

## Predictors of Low-Care Prevalence in Florida Nursing Homes: The Role of Medicaid Waiver Programs

### BACKGROUND

Low-care nursing home residents are older adults who can independently perform tasks and are higher functioning than other frail nursing home residents. Because low-care residents require less assistance in their daily lives, they may be an appropriate target population for community support services rather than NHs. Since the 1980s, Florida has provided Medicaid home and community-based (HCBS) programs to promote independent living throughout the state. In 2008, Florida offered six HCBS waivers to help older adults live in the community rather than a NH.

### THE STUDY

We examined whether spending more money on Medicaid-funded HCBS waiver programs is associated with a fewer low-care residents in Florida NHs.

### STUDY METHOD

The study used a cross-sectional design to examine the relationship between county-level HCBS waiver expenditures and the prevalence of low-care residents in Florida NHs. Low-care was defined as residents who require no physical assistance in any of the 4 late-loss activities of daily living. Data were the Online, Survey, Certification, and Reporting, the Minimum Data Set, the Area Resource File to obtain county-level health care utilization, and socio-demographic data. Expenditure data for HCBS waiver programs per county for the 2007 calendar year were obtained from the Florida Department of Elder Affairs. Two data sources were combined: NH facility-level data (including characteristics of the facility and its residents) and

county-level market characteristics (including HCBS waiver expenditures) for 653 Florida NHs in 2007.

### FINDINGS

- All Florida counties offered 2 statewide waivers, and 33 counties offered one or more of the 4 regional Medicaid HCBS waivers in 2007.
- The average Florida NH had 120 beds, and 8.0% of its residents were classified as low-care.
- Results showed that a \$10,000 increase in per-enrollee HCBS waiver expenditures was associated with a 3.5 percentage point reduction in low-care resident prevalence suggesting that each additional \$10,000 increase in annual enrollee spending on HCBS reduces low-care from approximately 8%–4.5% or a reduction in three to four residents in an average facility with 100 beds.

### DISCUSSION AND POLICY RECOMMENDATIONS

The results suggest that Medicaid HCBS waiver programs may have enabled some NH-eligible individuals (with low-care needs) to remain at home. This advances Florida's goal to encourage frail and disabled Medicaid elders to live in the community. We suggest future studies use longitudinal data to better understand the costs associated with increased HCBS spending compared with the savings associated with fewer low-care NH residents.

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