

The State of Aging 2015 Report of the Institute for Aging



This report is the first of an annual series to be prepared by the Institute for Aging.¹ It is designed to raise the awareness of the Cabinet for Health and Family Services, State Legislature, and citizens of the Commonwealth as they make funding decisions for the needs of Kentucky's older citizens. *The State of Aging* provides selected summary information on the status of the older adult population of Kentucky, the delivery of services to this population, and key issues identified by the Institute as critical to the future service needs of its older citizens.

The report includes three components. First, up-to-date information is presented on selected demographic, economic and social characteristics of the older adult population of the Commonwealth. Specific characteristics have been selected by the Institute because they represent critical trends in the aging of the state's population and the circumstances of its residents that require attention from the Legislature.

A second component presents the most recent available statistics on the delivery of selected services and programs to older adults and those who care for them. For individual programs, data are provided on numbers served, expenditures and waiting lists. The intent is to present information pertinent to public discussion of current and pending needs in providing essential services.

The third component of the report is more in-depth consideration of issues chosen by the Institute on Aging that merit focused attention. This year the focus is on: (1) long-term care, focusing on the relationship between institutional and community-based care; (2) providing adequate rural transit; and (3) initiatives to facilitate an 'Age Friendly Kentucky'.

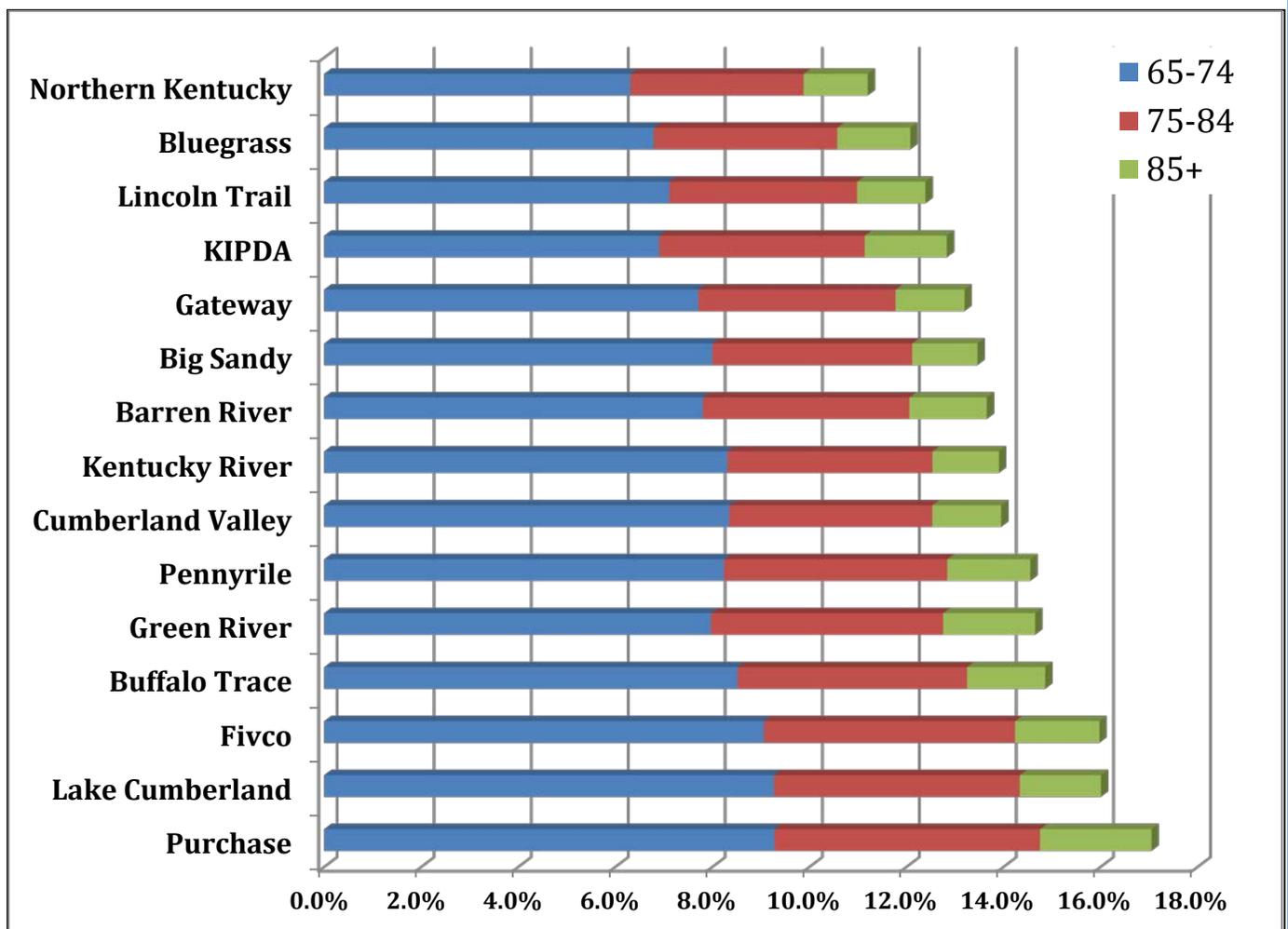
I. Update on Kentucky's Older Population

Basic Demographics

According to the U.S. Census Bureau, Kentucky's total population in 2010 was 4,314,113 and is expected to increase to an estimated 4,554,998 by 2030. The largest proportion of persons contributing to this increase is the Baby Boom generation (persons born between 1946 and 1964). In 2010 the population of persons 65 and older was 578,227, comprising 13.33% of the total population. There were 829,193 persons aged 60 and older in the Commonwealth, comprising 18.8% of the total population. This proportion is projected to increase to 25.6% by 2030.¹

¹The Kentucky Institute for Aging was created in 1974 under KRS 194A.090, Citizen Advisory Bodies –Public Health Services Advisory and was amended in July 2000. The Goals of the Institute which comprises 15 members appointed by the governor of the Commonwealth are “(1) to assess, review, and appraise services and programs for older adults within the Commonwealth and nation; (2) to recommend priorities for the state; and (3) to increase awareness within the Commonwealth of issues related to aging.”

Figure 1 Age Composition of the Older Adult Population (2010)

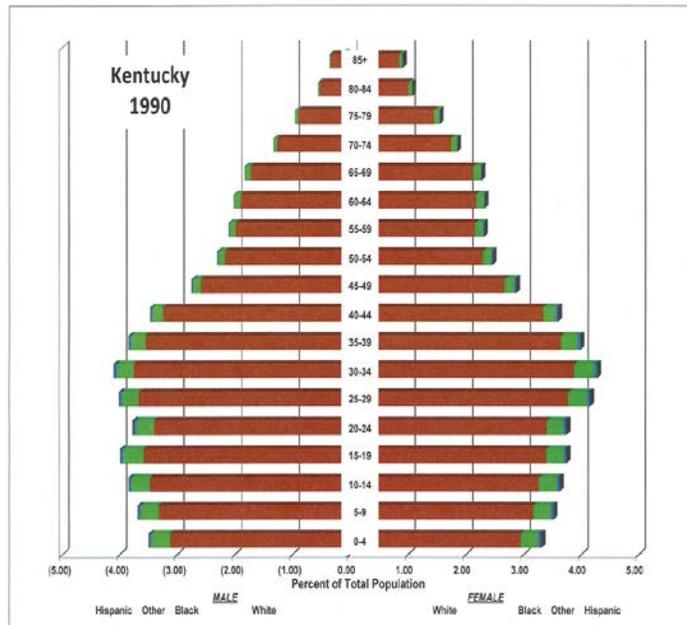


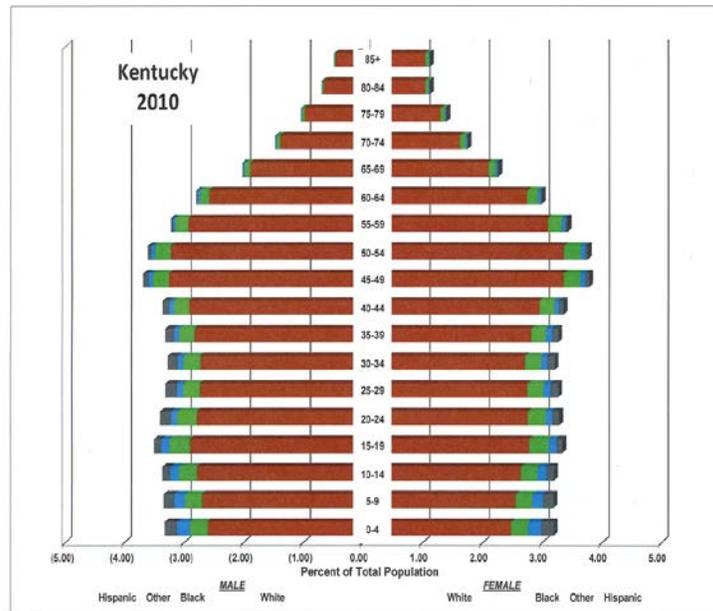
Changing Ethnicity: A Demographic Concern for the Future

Kentucky is experiencing the beginning of significant change in the ethnicity of its older adult population. The Hispanic population of males and females in Kentucky increased from 21,984 in 1990 to 131,242 in 2010. The number of Hispanic adults aged 65 and older increased from 1,247 in 1990 to 3,747 in 2010. Today, the Hispanic population comprises 3.3% of the population but by 2030 this is anticipated to have increased significantly.

¹ Eligibility for receipt of services from Older Americans Act programs as an older adult in Kentucky begins at age 60.

Figure 2 Changing Ethnicity These will be updated by John Watkins





Economic Status

Almost one in five Kentuckians (18.8%) lives on an income below the poverty level in comparison with 11.3% of the national population. In rural Kentucky 23.4% of the population is living at or below the poverty level. There is a significant income differential between Kentucky's urban and rural residents with rural resident incomes on average about \$10,000 less than those of urban residents. Of the 120 counties in Kentucky, 30 are on the list of the 100 most impoverished counties in the United States. These counties are mostly located in rural, eastern Kentucky. The combined effect of outmigration of the young, aging in place, and high poverty rates is resulting in an aging population that is isolated and living on limited resources. There is also a growing income disparity between the sexes. Individual men aged 65+ reported median incomes of \$29,327 and women aged 65+ reported median incomes of \$16,301. Because women live longer than men on average, they live in poverty for longer periods of time. (See Table 1)

Table 1 Older Adult Poverty

ADD	% 65+ Male	% 65-74 Male	% 75+ Male	% 65+ Female	% 65-74 Female	% 75+ Female
Kentucky						
Barren River	7.3%	5.2%	11.0%	15.9%	14.7%	17.4%
Big Sandy	10.5%	10.2%	11.1%	16.2%	13.7%	19.9%
Bluegrass	7.1%	8.1%	5.4%	11.1%	10.0%	12.6%
Buffalo Trace & Gateway	17.6%	17.4%	18.1%	18.4%	12.8%	26.4%
Cumberland Valley	13.3%	11.9%	16.7%	17.5%	15.9%	19.7%
Fivco	10.7%	9.8%	12.2%	18.3%	18.3%	18.4%
Green River	7.5%	7.1%	8.0%	10.8%	7.4%	15.1%
Kentucky River	5.0%	4.0%	6.5%	9.0%	7.3%	11.0%
KIPDA	13.9%	14.2%	13.3%	15.8%	13.3%	19.4%

Lake Cumberland	15.0%	13.2%	17.6%	21.6%	16.9%	28.0%
Lincoln Trail	8.6%	10.9%	4.4%	13.6%	13.7%	13.6%
Northern Kentucky	7.4%	7.9%	6.4%	10.7%	6.6%	16.5%
Pennyrile	9.7%	9.0%	11.2%	20.4%	19.2%	22.0%
Purchase	6.8%	7.5%	5.6%	11.2%	7.9%	15.2%

www.pensionrights.org, www.census.gov/population/www/socdemo/age, www.ers.usda.gov, webarchives.cdlib.org

Disability

Kentucky ranks fourth in the nation for persons aged 65 and over with a disability. In Kentucky, **KRS 12.450 to 12.465** defines disability as:

12.450 Definition of "disability" for KRS 12.450 to 12.465.

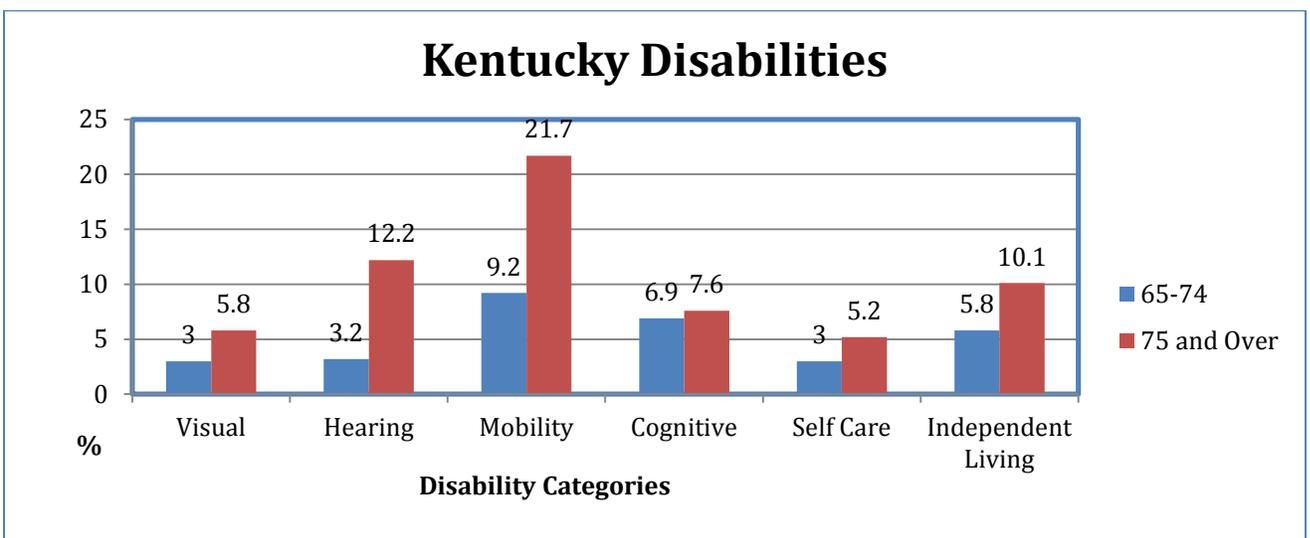
As used in KRS 12.450 to 12.465, unless the context requires otherwise:

(1) "Disability" means, with respect to an individual:

- (a) A physical or mental impairment that substantially limits one (1) or more of the major life activities of the individual;
- (b) A record of such an impairment; or
- (c) Being regarded as having such an impairment.

According to the Cornell University 2013 Disability Status report, 33.4% of Kentucky's population ages 65-74 have some form of disability. This percentage increases to 56.2% after the age of 75 (Figure 3). These disabilities, particularly mobility, self-care and independent living have a great impact on the use and cost of long term care services whether in the community or in long term care facilities. Kentucky ranks 32nd in the nation for total expenditures for Medicaid waiver services for the elderly and physically disabled and is the 16th highest in expenditures in nursing homes. Due to the prevalence of chronic disease and the proportional increase of individuals who are aging, Kentucky will soon have the highest population levels of disability requiring long-term care and support services in the nation. (See Figure 3)

Figure 3 Older Adult Disabilities in Kentucky



II. Long-term Care Issues and Options

There are currently three major categories of services and support for long-term care of older adults and persons with disabilities. Long-term care facilities and other residential options such as assisted living, personal care, and family care homes require the individual to leave their residence and often their community in order to receive care. In home and community services such as home health, adult day health and programs and services offered through the federally funded Older Americans Act and Medicaid and state funded programs, Homecare and the Personal Attendant Program provide opportunities for individuals to get the assistance they need while remaining in their home and community. The third option is the family network of caregivers that provides assistance to family members and includes assistance to grandparents who are raising grandchildren as they themselves are aging.

Long-term Facility Care

The quality of care in Kentucky's nursing facilities became a major focus in 2014 as a result of concern raised by a report from a non-profit organization *Families for Better Care* that rated Kentucky last among the states on quality indicators. In June, 2014, AARP published a report titled “State Long-Term Services and Supports (LTSS) Scorecard.” The purpose of this report was to measure each state’s performance of LTSS to “assist older people, adults with disabilities, and their family caregivers.” The report compared states applying five indicators of success: (1) affordability and access, (2) choice of setting and provider, (3) quality of life and quality of care, (4) support for family caregivers, and (5) effective transitions. The report ranked Kentucky as fifty-first (51) of the fifty states and territory of Guam. (See Table 2)

Table 2: Kentucky Long-term Care Services and Support (AARP 2014)

Dimension	Rank	Number of Indicators with Trend *	Number of indicators showing:**		
			Substantial Improvement	Little or no Change	Substantial Decline
Overall	51	17	5	9	3
Affordability and Access	51	5	0	5	0
Choice of Settings & Providers	50	3	1	1	1
Quality of Care and Quality of Life	50	4	3	0	1
Support for Family Caregivers	46	3	1	1	1
Effective Transitions	42	2	0	2	0

*Trend cannot be shown if data is missing for either the current or baseline data years. In each state 16 -19 indicators have enough data to calculate a trend. **See full report for how change is defined.

Governor Beshear responded to long-term care advocates' concern about these reports by creating a series of forums held in communities across the state to evaluate community perceptions of quality of care in long-term care facilities. Over four months, 31 regional forums involving a total of 756 individuals provided input to guide policy makers. Data from the Forums has been reviewed and a report on the findings is available from the Department for Aging and Independent Living. Two recommendations from that report refer to long-term care needs:

1. Care in facilities as well as the community and home should be person-centered and recognize the wants, needs and desires of the individual with regard to when and how care is given as well as provide an environment that gives options for age appropriate activities and amenities.
2. It is necessary to review current training required for all service providers to determine if content relates to issues identified by forum attendees and determine if the content is adequate or needs updating.

The federal Center for Medicare and Medicaid Services (CMS) maintains a rating system for skilled nursing facilities intended to inform consumers about regulatory compliance. This Nursing Home Compare Quality Rating System relies on a blend of inspection results, staffing appropriateness and resident-reported quality of life. CMS awards 1 (low) to 5 (high) stars, using a normal bell curve to distribute the scores, updates them throughout the year, and reports them on a special website for this purpose (www.medicare.gov/NursingHomeCompare). Because its current design clusters facilities by state, the CMS Five-Star system neither supports nor contradicts the two consumer organizations' studies mentioned above. Within the eight-state CMS Southeast region (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina and Tennessee), Kentucky's Medicaid/Medicare-certified skilled nursing facilities' collective regulatory compliance is commensurate with the performance of their peers but still below the median for all states.

Kentucky's long-term care facilities are atop one related list that is costly in both human and financial terms and has resulted in the highest liability insurance cost in the country. An operator with 100 beds in Kentucky can expect \$203,000 in liability insurance cost in 2015; for Kentucky, over four times the national average. Our state's legal environment has fostered the unintended consequence of a sharp rise in lawsuits alleging poor care, often filed by out-of-state firms that never make it to court, but get settled by the providers' insurance companies. This typically results in higher premiums the following year, and it diverts scarce resources from improving patient care to covering legal fees and related costs. Other states have addressed this trend by some combination of modifying liability rules, adjusting access to the courts via medical review panels, or capping damage awards. If left unaddressed, this rising cost will have a significant impact on the Medicaid program, as well as access to long-term and post-acute skilled nursing care services regardless of payor.

The data on disability and the increasing number of elderly in the state will require increased access to long term care facilities for post-acute and long term care. We cannot build more nursing homes fast enough to continue relying on institutional care as the dominant service delivery model. The current system of care will require more long term care facilities. There is currently a limit on the number of facilities that can be operated in the state.

Institute Recommendations

1. **Focus the growth in funding for long term care facilities on direct care to residents in the form of personnel, food and technology toward a public policy that anyone serving in a direct care role at a Medicaid-certified facility earns a “living wage.”**
2. **Develop consumer-centered access to the whole array of services and supports of all**
3. **Address the uncontrolled rise in risk management expense experienced by Kentucky’s long-term care providers in balance with the duty to protect individual citizens’ rights under the state constitution.**

Home and Community Based Services

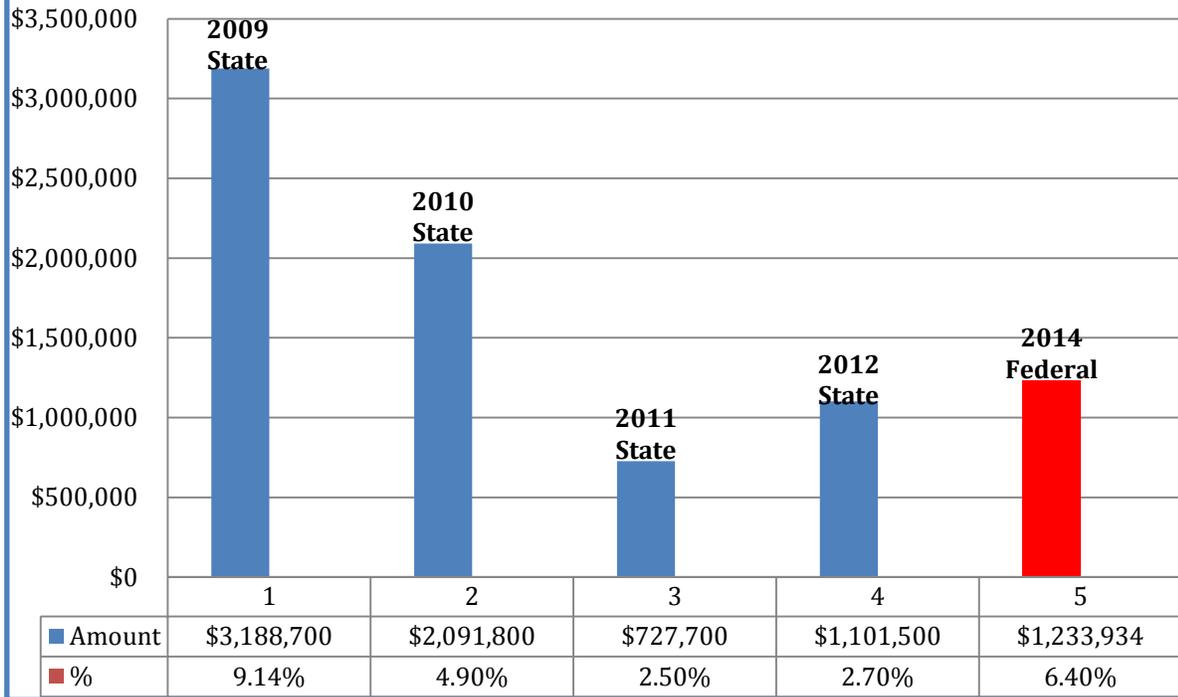
There are multiple options for community based care. These include both federal and state funded programs specifically targeting older adults and persons with disabilities.

Federally Funded Options

Federal dollars from the Older Americans Act (OAA) and other federal programs are funneled through the Department for Aging and Independent Living (DAIL) and contracted with the Area Development Districts. The OAA federal allocation requires a 25% match from the state. **Total state and federal funding for the Department for Aging and Independent Living for the past five (5) years has decreased by a total of 26% as the population is increasing and the needs for services escalate. (See Figure 4)**

Figure 4. DAIL Historical Budget Reduction 2009-2014

DAIL Historical Budget Reduction



The Older Americans Act (OAA) was passed by Congress in 1965 in response to concern by citizens and policymakers about a lack of community based services for persons who are age sixty (60) or older. The original legislation established authority for financial grants to States for community planning and the development of social services, research and development projects, and personnel training in the field of aging. Four program elements that are supported by this funding stream: Supportive Services and Senior Centers; Nutrition Services; Caregiver Support; Disease Prevention and Health Promotion For this report we focus on the long-term care components that support caregivers to be able to keep their family members in their own homes.

Since the DAIL state budget has steadily decreased over the past five (5) years, matching funds have been harder to attain resulting in decreasing services at the user level. Figure 4 shows the current number of clients utilizing the major community-based long-term support programs funded by the United States Administration on Community Living (ACL) under the Older Americans Act and the waiting list of those who have applied and been assessed as eligible for the services for whom funding is not currently available.

Supportive Services

Title III of the Older Americans Act (OAA) provides supportive services such as adult day services, chore service, congregate meals, home delivered meals, home maintenance, homemaker service, personal care, information and referral, legal services, matter of balance class, medical assessment, protective service, personal services recreation, supportive services and transportation. Due to limited funding some of these services are not available in all areas of the state. Among the major programs that are consistent across the state are Meals and Nutrition, Grandparents Raising Grandchildren and the Long Term Care Ombudsman program which are featured in this report

Meals and Nutrition

Meal services were received by 16,545 older adults in 2013. Thirty-six percent were below poverty level, 66% were female, 62% were living in rural areas and 51% lived alone. Eighty-nine percent of those receiving services were Caucasian, 7% were Black/African American and the remaining were Asian, Native American, Hispanic and were non-reported or of two or more races. Perhaps the largest underserved population is those who need home delivered meals with a total of 8,199 requests (6,393 with Title III funds and 1,806 Homecare funds) that could not be met. There are 90 providers in the state serving older adults meal service needs and 77 nutrition educational programs (Kentucky State Plan Department for Aging and Independent Living Fiscal Years 2013 – 2015).

Support for Family Caregivers of Older Adults

Family caregivers are the first line of defense against older Kentuckians being forced from their homes and into nursing homes or back into the hospital. In addition to helping older adults and persons with disability remain independent, family caregivers also help reduce unnecessary hospitalization and costly Medicaid-funded institutionalization.

For the fiscal year of 2013, 1,541 caregivers provided support primarily for relatives, although a few reported taking care of a non-relative. Caregivers were mostly female Caucasians living in rural areas. From 2012 to 2013 there was a decrease in the percentage of older adults served by caregiver support programs. The data are broken into two categories--caregivers serving older adults and grandparents and other older adult caregivers serving children. For the first category Kentucky had a 49% decrease in those utilizing services. For the second category there was a 66% decrease in those utilizing services.

The following is a summary of the December 2014 Research Memorandum No. 517 drawn up by the Legislative Research Commission in part with the Department for Aging and Independent Living. Direct data from the report include the following:

- Approximately 735,000 Kentuckians are caregivers helping family members to age in a home setting rather than in an institutional setting.
- The average family caregiver provides 20 hours a week of assistance although many are on call 24 hours a day, 7 days a week – and often does not get to take a break.
- Aging in a home setting with appropriate supports for seniors and family caregivers may be more cost effective than nursing home care. Kentucky's Medicaid program pays approximately \$48,000 per year for a nursing home bed compared to \$15,000 for in-home supports.
- Kentucky spends approximately 81% of all long-term care dollars on nursing home care and the remainder on supports to help older adults age at home.
- Family caregivers of older adults are often stressed emotionally, physically and financially.
- Transportation assistance for older adults to attend health care appointments and perform household errands is not consistently available across the state, especially in rural areas.

Many of the 735,000 caregivers did not receive services funded by the state. The Department for Aging and Independent Living in the Cabinet for Health and Family Services is the administrative agency for statewide programs for Kentucky's older adult population and the individuals who care for them. Other services available are offered through local governments, community organizations, private and nonprofit agencies, religious organizations and state and national associations.

Some recommendations from the report to assist caregivers:

- Improving the integration of caregivers in transitional care
- Increasing support for Area Agencies on Aging and Independent Living
- Enhance employment policy for caregivers
- Delegate health maintenance tasks

Grandparents Raising Grandchildren

Exacerbating the need for community based services and supports, are the number of Kentucky grandparents raising grandchildren and others who are raising the children of other family members. Based on data from the 2010 Census, 107,730 children under the age of 18 live in households where the caregivers are grandparents or other non-parent relatives (10.6% of Kentucky children). Funding for grandparents and other relative caregivers comes through a program in the Older Americans Act (OAA) as well as a state funded program the Kentucky Caregiver Program.

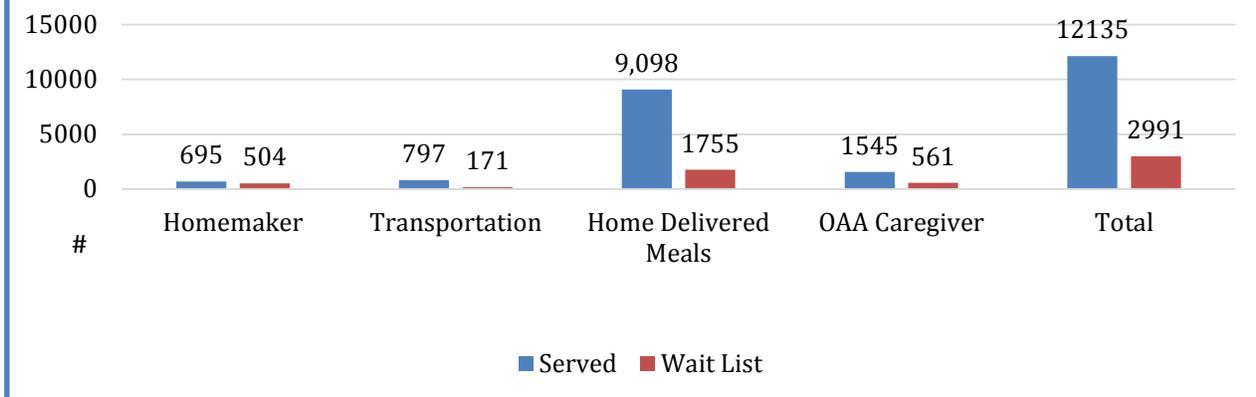
Long Term Care Ombudsman

The Kentucky Long Term Care Ombudsman is the patient's advocate in the long term care facility. This office is funded through the Administration on Community Living (ACL) as a service to ensure the safety and quality of life of nursing home residents and assist in resolving complaints by residents and their families. Every nursing facility in the state has an ombudsman assigned to serve the residents of that facility. During FY 2014 ombudsmen opened 4,184 cases and closed 3,991. They also closed 5,947 complaints of which 228 were related to abuse, neglect, and/or exploitation and 252 were related to transfer/discharge or legal issues.

With the funding cuts and loss of matching federal funds, many elder's services have been decreased or they have been placed on waiting lists. Being underserved puts these individuals in danger of declining health and the need for more costly facility based care. See Figure 5)

Figure 5 Older Americans Act Clients and Current Waiting List (2014)

FY Federal 2014 Older American Act Clients Served & Wait List



From DAIL NAPIS report to ACL

State Funded Options

In addition to federally funded programs, Kentucky has programs and services funded by the Kentucky Legislature to serve elderly and disabled residents in their homes. These include the Homecare Program and the Kentucky Family Caregiver Program.

Homecare

Kentucky has a state funded Home and Community Based program for older adults and physically disabled adults. The first, Homecare, began in 1982. This program is designed to assist older adults in remaining in their home so that they are not unnecessarily moved to an institutional setting such as a nursing home or other long-term care facility. The Homecare Program provides supports and services for daily needs as well as coordination among caregivers and provider agencies to help adults at risk of institutional care remain in their own homes. Participants must be sixty (60) years old or older and unable to perform two activities of daily living or three instrumental activities of daily living; be at risk of going to an institution; or be in an institution but able to return to a private home environment if needed services are provided. Services include assessment and case management, home management and personal care, home delivered meals, chore services, home repair, respite for family caregivers, and home health aide service.

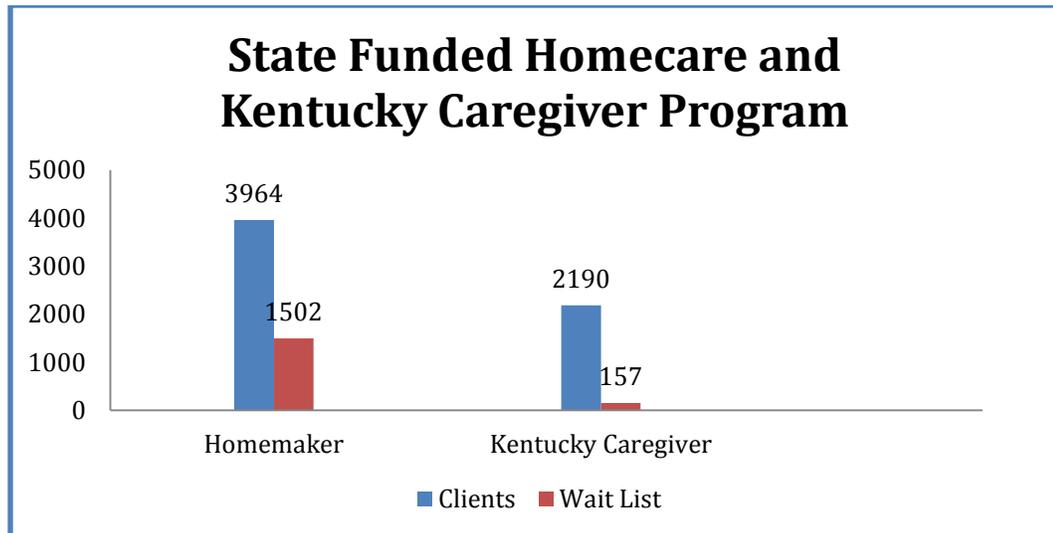
Kentucky Family Caregiver Program

The Kentucky Family Caregiver Program provides a wide range of services including matching grandparent caregivers with support groups and providing information about resources, assistance in accessing services, counseling and training as well as small amounts for basics such as school clothing and books and fees. The grandparent must be the primary caregiver for a grandchild up to the age 18 who is related to the child by blood, marriage or adoption. Again decreased state funding has limited access to this program.

Underserved or Awaiting Services

A significant number of older adults in Kentucky are currently on an “Awaiting Services” list. These individuals have either previously been assessed to have needs and to be eligible for services as soon as they become available or have requested services and are waiting to be assessed for needs. Also reported are the underserved whose needs are going unmet due to lack of readily available assistance. This may be due to a lack of provider in their area or their needs exceed the funds available in the region. See Figure 6

Figure 6. State Funded Underserved and Wait List



Institute Recommendations

- 1. Increase financial support for community-based long-term care. It is both the will of the people and a cost effective approach to many of the anticipated increases in demand (Institutional care currently consumes 81% of Kentucky's Medicaid expenditures). Kentucky is facing an exponential rise during the next 15 years in the number and percentage of its citizens who will become dependent on public support, in some fashion.**
- 2. Support health care workforce development initiatives at all levels – high school and vocational programs, KCTCS, and health professional programs throughout the state. In addition to the rise in demand for these services, there is an economic development opportunity wrapped around an aging population: careers that stay in Kentucky and do not relocate to another state or overseas.**
- 3. Return funding that provides both a direct increase in supporting state funded programs and also allows increasing funding for the match for federal funding.**

III. Rural Transit

Kentucky's Long-Range Statewide Transportation Plan: Planning to Make a Difference in America's Tomorrow 2014 – 2035 raises serious questions about Kentucky's ability to meet the current and future transportation needs of its older citizens who no longer drive or have limited their driving. Under Future Needs (5.2.2-4) the report states **"a dedicated source of funding is needed for public transit in Kentucky as in other States. Services are being reduced or eliminated because of the need for local funding and matches"**.

Medicare has no budget for transporting people. All federal funds come from the Federal Transportation Association (FTA) or Medicaid. Medicaid currently provides funding for eighty percent (80%) of transportation cost for medical appointments. In areas where local transportation is available non-Medicaid riders must pay \$.80 - \$1.75 per mile, especially difficult in rural areas where the distance to medical or other specialty services is greater.

Kentucky has no state wide plan for providing transportation for elders who are no longer able to drive and/or who have no local bus or other transportation programming in their community. Even the Medicaid transportation is limited and does not allow for such needs as grocery or pharmacy trips. Only major cities such as Louisville, Lexington and Northern Kentucky have local programs funded through local allocations.

In summary, the Institute of Aging recommends what other states have done and designate a reliable funding source for elder transportation for Medicaid and middle class citizens by studying what surrounding states have implemented. This may include combining local, state and federal funds.

Institute Recommendations

- 1. Support development of models of community based transit and best practices and incorporate innovative programs from other states.**
- 2. Explore new areas of funding such as tax amnesty programs to help fund expansion of underfunded rural transit.**

IV. Age Friendly Livable Communities

A significant contemporary global movement affecting quality of life is being adopted by a number of Kentucky communities concerned with improving the quality of life for people of all ages and generating a more "age friendly" environment in which to "grow up and grow old."

Launched in 2007, by the World Health Organization as a "wake up call" and challenge to cities around the globe its message is clear. City planners, community leaders, and government officials need to do a better job of preparing for the massive demographic shifts now taking place; the economic and societal impact of such shifts are being felt by more and more communities, regardless of size, every day.

The U.S. initiative, spearheaded by AARP and the AARP Network of Age-Friendly Communities, has grown from just six cities in three states in 2012 to seventy-two (72) in 30 states in 2015. There are currently 288 cities in 33 countries taking part worldwide. As a result of these

efforts information is now widely available for any community interested in starting their own “age-friendly” initiative or gaining the latest thinking on issues related to any of eight themes of livability: outdoor spaces and buildings; transportation; housing; social participation; respect and social inclusion; civic participation and employment; communication and information; and community and health services.

An age-friendly or livable community is one that is safe and secure, has affordable and appropriate housing and transportation options, and offers supportive community features and services. Once in place, those resources enhance personal independence; allow residents to age in place; and foster residents’ engagement in the community’s civic, economic, and social life.

In 2014 the city of Bowling Green in Kentucky, became the first city in the southern United States to receive this designation. As the movement toward the creation of age-friendly communities continues to expand, a variety of entities including AARP Kentucky have picked up on the initiative and are developing their own community survey and assessment processes for assisting communities seeking to become more age-friendly and inclusive.

As more communities become involved in the network for “Age Friendly Community” inclusion and collaboration will grow. On October 1, 2014, Mayor Jim Gray of Lexington held a press conference announcing a “Livable Lexington” initiative. The press conference also marked the start of a community-wide survey available on-line or in paper form to all members of the community to provide their input. More than 1000 responses have been received and the city is now in the process of developing an action plan to build on the findings of the survey.

Berea is a third city in Kentucky applying for a World Health Organization “age-friendly” status. With a 2010 census population of 13,561, Berea is one of the fastest-growing communities in Kentucky, having increased in population by 27.4% since 2000. A politically progressive community with a large number of arts professionals and retirees among its residents, an “Age-Friendly” Berea initiative has been unanimously endorsed by the Mayor and City Council, has attracted a cross-section of community participants and is in the early stages of development. The Age-Friendly Berea Committee has launched an on-line survey on www.bereaky.gov to give community feedback for an “age-friendly Berea.” This community exemplifies the potential for the development of age-friendly initiatives in smaller communities across the Commonwealth.

The Institute for Aging is strongly supportive of the age friendly community movement.

Institute Recommendations

- 1. Develop a statewide “Age-Friendly Kentucky” initiative that covers the entire state and seeks the highest possible quality of life for people of all ages.**
- 2. Encourage increased participation in individual community initiatives and the number of individual communities pursuing such initiatives including rural communities.**

V. Summary of Recommendations of the Institute for Aging

Long-term Care

1. Focus the **growth in funding** for long term care facilities on direct care – personnel, food and technology. Consider moving toward a public policy goal that anyone serving in a direct care role at a Medicaid-certified facility earns a “living wage.”
2. **Break down the silos** of the current long-term care network and develop a more seamless, consumer-centered array of services and supports. We cannot build more nursing homes fast enough to continue relying on institutional care as the dominant service delivery model. The Certificate of Need program was initiated 40 years ago to limit the growth in capital expenditures – there is no practical justification for its continuation regarding home-and-community-based services.
3. **Address the uncontrolled rise in risk management expense** experienced by Kentucky’s long-term care providers (and by all businesses in the state, not just health care providers) in balance with the duty to protect individual citizens’ rights under the state constitution.
4. **Increase financial support for community-based long-term care.** It is both the will of the people and a cost effective approach to many of the anticipated increases in demand (Institutional care currently consumes 81% of Kentucky's Medicaid expenditures). Home-and-Community-Based Services vs. Institutional Long-Term Care is a false choice. Kentucky is facing an exponential rise during the next 15 years in the number and percentage of its citizens who will become dependent on public support, in some fashion.
5. **Support health care workforce development initiatives at all levels** – high school and vocational programs, KCTCS, and health professional programs throughout the state. In addition to the rise in demand for these services, there is an economic development opportunity wrapped around an aging population: careers that stay in Kentucky and do not relocate to another state or overseas. (Because the predominant funding sources are Medicare and Medicaid – an infusion of both direct and matching federal dollars into the state’s economy is likely to result.)

Rural Transit

1. **Support development of innovative models of community based transit** and best practices innovative models from other states.
2. **Explore new areas of funding** such as tax amnesty programs to help fund expansion of underfunded rural transit.

Age-Friendly Livable Communities

1. Develop statewide “Age-Friendly Kentucky” initiative.
2. Encourage increased community participation in individual community initiatives and the

Sources

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