A Profile of Medicare Beneficiaries by Long-Term Care Need and Residence Type

About This Work

- ✓ 17.6 million Americans of all ages have disabilities likely to require long-term care (LTC),[1] and 56% of Americans turning 65 will develop a disability serious enough to require LTC.[2]
- ✓ The US spends over $400 billion annually on LTC,[3] in addition to $470 billion worth of annual unpaid care for LTC.[4] By 2065, the number of older adults with LTC needs will double.[2]
- ✓ Three in ten individuals with LTC needs take an average of 8+ prescriptions per day.

SCPC engaged ATI to conduct a study of Medicare beneficiaries with LTC needs by type of residence, compared to other Medicare beneficiaries without LTC needs.

Medicare beneficiaries with LTC needs have complex health care needs.

Percent with:	MEDICARE BENEFICIARIES WITH LTC NEEDS			Other Medicare Beneficiaries
	Home	Assisted Living	Nursing Facility	
Full Medicaid Dual Eligibility	32%	29%	72%	10%
Cognitive Impairment	65%	86%	80%	17%
Alzheimer's or Dementia	24%	61%	70%	4%
4+ Chronic Conditions	58%	66%	86%	41%
7+ Chronic Conditions	29%	43%	56%	12%

About ATI Advisory

ATI Advisory (ATI) is a healthcare research and advisory services firm. ATI guides public and private leaders in successfully scaling healthcare innovations. Its nationally recognized experts apply the highest standards in research and advisory services along with deep expertise to generate new ideas, solve hard problems, and reduce uncertainty in a rapidly changing healthcare landscape.

About SCPC

The **Senior Care Pharmacy Coalition (SCPC)** is the voice in Washington, D.C. for the LTC pharmacy community, which provides crucial patient care services to one of our nation's most vulnerable populations. LTC pharmacies serve a unique and essential role in our health care system, working alongside other providers to deliver high-quality, cost-effective, coordinated care to patients in various long-term care settings.

[1] ATI Advisory analysis of US Census Bureau data.
[2] US DHHS ASPE, "Long Term Services and Supports for Older Americans Risks and Financing, 2022," September 27, 2022.
[3] KFF, "10 Things About Long-Term Services and Supports (LTSS)," September 15, 2022.
[4] AARP Public Policy Institute, "Valuing the Invaluable 2023 Update," March 8, 2023.

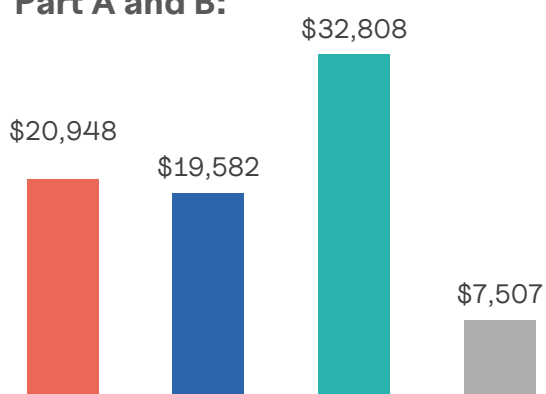# A Profile of Medicare Beneficiaries by Long-Term Care Need and Residence Type

As a result of their intersecting medical and long-term care needs, Medicare beneficiaries with LTC needs **utilize a proportionally higher amount of Medicare services, accounting for more spending**.
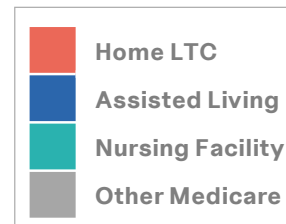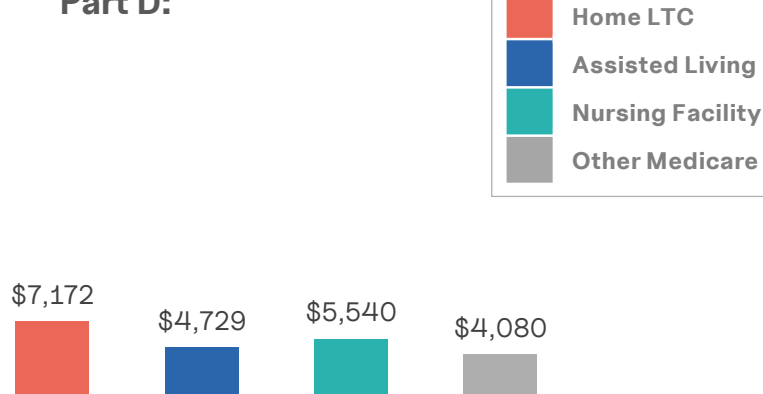
Percent with:	MEDICARE BENEFICIARIES WITH LTC NEEDS			Other Medicare Beneficiaries
	Home	Assisted Living	Nursing Facility	
8+ Different Providers	24%	19%	25%	14%
1+ ER Visit/Year	41%	46%	34%	20%
1+ Preventable ER Visit/Year	27%	32%	21%	12%
1+ Inpatient Stay/Year	31%	24%	41%	13%
10+ Different Rx/Year	64%	46%	59%	37%
15+ Different Rx/Year	39%	23%	36%	15%
8+ Different Rx/Day	32%	30%	30%	15%
10+ Different Rx/Day	18%	19%	16%	6%

Annual Per Person Medicare Spending

Part A and B:

$20,948 (Home LTC)
$19,582 (Assisted Living)
$32,808 (Nursing Facility)
$7,507 (Other Medicare)

Part D:

$7,172 (Home LTC)
$4,729 (Assisted Living)
$5,540 (Nursing Facility)
$4,080 (Other Medicare)

Legend:
- Home LTC
- Assisted Living
- Nursing Facility
- Other Medicare

Acronyms, definitions, and data used in this brief:

LTC Needs: Defined as long-term nursing facility residence or receiving help with 2+ basic activities of daily living (ADLs).

ER: Emergency room or department; (FFS) only. **Preventable ER:** Identified by the ER algorithm from Johnston et al. (2017). **Inpatient:** Inpatient hospital admission. **Rx:** Prescription drug fill (per year) or days supply (per day).

Analyzed subgroups: Chronic conditions, Part A & B spending, CI, ADRD, ER, and IP data are for the Medicare fee-for-service (FFS) population only due to data unavailability for Medicare Advantage enrollees. Prescription drug and Part D spending data reflect Medicare Part D enrollees only. Dual eligibility rates reflect all Medicare beneficiaries. **Data Note:** Weighted estimates are not tested for statistical significance.

Alzheimer's or Dementia (ADRD): Identified by the related CCW algorithm; Medicare FFS only. *Note:* ADRD is underdiagnosed, so this estimate is likely an undercount of true ADRD cases. **Cognitive Impairment (CI):** Identified as having memory loss, impaired decision-making, or a BIMS score ≤ 12, or having ADRD identified in survey or by CCW algorithm; Medicare FFS only. *Note:* CI includes all individuals with ADRD. *Note:* Definition of "LTC Needs" is ADL-based and may exclude people with LTC needs who have CI, ADRD, or other conditions and need supports for other essential activities, undercounting the prevalence of CI and ADRD.