

### ***Health Care Costs***

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The debate about health insurance has focused on critical areas of need including cost, the needs of the uninsured, and problems related to preexisting conditions. Perhaps because that package is overflowing with contentious debate, there's been too little attention paid to another area of health care cost escalation: long term care.

Whether care is provided in nursing homes, in lower levels of care, or at home with family support or community services, chronic, custodial care is very expensive. The costs are ameliorated for those with long term care insurance but most Americans either cannot afford or choose not to purchase that insurance.

While many of us will need some assistance as we age, most of us assume that Medicare will pay and/or we decide that we'll cope with that problem if and when it arises. We either ignore or are ignorant of the reality that Medicare is not a payer of long term care. Its coverage is short term and the conditions under which it pays are very limited. Medicare should never be depended upon to pick up the costs of custodial care regardless of whether we're home or institutionalized. Veterans benefits can be very helpful but at the nursing home level, its primary beneficiaries are those veterans with major service connected disability ratings.

For most people, the financial impact of the need for long term care is

comparable to the impact of catastrophic illness on uninsured people. In both cases, the only recourse is to spend down resources until there's nothing left, and then they become Medicaid eligible. None of us works all our lives, saving money as we can, to spend our savings on nursing home care until all our money is gone. At the same time, long term care insurance is costly and may become more so.

There are conceptual solutions. For example, Edward Kennedy's health care plan includes a low, basic payment for long term care services. Or, a requirement that all acute care health insurance must also include some long term care coverage has been considered. Other ideas include lowered focus on medical aspects of long term care which could have a side effect of lowering costs. But in a country in which it's argued that we can't afford another government health insurance plan and there's resistance to change of all kinds, the idea that we have the political will to restructure a financing program for long term care may not be realistic. Still, getting this subject into the public debate on health care is critical and now is the time for that to happen.

We must acknowledge that the way we deliver and pay for long term care, now, is costly and not what most of us want. We need a philosophical as well as a financial assessment of what we're doing to older people and their families.