults live, the more likely they will experience physical or mental decline. She reported that 70% of US adults 65 or older will need some type of unpaid assistance during their remaining years. Indeed, in 2021, 38 million Americans received unpaid care from family members. The economic value of this unpaid care equates to \$600 billion nationally.

In terms of paid care in a nursing home, an average 24% of elders will need two years of this care, while 15% will need more than two years. The cost has been high: congressional research calculates that, overall, long-term care spending in 2021 nationally hit \$4.7 billion. Medicare paid for 44.3% of health care costs, while Medicaid covered 19.8%, and the remainder came from other public programs and private sources. Indeed, Medicare consumes 10% of the entire Federal Budget, and Social Security 17%, Prof. Cahn reported.

Following hospitalization, Medicare covers nursing care for a limited time. In turn, Medicaid pays a portion of the nursing home costs for 44% of nursing home residents. But qualifying for Medicaid comes with restrictions, including the need to give away much of one’s assets fully 60 months before one can be eligible for Medicaid. Those who obtain Medicaid for long-term care can retain both a car and home valued at no more than \$1 million. (It was pointed out that New Yorkers planning to use Medicaid for home care could consider putting their assets into an irrevocable trust, which may let them avoid the 60-month lookback period before going on Medicaid.)

Prof. Cahn urged attendees to discuss their future health care needs with family members and/or professionals and to sign a health care directive.

Citing data from the New York State Partnership for Long Term Care, financial planner Jill Gianola revealed that skilled long-term care runs an estimated \$14,000 a month.

The two main options for self-funding long-term care include: using long-term care (LTC) insurance or paying out of pocket, she said.

For those who even qualify for it, LTC insurance is “pricy”—with premiums on some policies rising 35% annually. However, so-called ‘hybrid’ plans provide an option to stand-alone LTC coverage. These newer offerings combine LTC insurance with life insurance or an annuity. The way it can work: “If the policy you have has accumulated cash value, you may be able to transfer this money tax-free (from, say, life insurance) to coverage for long-term care, if you need it,” Ms. Gianola said.

Five considerations when deciding whether to buy LTC insurance:

Whether people worry their care will be burdening friends or family; whether they want more care options than Medicaid funding might afford; whether they hope to leave an inheritance; whether they qualify for a LTC policy; and whether they can afford a policy.

On the latter point, Ms. Gianola recommends spending no more than 5% of one's annual budget on LTC premiums. She also urged anyone interested in LTC insurance to buy a "partnership plan," which protects a certain amount of assets if policy holders deplete their coverage.

Sources of personal funds for long-term care typically include proceeds from the sale of valuables, including a home, and savings and investments.

Saving money can be onerous. For instance, covering \$165,000 of long-term care requires saving about \$800 a month, starting at age 40. To help accumulate savings, workers can use a health savings account (HSA). These vehicles provide a tax break both on contributions to the accounts and withdrawals, which are tax-free for medical costs. Moreover, since money in an HSA is invested, the account size will likely grow over time.

As another option, Ms. Gianola cited continuing care communities. In terms of cost, "you typically pay a substantial entrance fee and a monthly fee—part of which is tax deductible as prepaid medical," she said. Just one of their benefits: "Should you run out of money, you can't be kicked out of one."

Dr. Eilon Caspi focused on the difficulties finding suitable assisted living facilities and nursing homes. He cited a "gross lack of transparency in the assisted living sector because basic information about their care and safety is not publicly available in most states." Even in states where information on assisted living facilities exists, it's both sketchy and hard to access.

He said that the NYC Health Dept. does post citations on facilities. But investigation reports are not available online.

The government does provide quality ratings of some aspects of all U.S. nursing homes through the CMS Care Compare website, www.medicare.gov/care-compare. (But Dr. Caspi calls this offering "heavily flawed," since information is largely supplied by nursing homes themselves.) In addition, on its website, www.nursinghome411.org/assisted-living, the Long-Term Care Community Coalition provides some information on assisted living facilities.

Among the factors to weigh when considering assisted living:

Don't be fooled by a hotel-like design; prefer a small-scale environment; and inquire about full-time staffing and staff turnover, patient occupancy rate and ownership of the facility (avoid those owned by private equity firms and REITS), and policies regarding camera placement inside bedrooms. Moreover, during admission, don't sign a pre-dispute arbitration agreement.

RESOLUTION:

WHEREAS America's population of those aged 65 and older is projected to jump 47% between today and 2050; and

WHEREAS a person turning age 65 today has an almost 70% chance of needing long-term care in his or her lifetime; and

WHEREAS, by at least one estimate, the already high cost of care from a home health aide, assisted living facility or nursing home, is estimated to leap a median 30% between 2021 and 2030 alone; and

WHEREAS public information on the quality of care in assisted living facilities and nursing homes remains sparse, toughening the job of individuals and families to make an informed choice of care facility—despite centers’ high costs; and

WHEREAS information—including ownership, care services, and problem areas—is even less available with assisted living centers than with nursing homes; therefore,

BE IT RESOLVED that Community Board 8 Manhattan urges the New York State Department of Health to increase transparency of New York State’s assisted living facilities and nursing homes. For each facility, actions should include creating publicly available, internet-accessible information that is comparable among similar facilities in New York State. Information would include, but not be limited to the ownership of such facilities; the quality of their care, including the proportion of registered nurses per care recipient in nursing homes, and times doctors are on call at assisted living facilities; details of complaints about care facilities; and, full reports on all investigations of these care centers.

Approved by a vote of 10-0-0-0

Yes: Elizabeth Ashby, Gayle Baron, Lori Bores, Meryl Brodsky (Public Member), Alida Camp, Wilma Johnson, Rita Popper, Peggy Price, Barbara Rudder, and Robin Seligson.

The meeting ended at approximately 8:40 PM

P. Gayle Baron and Margaret Price, Co-Chairs, Women and Families Committee
Rebecca Dangoor, Wilma Johnson, and Barbara Rudder, Co-Chairs, Health, Seniors, and Social Services
Committee