

Long-term Care Projections

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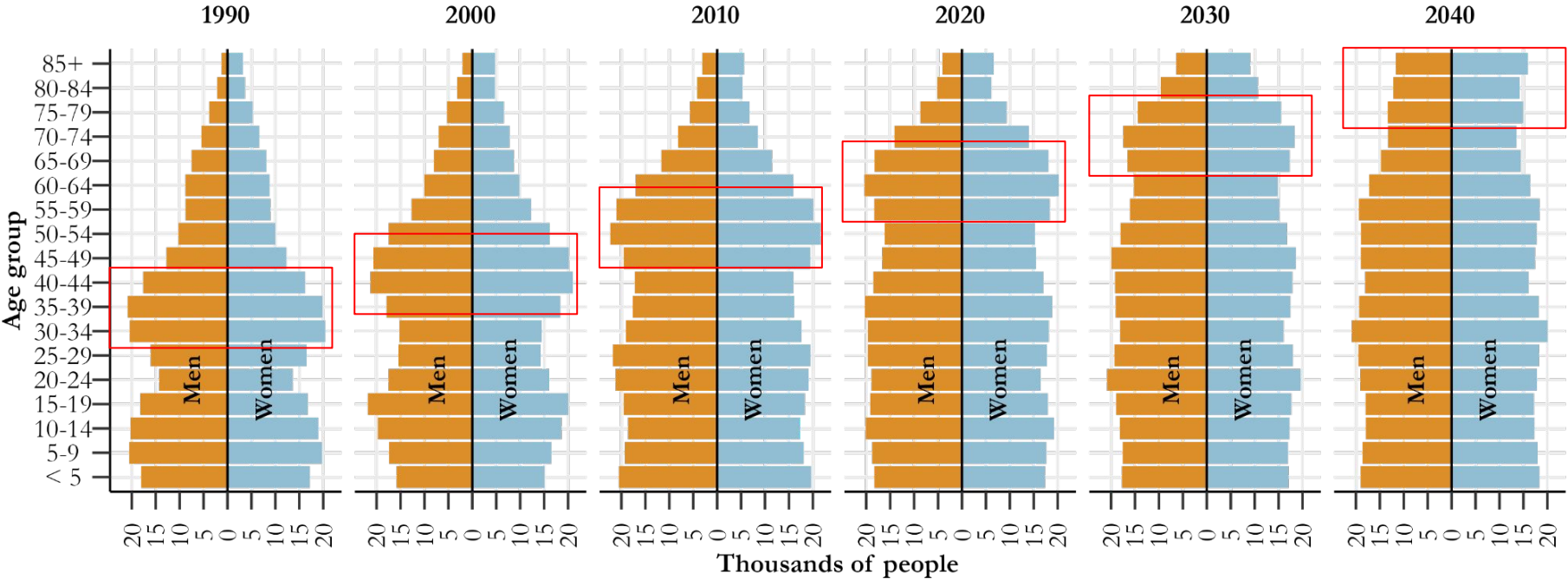
Joint Labor, Health and Social Services
Interim Committee



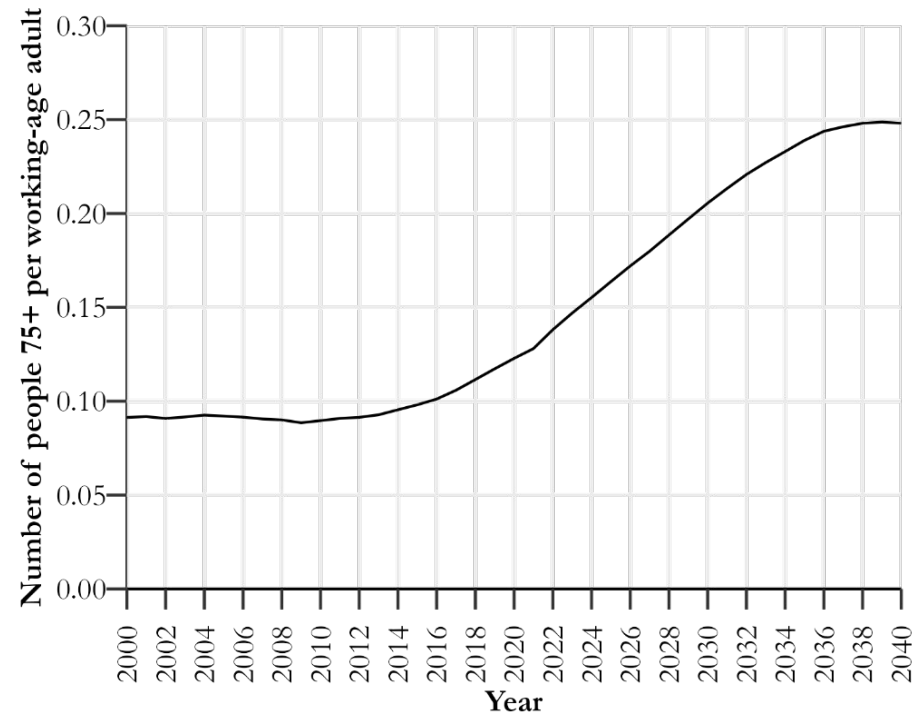
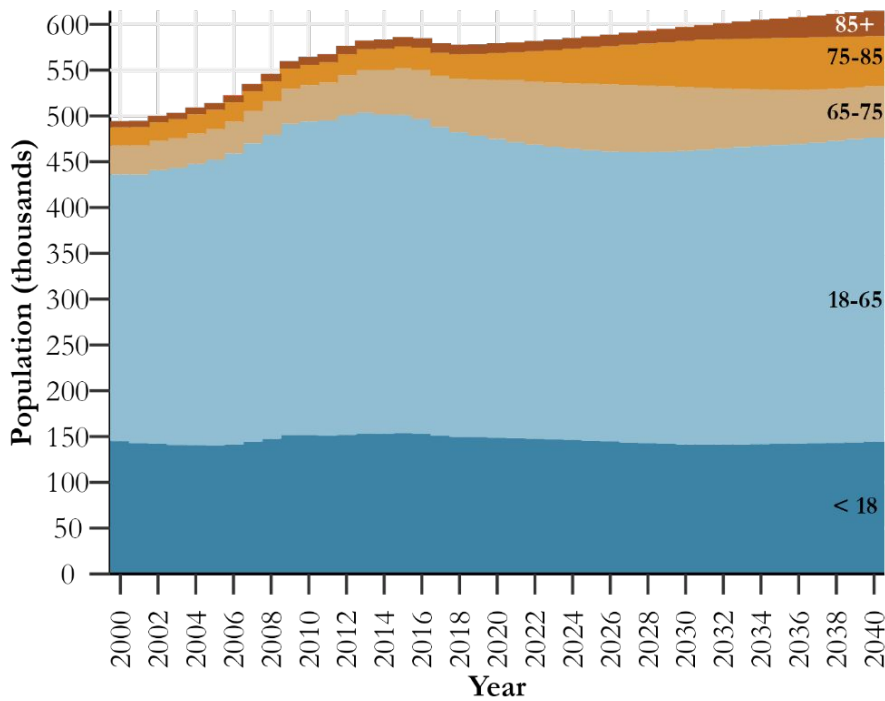
Wyoming
Department
of Health

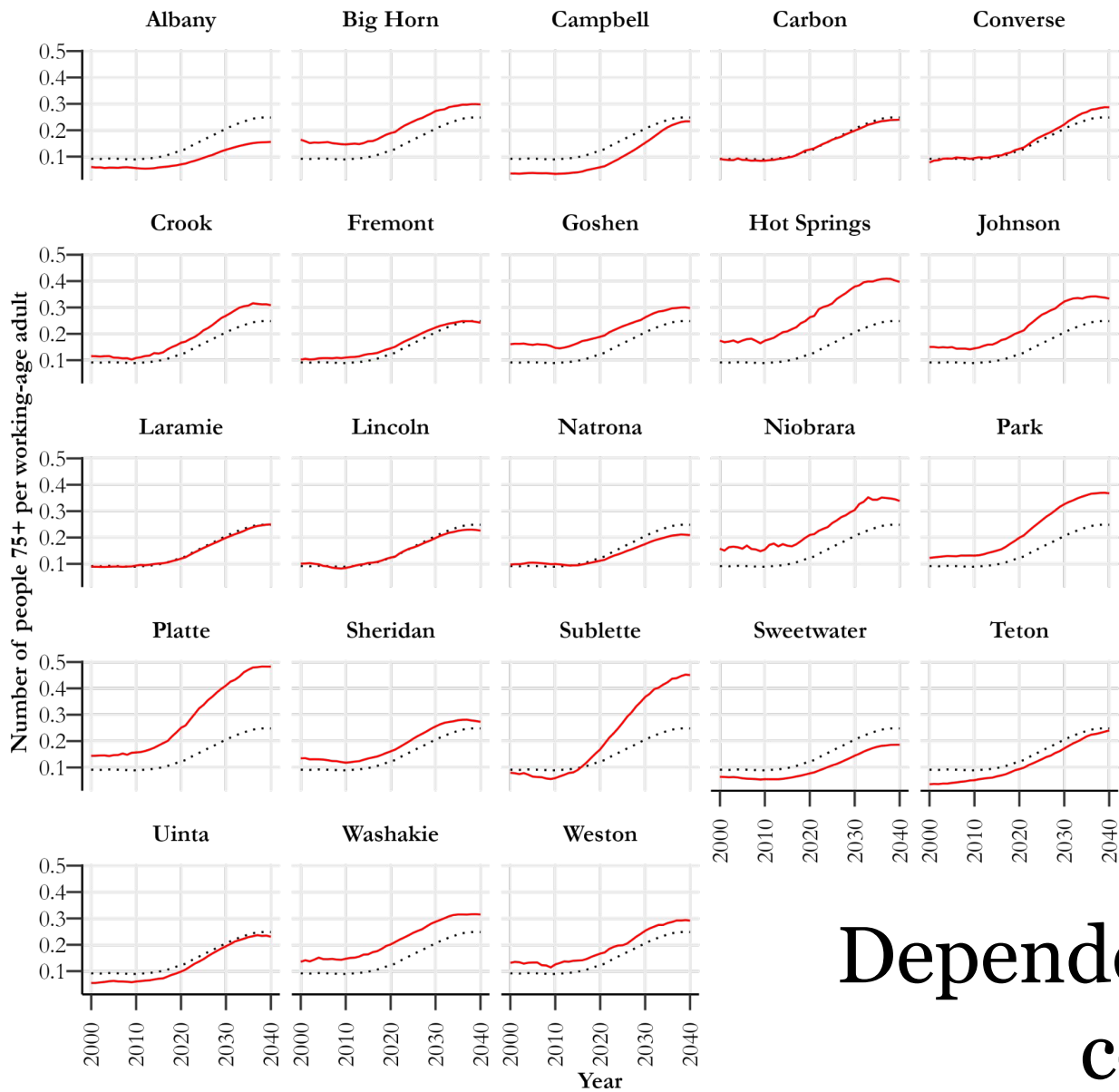
June 22nd, 2023

Wyoming population pyramids

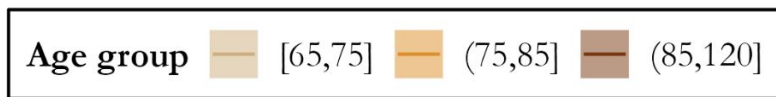
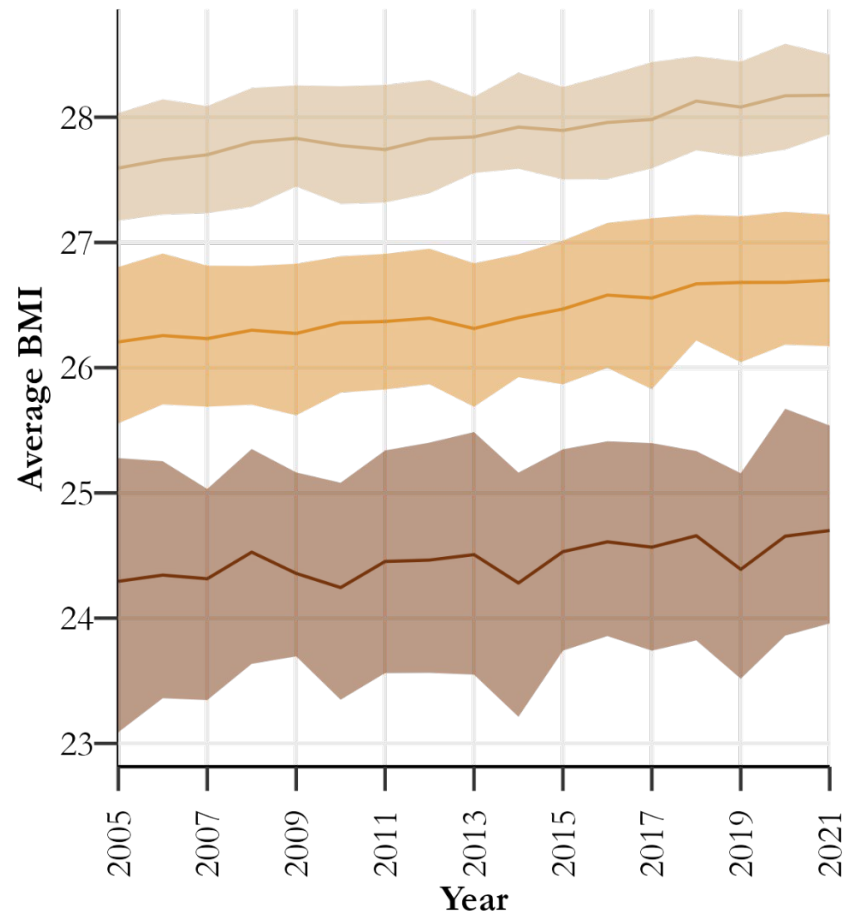
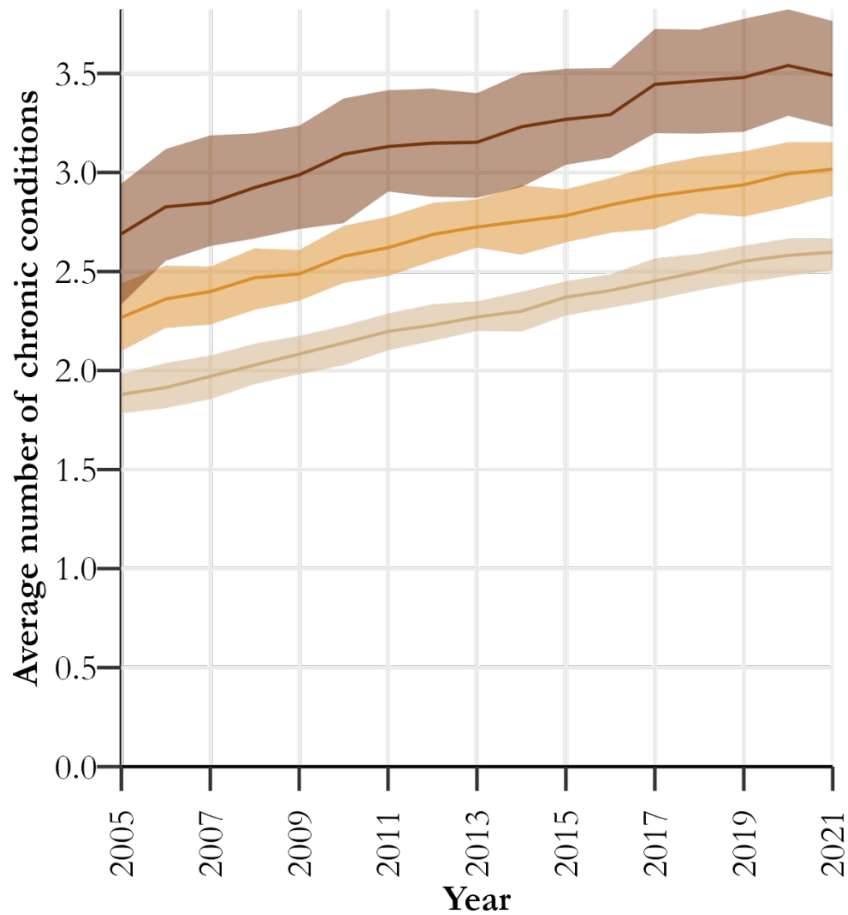


Demographic trends and dependency ratio





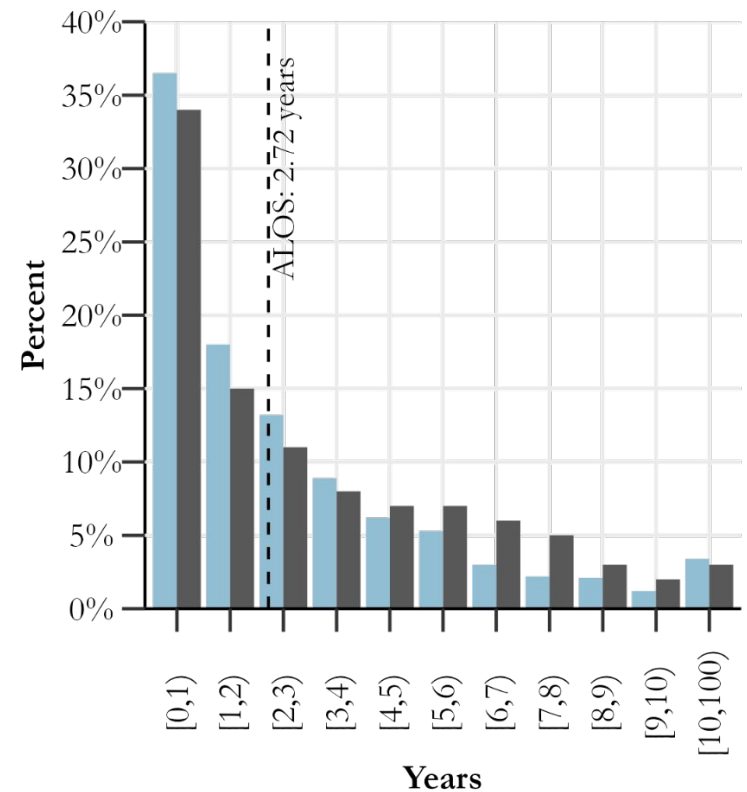
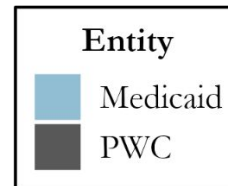
Dependency ratio by county

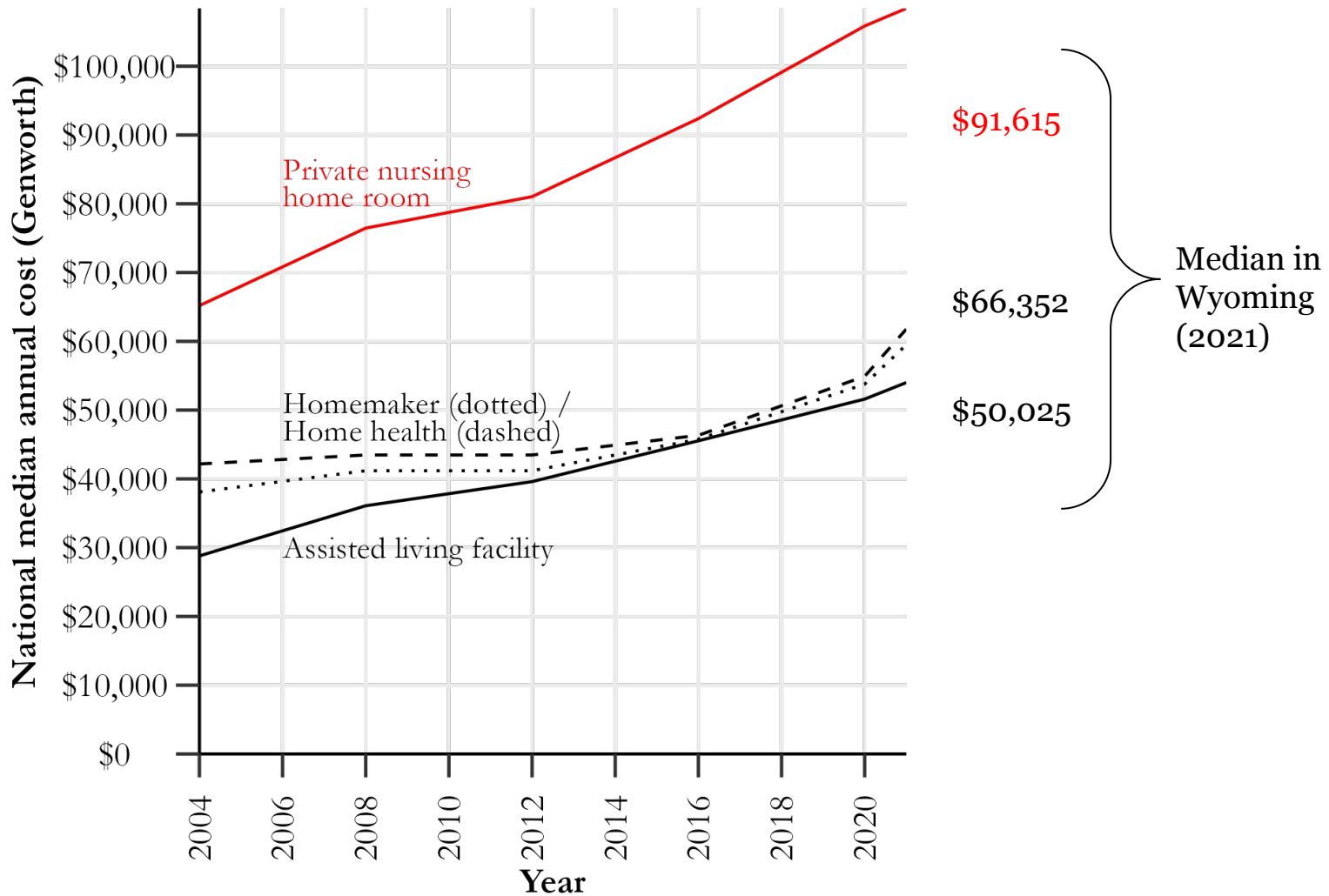


Increasing burden of chronic disease

Most people will need some long-term care

- For people turning 65 today, **70% chance** of ultimately needing **either paid or unpaid** long-term care.
- Odds of requiring **paid** LTC are **~44%** for **men** and **~58%** for **women**.
- People requiring nursing home care can **expect a total of 2-3 years**, but distribution is skewed to the right.

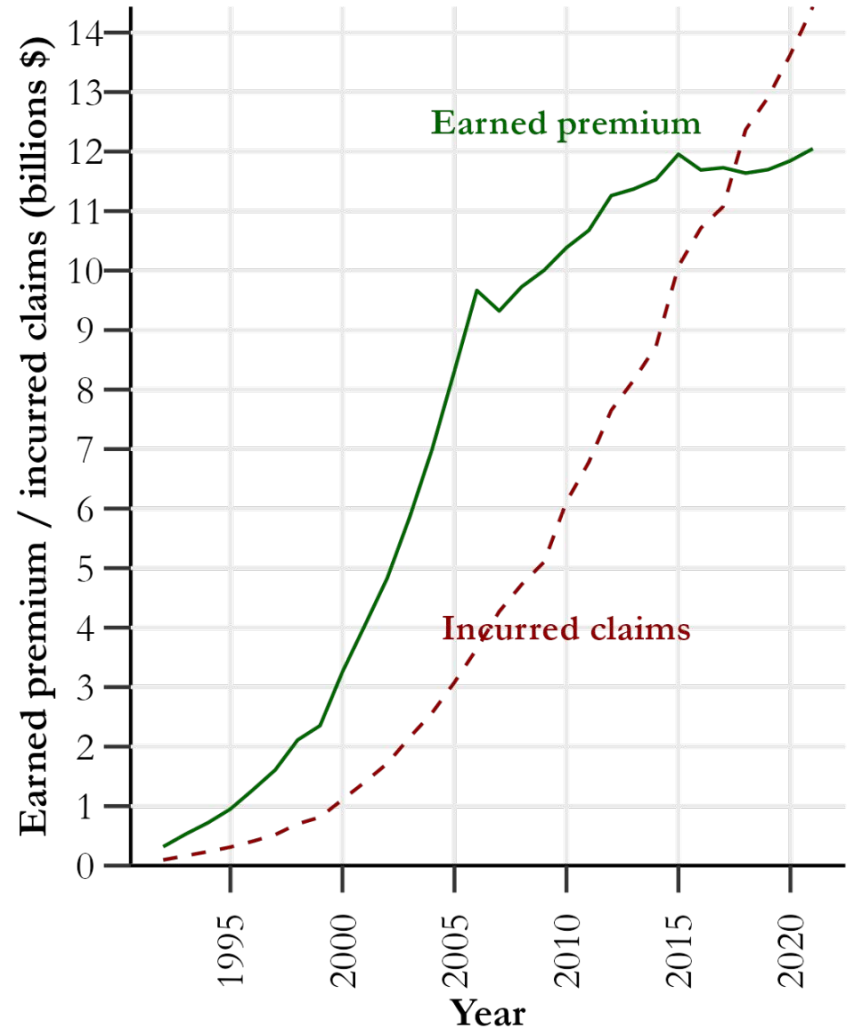
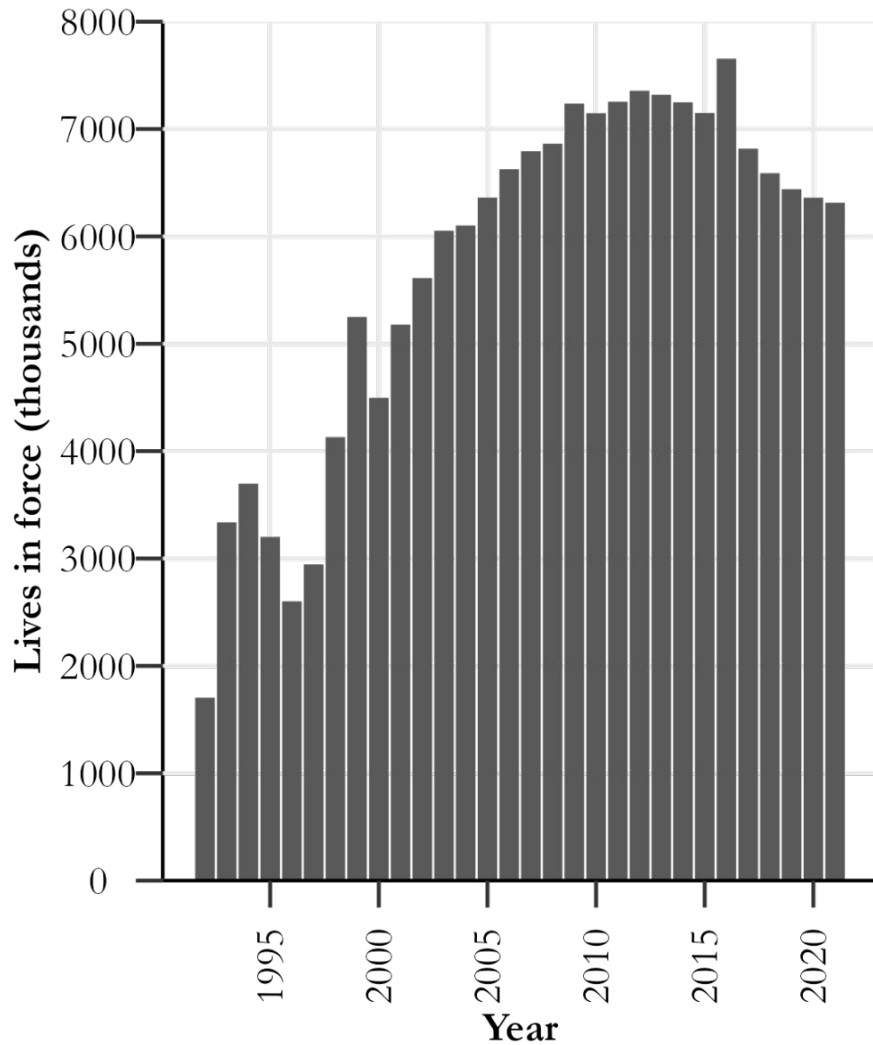




Long-term care is expensive

Most people are financially unprepared for retirement

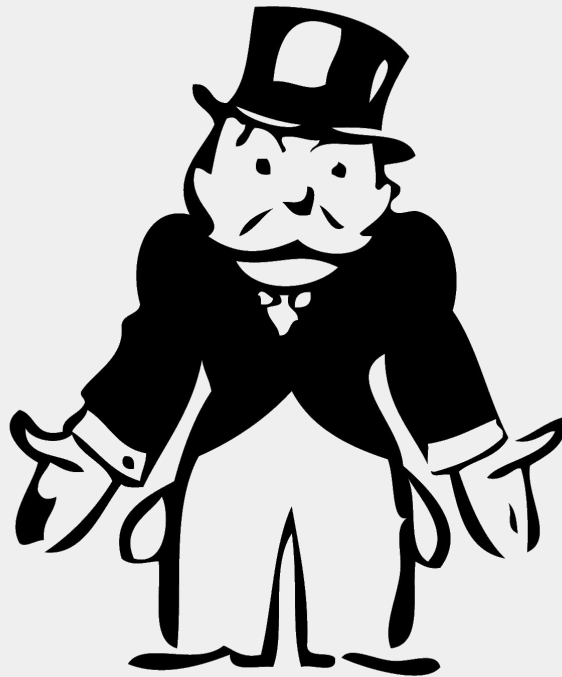
- ~41% of households between the ages of 55 and 64, and 52% of households between the ages of 65 and 74, have no retirement savings.
- Of those with some retirement savings, the median amount was \$104,000 for households between the ages of 55 and 64, and \$148,000 for households between the ages of 65 and 74.
- Social Security makes up an average of 52% of household income for households over age 65.



Stand-alone long-term care insurance market

Who will be left holding the bag?

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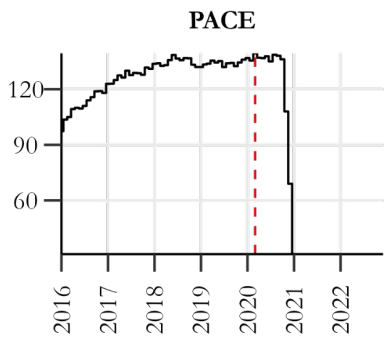
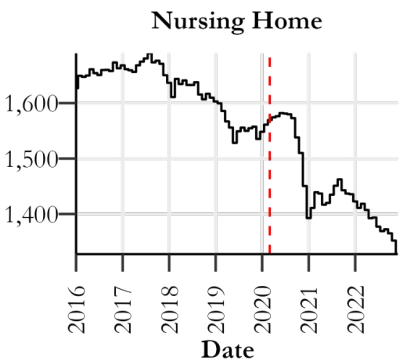
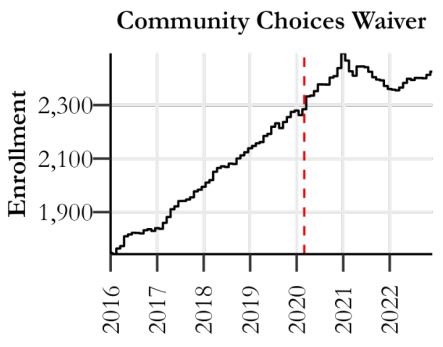
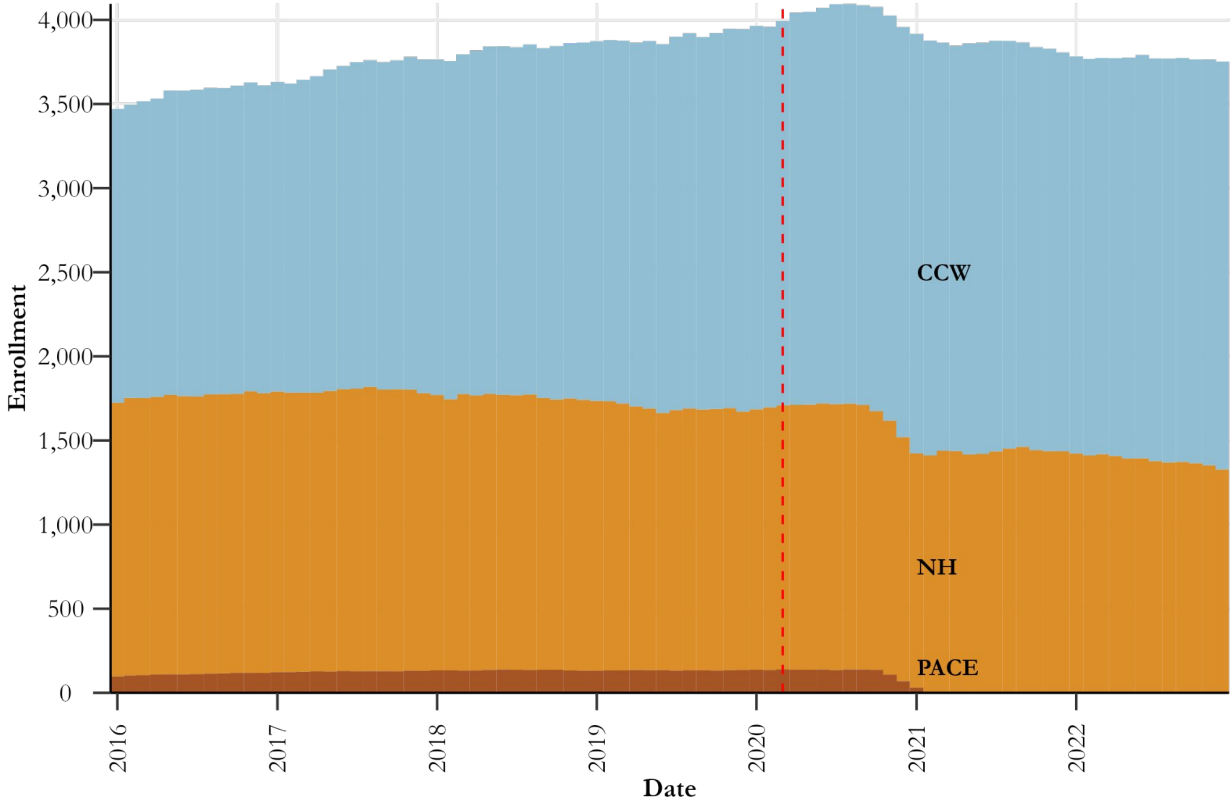
Wyoming Medicaid - Long Term Care

Medicaid provides long-term care through two programs:

- Skilled Nursing Facility (SNF) settings
 - Also known as nursing homes
 - Mandatory Medicaid benefit
 - ~65% of total bed-days in Wyoming are paid by Medicaid

- Community Choices Waiver
 - Long Term Care and Assisted Living Facility Waivers merged in SFY 2017.
 - Optional Medicaid alternative to SNF

Wyoming Medicaid enrollment by LTC program 2016 - 2023



Nursing Home

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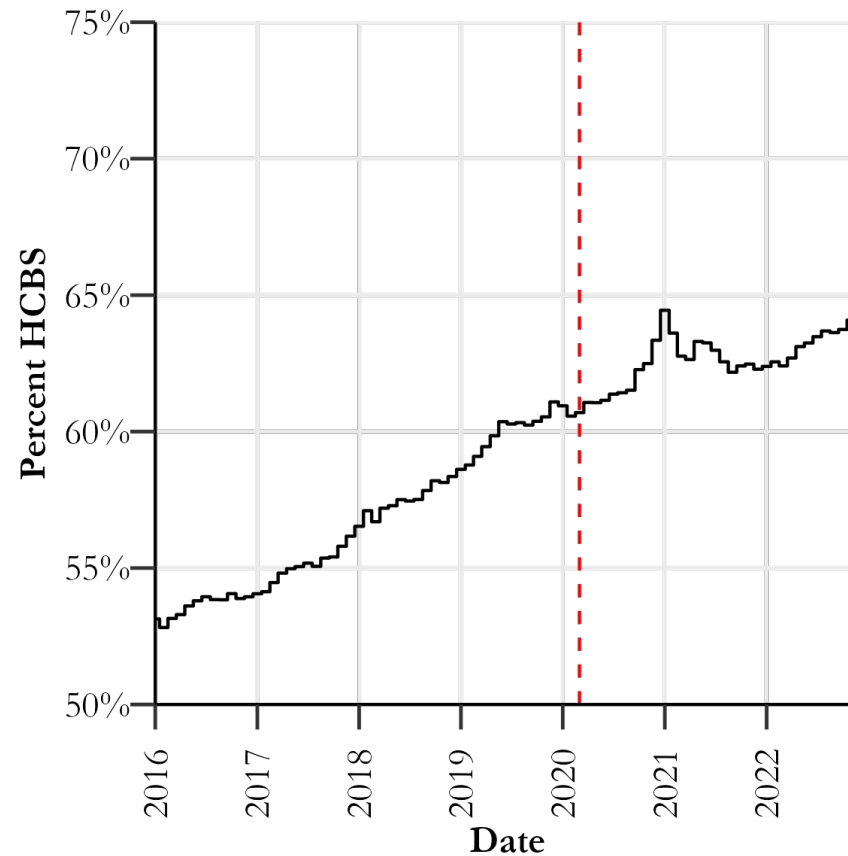
SFY	Expenditures	Member Months	Avg. Enrollment	PMPM
2011	\$79,967,179	20,307	1,692	\$3,938
2012	\$79,243,110	20,569	1,714	\$3,853
2013	\$77,134,902	20,232	1,686	\$3,813
2014	\$75,382,096	20,092	1,674	\$3,752
2015	\$74,242,244	19,667	1,639	\$3,775
2016	\$88,192,883	20,250	1,688	\$4,355
2017	\$89,955,370	20,592	1,716	\$4,368
2018	\$88,245,514	19,961	1,663	\$4,421
2019	\$87,178,360	19,302	1,609	\$4,517
2020	\$94,184,437	18,864	1,572	\$4,993
2021	\$78,498,772	17,553	1,463	\$4,472
2022	\$79,011,773	17,256	1,438	\$4,579
2023	\$81,953,885	16,620	1,385	\$4,931

Community Choices Waiver

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SFY	Expenditures	Member Months	Avg. Enrollment	PMPM
2011	\$31,663,825	19,203	1,600	\$1,649
2012	\$33,821,599	18,812	1,568	\$1,798
2013	\$30,383,671	18,152	1,513	\$1,674
2014	\$30,236,004	18,369	1,531	\$1,646
2015	\$32,719,341	19,776	1,648	\$1,654
2016	\$37,126,339	21,642	1,804	\$1,715
2017	\$38,522,589	22,865	1,905	\$1,685
2018	\$40,442,652	24,202	2,017	\$1,671
2019	\$43,537,210	25,476	2,123	\$1,709
2020	\$47,556,361	27,192	2,266	\$1,749
2021	\$50,059,831	29,112	2,426	\$1,720
2022	\$53,116,074	28,812	2,401	\$1,844
2023	\$54,432,132	29,100	2,425	\$1,871

Percent of Wyoming Medicaid long-term care members in home- and community-based settings



HCBS Fraction Model

Inputs:

Total Medicaid LTC arrivals

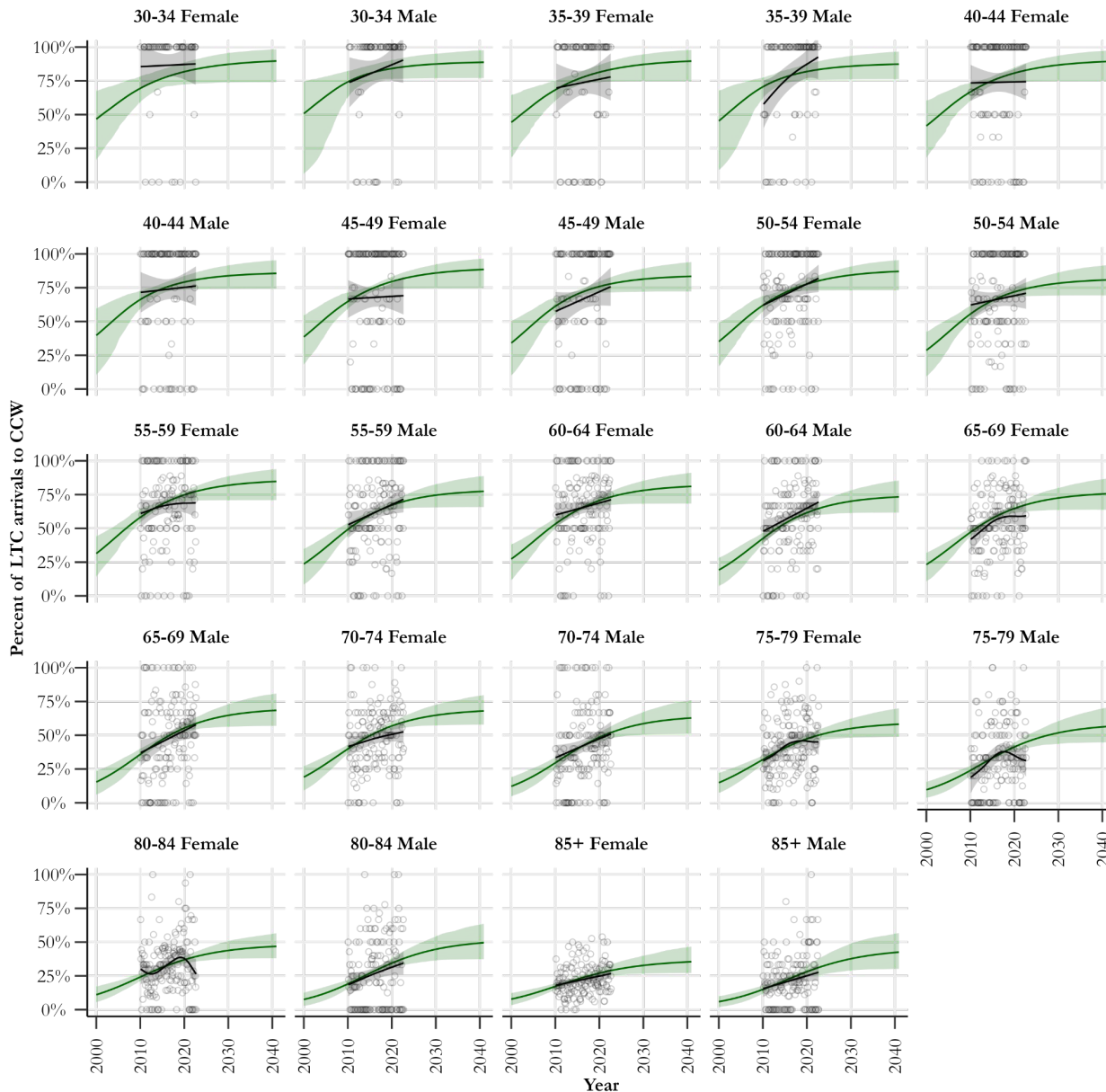
Outputs:

Number of these arrivals going to CCW (and NH)

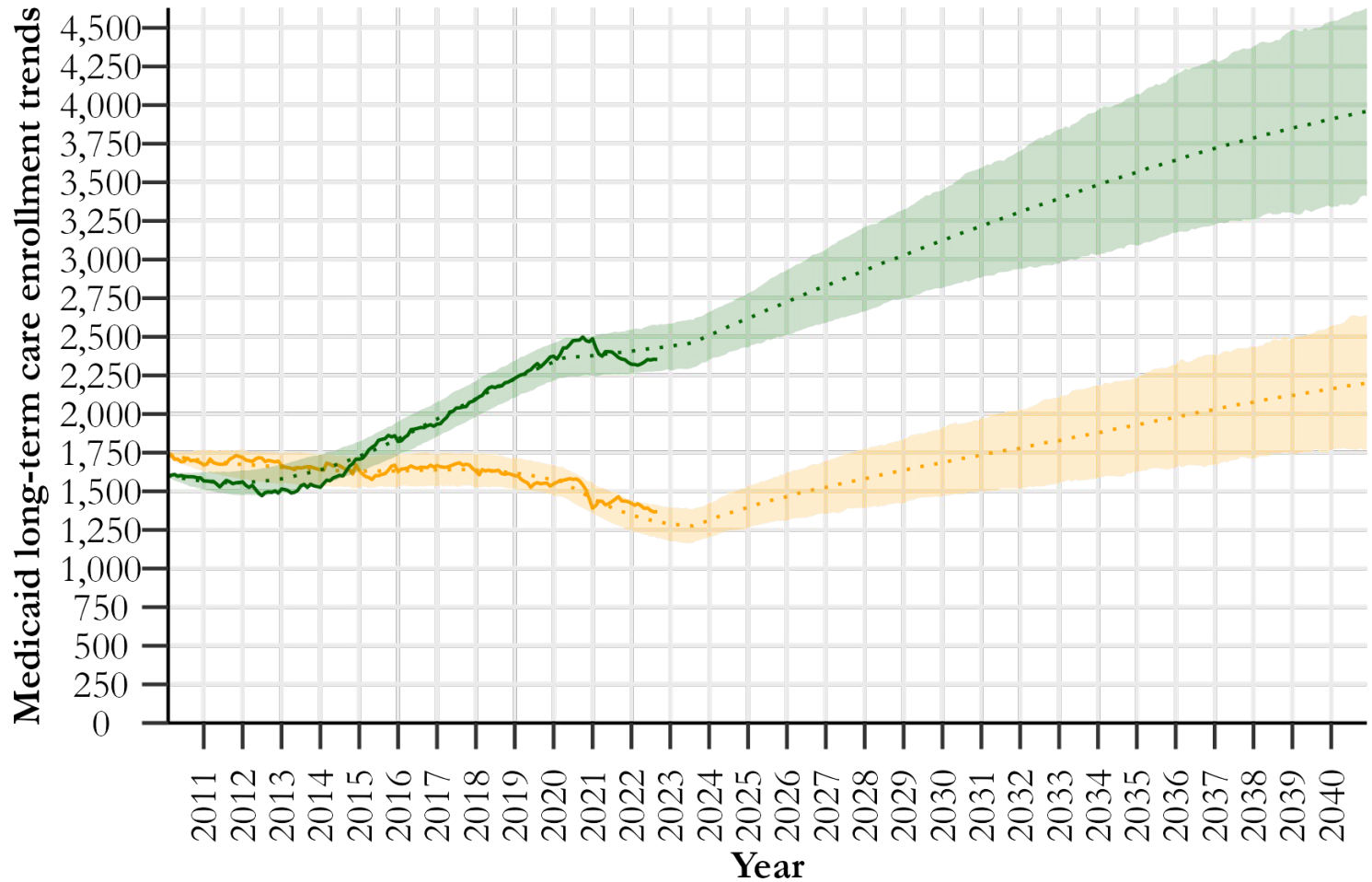
Assumptions:

(1) Change in percent HCBS over time follows a logistic (S-shaped) growth curve, similar to a new technology adoption. Curve parameters vary by age/sex.

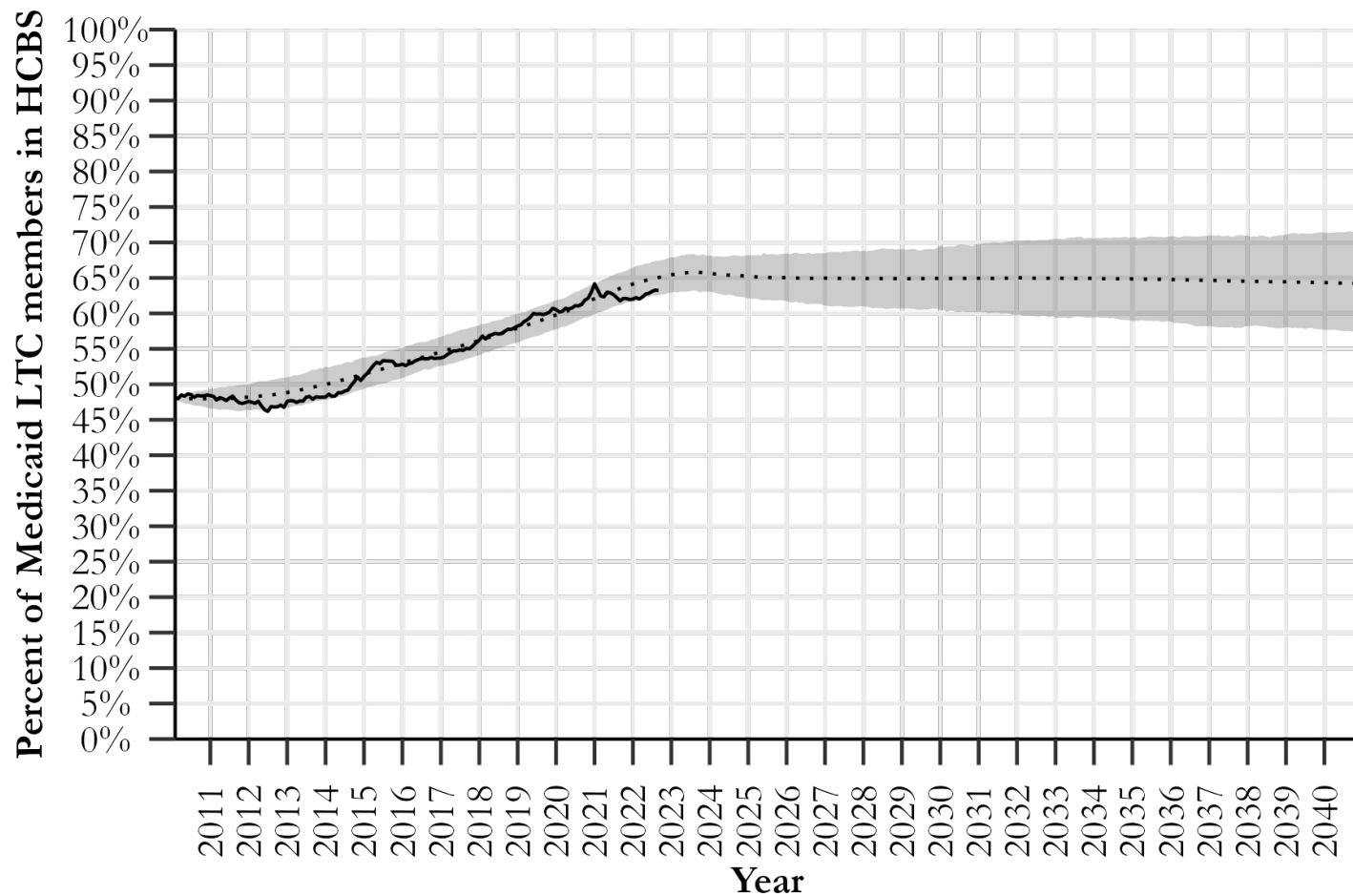
(2) Counts from total can be modeled as a binomial distribution.



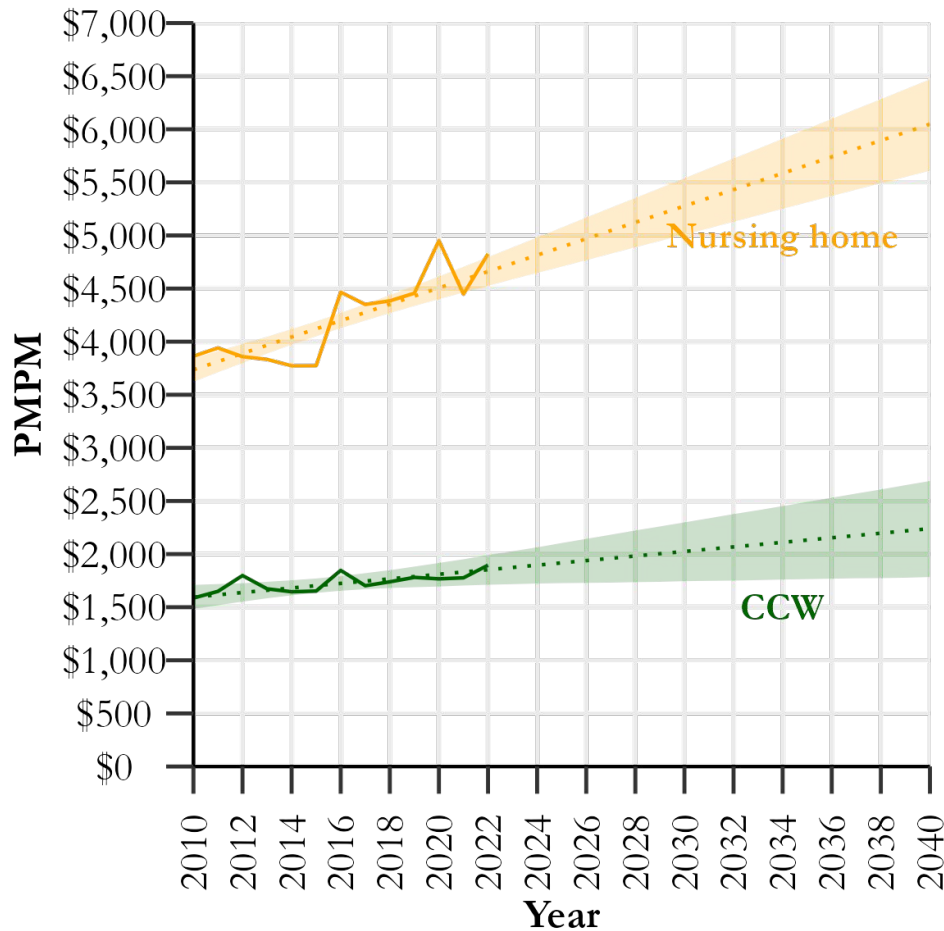
Model enrollment projections for CCW (green) and nursing homes (orange)



Percent of members served in HCBS projected to flatten



Per-member per-month cost projections for CCW (green) and nursing homes (orange)



PMPM Model

Assumptions:

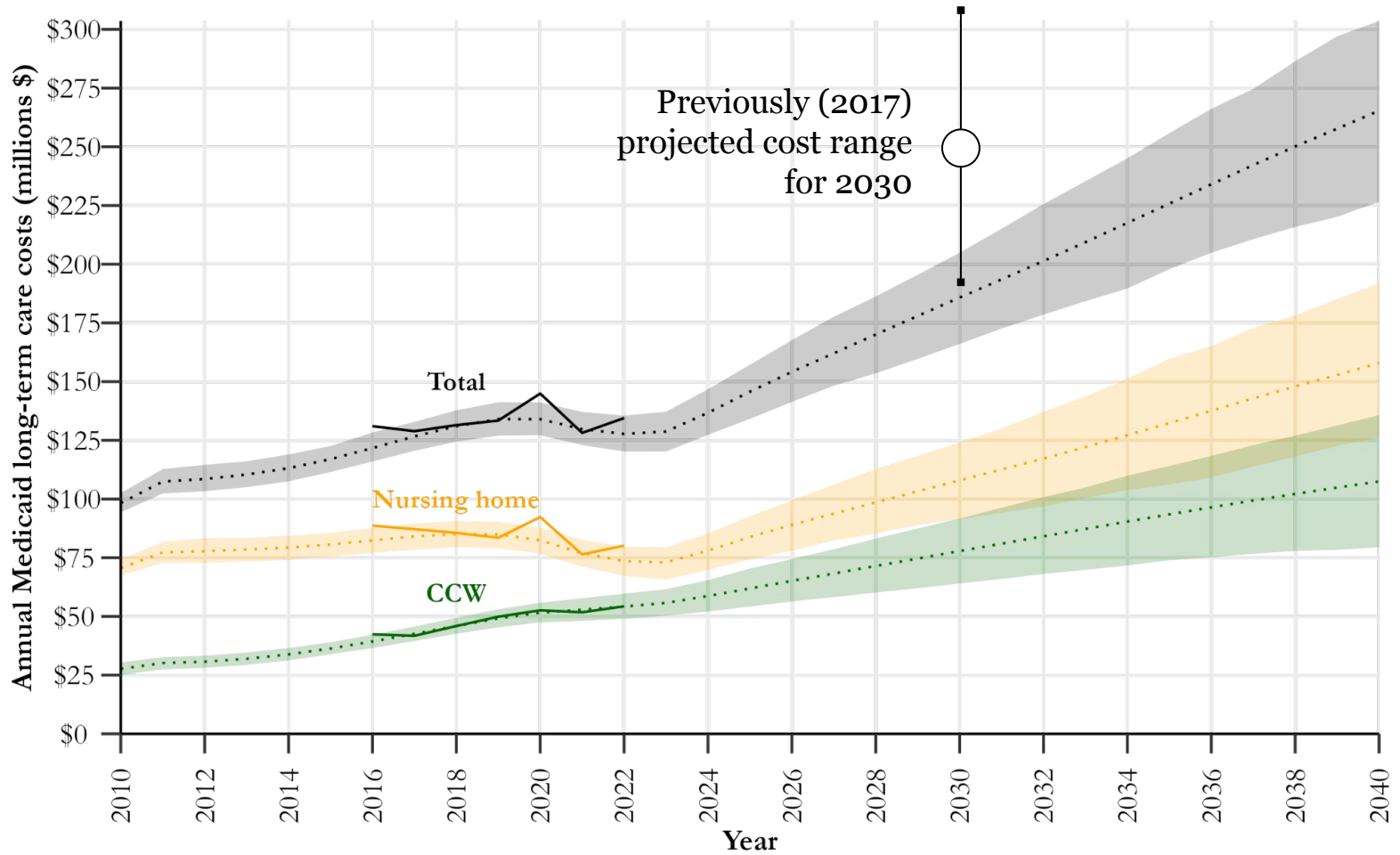
(1) Nominal long-term average per-member per-month costs will grow linearly over time.

(2) Does not include supplemental payments to nursing homes (UPL programs).

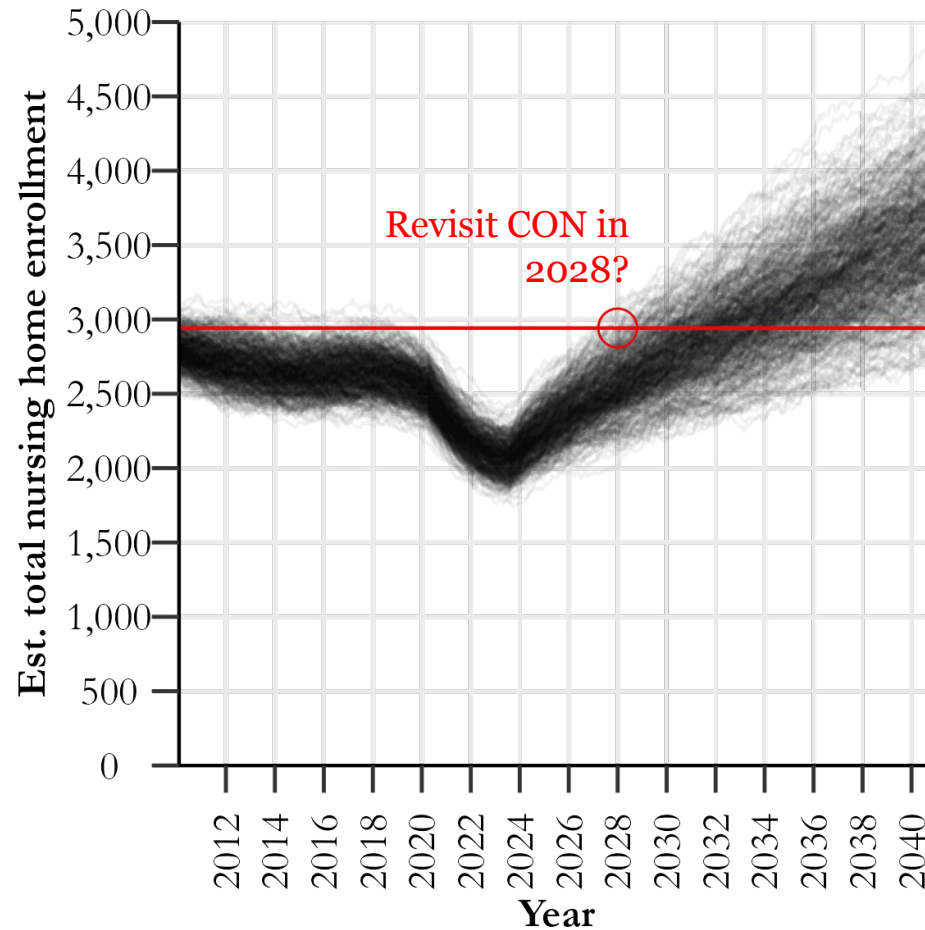
(3) Does not include recent (23/24 Supplemental Budget) nursing home rate increases.

(4) Variance in year-to-year PMPM can be modeled with a Gaussian/normal distribution.

Total annual cost projections



Total nursing home enrollment estimates vs. 2023 licensed bed capacity (2,942)



Questions?



Wyoming
Department
of Health
