

Aging in America:





TRENDS




Consumers:

*Demographics
Health
Needs
Cost
Options*

Aging in America



Changes Over a Century & Ahead

1900 — Seniors < 5% of U.S. population
122,000 aged 85 and up

2002 — 12.4% of U.S. population
4.5 million aged 85 and up

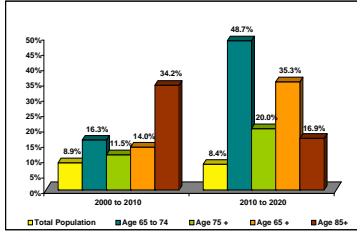
Americans Aged 65+

2000 - 35 million/1:12
2020 - 53 million/1:6
2030 - 70 million/1:5

Sources: Seniors Commission Report: A Quiet Crisis in America, 2002 and U.S. Census Bureau and National Center for Health Statistics, 2000.

Projected Population Growth Rates by Age Group 2000-2020

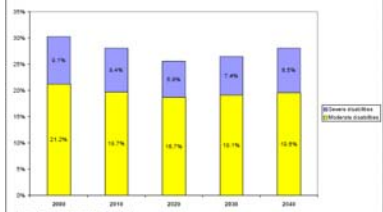


Source: Seniors Commission Report: A Quiet Crisis in America, 2002.



Disability Trends

Percentage of Adults Ages 65 and Older with Disabilities, 2000-2040



Source: Author's calculations from DHS(2002). Note: Estimates are based on the macroeconomic disability growth scenario. The analysis defines disabilities as any ADL or IADL limitations. People are classified as having moderate disabilities if they report two or three ADL limitations and severe disabilities if they report three or more ADL limitations.



Source: "Meeting the Long-Term Care Needs of the Baby Boomers: How Changing Families Will Affect Paid Helpers and Institutions," Johnson, Richard W., Toohay, Diamond and Wiener, Joshua M., May 2007.

Alzheimer's Disease

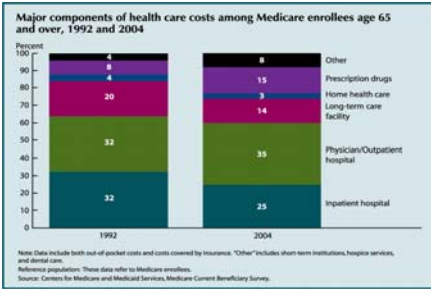
Number of Persons with Alzheimer's Disease (in millions)

Year	Age 65-74	Age 75-84	Age 85+	Total
2000	0.3	2.4	1.8	4.5
2010	0.3	2.4	2.4	5.1
2020	0.3	2.6	2.8	5.7
2030	0.5	3.8	3.5	7.7
2040	0.4	5.0	5.6	11.0
2050	0.4	4.8	8.0	13.2

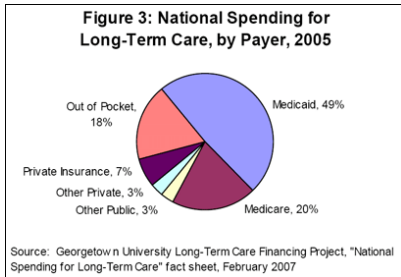


Source: National Institutes of Health Press Release, 2003.

Health Care Expenditures



Long-Term Care Spending by Payer



Long-Term Care Costs to Government: Projected

Senate Special Committee on Aging Report

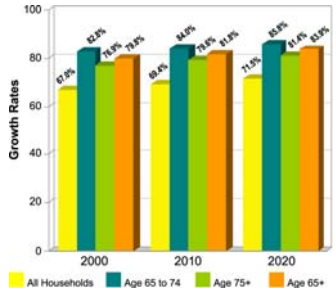
- **2001**—State Medicaid programs paid nearly 62% of the \$137 billion spent nationally on long-term care
- **2030**—Government spending on long-term care to absorb nearly 75% of federal revenue



Source: Senate Aging Committee Report—McKnight's Online Daily Update, 2002.

Home: The Location of Choice

Percent of Age 65 and Older Households that are Homeowners: 2000, 2010 & 2020



Source: Seniors Commission Report: A Quiet Crisis in America, 2002.



Subsidized Housing: HUD Section 202 Program Trend

Section 202 Capital Advances and Number of Units Built		
Year	Capital Advances	Units
2000	\$426,258,926	5,471
2001	\$495,915,966	5,189
2002	\$485,585,696	5,816
2003	\$473,750,170	5,689
2004	\$495,163,781	5,353
2005	\$462,906,712	4,681
2006	\$443,167,647	4,313
2007	\$518,900	3,667





Caregiving in America

- **44.4 million caregivers, aged 18+**
- **22.9 million households**
- **69% help one person**
- **48% provide ≤ 8 hours/week**
- **17% provide > 40 hours/week**
- **4.3 years – average length of caregiving role**
- **2006 economic value: \$350 billion***

Sources: Caregiving in the U.S., National Alliance for Caregiving and AARP, 2004 and "Houser, Ari N. and Gibson, Mary Jo, "Valuing the Invaluable: A New Look at State Estimates of the Economic Value of Family Caregiving," AARP Public Policy Institute, November 2007.



Caregivers at Risk



- **High levels of stress & frustration**
- **Higher levels of depression**
- **Diminished physical health**
- **Neglect of personal health care**
- **May lack health insurance coverage**
- **May have higher mortality rates**
- **May have increased alcohol or drug use**



Source: "Caregivers at Risk: A Public Health Concern," Family Caregiver Alliance, 2007.

Transportation



- **Must be available, accessible, safe, dignified & affordable**
- **Low-income senior taxi services**
- **Independent Transportation Network® (ITN)**
 - **initiated in Portland, ME in 1991**
 - **strives for 40 city affiliates by 2010**
 - **seniors trade their cars for rides**
 - **converts assets & community support into mileage credits managed via state-of-the-art technology**



Source: Freund, Katherine, "Digitized Transportation for Seniors," Capital Commons Quarterly, Issue No. 2, Vol. 2, July 2008.

Community Innovations



- **Home energy assistance programs**
- **Consumer education networks for LTC info**
- **Development funds for aging-in-place models**
- **"Umbrella" programs**
- **New York @ Home – a comprehensive consumer program**
- **On-call home maintenance**





Environmental Factors

**Workforce
Technology
Public Policy**



Workforce

- **Increased demand for services (particularly in non-institutional settings)**
- **Higher acuity levels of care recipients**
- **Potentially smaller family caregiver pool**
- **Shrinking direct care worker labor pool**
- **Increased cultural diversity of caregivers**
- **Increased cultural diversity of care recipients**
- **Greater divide between "haves" & "have nots"**

Source: "The Link Between the Informal and Formal Care Networks: Why We Should Care."
Robyn Stone, DPH, Family Caregiver Alliance Conference Proceedings, 2007.



Emerging Technologies



- **Assistance call system**
- **Cognitive aids**
- **Communication devices**
- **Electronic health records**
- **Medicine management**
- **Mobility aids**
- **Personal monitoring**
- **Personal assistance**
- **Smart home systems**
- **Telemedicine**
- **Wander Management**

Source: CAST Website: www.agingtech.org





Advocacy for the right public policy for the right reasons

AAHSA: Creating the Future of Aging Services

Advancing 5 Big Ideas that reflect major core competencies that will define future success of aging-services providers



aahsa's 5 big ideas

- **Quality the public can trust**
- **Transitions as care needs change**
- **Talent from front-line to boardroom**
- **Finance system that's sustainable, affordable, fair and offers choice**
- **Technology to improve quality of care and life**





Quality

Quality the public can trust results from excellence in service, transparency in governance and operations, and an enduring commitment to people and community.



Quality



- **Build on foundation of Quality First**
- **Undertake and report ongoing quality improvement activities**
- **Replicate evidence-based solutions**
- **Measure consumer / family / staff satisfaction**
- **Strengthen social accountability results**
- **Communicate not-for-profit commitment to external audiences**





Transitions

Consumers deserve a clear path to affordable, accessible services and supports as their needs change.

Providers are essential community leaders in planning and implementing a community network and in partnering with consumers to address their individual needs.

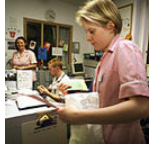




Transitions

- **Lead or participate in community networks to mitigate silos and enhance successful transitions**
- **Use evidence-based tools, practices for better chronic care management coordination**
- **Engage consumers in creating systems for smooth and informed transitions**





Talent



From the front-line to the boardroom, talent is highly correlated with quality.

A healthy workplace culture supports teamwork, trust and competence to advance missions. An organization's success depends on talented people.



Talent



- ***Apply knowledge gained from "Better Jobs, Better Care" research and practice***
- ***Measure staff satisfaction; act on results***
- ***Use AAHSA checklist for ethical workplace commitment***
- ***Develop leaders at all levels***
- ***Follow Independent Sector governance principles***





Finance

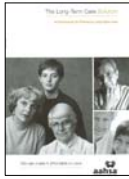
Current methods of financing aging services are not working and are unsustainable.

A new, national insurance approach is needed wherein all are covered, payment streams are adequate, and people with disabilities are supported based on choice, fairness and self-responsibility.



Finance

- **Support AAHSA's plan for a national insurance approach to financing aging services.**
- **Join us in advancing the public's and policymakers' awareness/support of the plan.**
- **Assess community needs and adopt strategies to capitalize models of person-centered housing, care and services.**
- **Strengthen financial stewardship/accountability for tax exemption.**





Technology

Technology holds great promise as a catalyst for improving quality of life as people age.

Investments in technology solutions must be built on evidence of efficacy. Such solutions will support more effective transitions, enhance quality, support the workforce and lead to better use of resources.



Technology



- **Participate as a "living laboratory" for piloting technology applications**
- **Develop and implement a strategic plan for technology integration**
- **Broaden service scope through technology**
- **Evaluate and embrace emerging technologies, electronic health records, etc., as part of quality improvement to facilitate transitions and reduce errors**



Strategic Compass for Profiting From Uncertainty



Source: "The Long and Winding Road," 2006, AAHSA and Decision Strategies International (DSI), p. 11.



Elements of a Robust Strategic Vision

- **Statement of where you want to be and how to get there**
- **Concrete goals and milestones (financial and otherwise)**
- **Core capabilities that need to be developed**
- **Description of how to change the organization**
- **Proposed market and product scope supporting the vision**



Elements of a Robust Strategic Vision



- **Robustness in the face of multiple scenarios**
- **Ability to stretch to reach beyond the company's current grasp**
- **Passion, in order to galvanize the organization**
- **Simplicity and clarity of purpose**



Source: Paul J.H. Schoemaker, Profiting from Uncertainty, Free Press, 2002.

Our Field Responds...

The Green House Concept

- *small, intentional elder communities*
- *model alters facility size, interior design, staffing patterns & skilled care delivery*
- *de-institutionalizes long term care*
- *residences designed for 6-10 elders*
- *more private, home-like environment*
- *no rigid, institutional schedules*
- *cost-effective, "green" & comfortable*
- *promotes elder choices in food, activities, etc.*



Source: NCB website: www.ncbcapitalimpact.org, 2008.



COHOUSING

A rendering of Boulder CO's Washington Village

Six Defining Characteristics

- *Participatory Process – Designed to meet resident needs*
- *Neighborhood Design – Encourages sense of community*
- *Common Facilities – Supplement the private residences*
- *Resident Management – Residents manage & maintain community*
- *Non-Hierarchical Structure & Decision-Making – No single person or persons has authority over other residents*
- *No Shared Community Economy – Community is not a source of income for its residents*



Source: The Cohousing Association of the United States website: www.cohousing.org



Bethel Health Care Rehabilitation Center – Derby, CT

PLANETREE

Continuing Care Components

- *Recognizing the primary importance of human interactions*
- *Enhancing each individual's life journey*
- *Supporting independence, dignity & choice*
- *Incorporating family, friends & social support networks in the life of the community*
- *Supporting spirituality as a source of inner strength*
- *Promoting paths to well-being*
- *Empowering individuals through information & education*
- *Recognizing the nutritional & nurturing aspects of food*
- *Offering meaningful arts, activities & entertainment*
- *Providing an environment conducive to quality living*



Source: Planetree website: www.planetree.org

Intentional Communities



- *"An inclusive term for ecovillages, cohousing, residential land trusts, communes, student co-ops, urban housing cooperatives, alternative communities and other projects where people strive together with a common vision"*
- *Over 700 communities around the country*



Source: Intentional Communities website: www.ic.org

Intergenerational Settings & Programs



Advantages

- *Both elders & children benefit from the interaction*
- *Human & financial resources are utilized more wisely when they are applied to multiple individuals/populations*
- *Unites & improves our communities, while informing our values*
- *Generation blending fosters understanding & empathy – it also reduces the potential for discrimination & ageism*



Source: Generations United website: www.gu.org



University-Based Retirement Communities

Why is this model growing?

- *Today's retirees are willing to sell their homes*
- *Universities offer intellectual stimulation & social options*
- *Academic, technical & professional retirees consider it*
- *Allows for sharing of expenses – e.g., food, landscaping*



Source: Caffe, Andrew, "University-Based Retirement Communities: Criteria for Success," Nursing Home Magazine, September 2006,

“The leadership, competence and management of the social sector nonprofit organization will thus largely determine the values, the vision, the cohesion and the performance of the 21st century society.”

- Peter F. Drucker