Financing Principles for Long-Term Services and Supports

Our nation has too long ignored the urgent need to address in a fiscally responsible manner the emerging long-term services and supports crisis facing older adults, baby boomers, and people with disabilities of all ages. Long-term services and supports should offer consumers access to a broad array of support options, including a continuum of home and community-based supportive services, as well as residential options, as needed. Our current system forces people into institutions inappropriately, requires many to spend-down into poverty before receiving the help they need, fails to provide realistic opportunities for personal planning, and fails to support family caregivers adequately. America can and must do better. The following financing principles for long-term services and supports are intended to provide a framework for focusing attention, generating discussion and crafting a solution to the problem in the near future. In the interim, members of the LCAO and CCD will work toward a strong Medicaid program, substantial additional resources for home and community-based services, and opportunities for individual planning.

1. **National Problem, National Solution** – Recognize that although states, communities, families, and individuals have important roles to play, financing for long-term services and supports is a national problem that requires a national solution.

2. **Universality with Limited Opt-Out** – Create a public program that allows all people, including individuals with disabilities and those near retirement, the opportunity to contribute to and prepare for the costs of long-term services and supports. Make participation as convenient as possible but give people the limited choice to opt out.

3. **Public/Private Partnership** – Provide a strong foundation of protection while providing opportunities for personal planning that include a role for private sector options.

4. **Affordability and Risk Pooling** – Provide for broad pooling of risk and appropriate low-income subsidies to make premiums affordable enough so that all people, regardless of income and health status, can participate. Ensure that a new program does not force people to impoverish themselves to qualify.

5. **Fiscal Responsibility** – Provide actuarially sound funding, such as through voluntary premiums that build reserves over time sufficient to pay for future needs in a way that is affordable to individuals and to society as a whole.

6. **Relieve Pressure on Medicaid** – Provide additional long-term services and supports funding mechanisms that will help take the pressure off of future Medicaid expenditures, while preserving the guaranteed safety net.

7. **Consumer Choice and Control** – Promote independence and dignity across the broad continuum of services and supports by ensuring beneficiaries the right to control and choose what services they receive, how and where they are delivered and who provides them.

8. **Support Family Caregivers** – Recognize and support the central role families and other informal caregivers play in planning for and providing long-term services and supports, including developing strategies to support working caregivers to maintain their financial security.

9. **Invest in Quality Care and Quality of Life** –Target additional funding to ensure sufficient training and compensation for the workforce and to strengthen oversight, enforcement, and advocacy programs that improve quality of life and quality of care in all settings.

The Consortium for Citizens with Disabilities (CCD) is a coalition of national disability organizations working together to advocate for national public policy that ensures the self determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society. The Leadership Council of Aging Organizations (LCAO) is a coalition of national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena.

ACCSES (formerly the American Congress of Community Supports and Employment Services)
ADAPT
Alliance for Retired Americans
Alzheimer's Association
Alzheimer's Foundation of America
American Association on Health and Disability
American Association on Intellectual and Developmental Disabilities
American Association of Homes and Services for the Aging
American Association of People with Disabilities
American Congress of Rehabilitation Medicine
American Group Psychotherapy Association
American Medical Rehabilitation Providers Association
American Network of Community Options and Resources
American Occupational Therapy Association
American Society of Consultant Pharmacists
American Therapeutic Recreation Association
Anxiety Disorders Association of America
Assisted Living Federation of America
Association of Academic Physiatrists
Association of BellTel Retirees
Association of Programs for Rural Independent Living
Association of Jewish Aging Services
Association of University Centers on Disabilities
Association for Ambulatory Behavioral Healthcare
Autistic Self Advocacy Network
Autism Society of America
Bazelon Center for Mental Health Law
Brain Injury Association of America
B'nai B'rith International
Catholic Health Association of the United States
Center for Self-Determination
Center for Medicare Advocacy
Clinical Social Work Association
Easter Seals
Epilepsy Foundation
Evangelical Lutheran Good Samaritan Society
Gray Panthers
Higher Education Consortium for Special Education
Lutheran Services in America
Medicare Rights Center
Mental Health America
National Academy of Elder Law Attorneys
National Adult Day Services Association
National Asian Pacific Council on Aging
National Association of Area Agencies on Aging
National Association of Professional Geriatric Care Managers
National Association of Social Workers
National Association of the Deaf
National Alliance for Caregiving
National Alliance on Mental Illness
National Association for the Advancement of Orthotics and Prosthetics

National Association of Councils on Developmental Disabilities
National Association of Nutrition and Aging Services Programs
National Association of State Head Injury Administrators
National Baptist Convention USA, Inc. Housing Board
National Coalition of Mental Health Consumer/Survivor Organizations
National Committee to Preserve Social Security and Medicare
National Council for Community Behavioral Healthcare
National Council on Aging
National Council on Independent Living
National Council of Jewish Women
National Disability Institute
National Disability Rights Network
National Down Syndrome Congress
National Down Syndrome Society
National Family Caregivers Association
National Health Council
National Indian Council on Aging
National Center for Learning Disabilities
National Low Income Housing Coalition
National Multiple Sclerosis Society
National Organization for Rare Disorders
National Rehabilitation Association
National Respite Coalition
National Senior Citizens Law Center
National Senior Corps Association
NISH
NCCNHR, the National Consumer Voice for Quality Long-Term Care
OWL - The Voice of Midlife and Older Women
Paralyzed Veterans of America
Research Institute for Independent Living
Self Advocates Becoming Empowered
Service Employees International Union (SEIU)
Sibling Leadership Network
Special Olympics
Substance Abuse Resources and Disability Issues
TASH
Teacher Education Division of the Council for Exceptional Children
The Arc of the United States
United Cerebral Palsy
United Church of Christ, Justice and Witness Ministries
United Jewish Communities
United Spinal Association
US Psychiatric Rehabilitation Association
Volunteers of America
Wider Opportunities for Women

Cc: Edward Kennedy, Chair, Senate Health, Education, Labor, and Pension Committee
Michael Enzi, Ranking Member, Senate Health, Education, Labor, and Pension Committee

Max Baucus, Chair, Senate Finance Committee
Charles Grassley, Ranking Member, Senate Finance Committee

Henry Waxman, Chair, House Energy and Commerce Committee
Joe Barton, Ranking Member, House Energy and Commerce Committee

Charles Rangel, Chair, House Ways and Means Committee
Dave Camp, Ranking Member, House Ways and Means Committee

George Miller, Chair, House Education and Labor Committee
Howard McKeon, Ranking Member, House Education and Labor Committee