STATEMENT OF
TERESA BOYD, D.O.
ASSISTANT DEPUTY UNDER SECRETARY FOR HEALTH
FOR CLINICAL OPERATIONS
VETERANS HEALTH ADMINISTRATION (VHA)
DEPARTMENT OF VETERANS AFFAIRS (VA)
BEFORE THE
HOUSE APPROPRIATIONS COMMITTEE
SUBCOMMITTEE ON MILITARY CONSTRUCTION, VETERANS AFFAIRS, AND RELATED AGENCIES

February 13, 2019

Good morning Madam Chair, Ranking Member Carter, and distinguished Members of the Committee. I appreciate the opportunity to discuss VA long-term care for Veterans and Veterans' choices for care as they age or face catastrophic injuries or illnesses. I am accompanied today by Dr. Scotte Hartronft, the Acting Executive Director for VA's Office of Geriatrics and Extended Care (GEC).

Introduction

VA's GEC is committed to optimizing the health and well-being of Veterans with multiple chronic conditions, life-limiting illness, frailty or disability associated with chronic disease, aging, or injury. GEC's programs maximize each Veteran's functional independence and lessen the burden of disability on Veterans, their families, and caregivers. VA believes that these programs also honor Veterans' preferences for health and independence in the face of aging, catastrophic injuries, or illnesses by advancing expertise and partnership. For the increasing numbers of Veterans of any age facing the challenges of serious chronic diseases and disabling conditions, VA GEC offers a comprehensive spectrum of long-term services and supports in the home, community, and facilities and through hospice and palliative care in all settings. The overarching goal of GEC is to meet these Veterans' long-term care needs in the least restrictive setting through access to options that honor their choice while promoting their optimal independence, health, and well-being.

An Aging Population

Nearly 50 percent of the more than 9 million Veterans currently enrolled in the VA health care system are age 65 years or older. Between 2016 and 2026, the number of enrolled Veterans age 70 and older is projected to increase by 30 percent, from 3 million to an estimated 3.9 million. During the same timeframe, the number of enrolled Veterans age 70 and younger is projected to decrease by 8 percent. The number of Veterans over the age of 85 enrolled in the system has increased almost 11-fold between 1999 and 2014 and is projected to surge more than 17-fold by 2034.

As Veterans age, approximately 80 percent will develop the need for long-term services and supports (LTSS). Most of this support in the past has been provided by family members, with women providing most of the care. The average number of potential family caregivers per older adult in America is currently seven, but the number of potential family caregivers will drop to four in 2030. The availability of these potential family caregivers can be jeopardized due to work responsibilities outside the home. Moreover, many Veterans are divorced, have no children, are estranged from their families, or live long distances from family members. In one of our programs caring for some of our most medically-complex and disabled Veterans, although half are married, one-third of their spouses have chronic disabling conditions. This lack of a strong family caregiver is especially true for the increasing numbers of women Veterans who are at higher risk for needing LTSS due to their longer life expectancies and greater risk of disability than men at any age.

The aging of the Veteran population has been more rapid and represents a greater proportion of the VA patient population than observed in other health care systems. Addressing the needs of these Veterans was recognized as a priority in the early 1980s, which led to the development of 20 currently-existing Centers of Excellence called Geriatric Research, Education, and Clinical Centers (GRECC) within the VA. These GRECCs have served as an incubator for research into health and health systems relevant to older Veterans and spawned innovative clinical programs that have been shown to optimize Veterans' function, prevent unnecessary and costly nursing home admissions and hospitalizations, reduce unwanted and unnecessary tests and treatments, and thereby reduce health care costs, where they have been made available. Finally, GRECCs continue to address the geriatric workforce shortage, providing thousands of students training hours and exposure to care for older adults. The advances from GRECCs and other GEC innovations continue to benefit not only Veterans, but all Americans.

GEC Programs In-depth

GEC's programs include a broad range of LTSS that focus on facilitating Veteran independence, enhancing quality of life, and supporting family members and Veteran caregivers. Many of the services provided via these programs are not available in any other health care system. The four categories of LTSS are Home and Community-Based Care (HCBS), Facility-Based Care, geriatric services provided in outpatient clinics and hospitals, and Hospice and Palliative Care in all settings.

<u>Home and Community-Based Care</u>

HCBS supports independence by allowing the Veteran to remain in his or her own home as long as possible. More than one service can be received at a time. These programs include, but not limited to, the following:

- **Adult Day Health Care:** This is a program Veterans can go to during the day for social activities, peer support, companionship, and recreation. The program is for Veterans who need skilled services, case management, and help with activities of daily living. Most Adult Day Health Care is purchased from community providers, but some VA medical centers (VAMC) also provide this service within their facilities.
- **Home Based Primary Care (HBPC):** In this program, Primary Care is provided to Veterans in their homes. A VA physician leads the interdisciplinary health care team that provides the comprehensive longitudinal health care. This evidenced-based program is for Veterans who have complex health care needs for whom routine clinic-based care is not effective.
- **Homemaker/Home Health Aide:** A trained person comes to a Veteran's home and helps the Veteran take care of him or herself and his or her daily activities. These aides are not nurses, but they are supervised by a registered nurse who will help assess the Veteran's daily living needs.
- **Palliative and Hospice Care:** This program offers comfort measures that focus on relief of suffering and control of symptoms so that Veterans can carry out day-to-day activities. It can be combined with standard treatment and started at any time through the course of an illness. VA established palliative care teams in every VAMC over a decade ago. Only 67 percent of non-VA hospitals with greater than 50 beds have palliative care teams.
- **Respite Care:** This service pays for a person to come to a Veteran's home or for a Veteran to go to a program while their family caregiver takes a break. Thus, the family caregiver is allowed time without the worry of leaving the Veteran alone.
- **Skilled Home Health Care:** These are short-term health care services that can be provided to Veterans if they are homebound or live far away from a VAMC. The care is delivered by a community-based home health agency that has a contract or provider agreement with VA.
- **Telehealth:** This service allows the Veteran's physician or nurse to monitor the Veteran's medical condition remotely using monitoring equipment. Veterans can be referred to a care coordinator for Home Telehealth services by any member of their care team. Home Telehealth is approved by a VA provider for Veterans who meet the clinical need for the service.
- **Veteran-Directed Care:** This program gives Veterans of all ages the opportunity to receive HCBS they need in a consumer-directed way. Veterans in this program are given a flexible budget for services that can be managed by the Veteran or the family caregiver. As part of this program, Veterans and their caregiver have more access, choice, and control over their long-term care services. VA's Office of Research and Development is undertaking an evaluation of the VDC program.

It should be noted that Adult Day Health Care, Home Based Primary Care, Homemaker/Home Health Aide, Palliative and Hospice Care, Respite Care, and Skilled

Home Health Care are all part of the standard Medical Benefits Package all enrolled Veterans with clinical needs receive.

While HCBS continues to improve care for Veterans, it has also helped reduce costs for the Department. VA financial obligations for nursing home care in Fiscal Year (FY) 2017 reached $5.8 billion. The number of Veterans with service-connected disabilities rated 70 percent or more, for whom VA is required to pay for needed nursing home care, is projected to double from 500,000 to 1,000,000 Veterans between 2014 and 2024. Therefore, if nursing home utilization continues at the current rate among Veteran enrollees, without consideration of inflation, the costs to VA for providing nursing home care for enrolled Veterans can conservatively be estimated to reach more than $10 billion within the next decade.

Fortunately, evidence has shown appropriate targeting and use of the programs and services available through GEC, especially those services that are provided in HCBS, can reduce the risk of preventable hospitalizations and delay or prevent nursing home admissions and their associated costs substantially. Therefore, VA has increased access to HCBS over the last decade. There is an urgent need to accelerate the increase in the availability of these services since most Veterans prefer to receive care at home, and VA can improve quality at a lower cost by providing care in these settings.

States have found that through their Medicaid programs, they have been able to reduce costly nursing home care by balancing their expenditures for LTSS between institutional and home and community-based settings. Nationally, beginning in 2015, more than 50 percent of Medicaid expenditures for LTSS are for home and community-based personal care services. Comparable personal care services (Home maker/Home Health Aide, Respite, and Adult Day Health Care) accounted for $892 million (10.8 percent) of VA's LTSS obligations in FY 2017. The total budget of all HCBS, including personal care services, accounted for 30 percent of the LTSS budget obligations in FY 2017. Current annual per Veteran costs for nursing home care are 8.6 times the annual costs for HCBS within VA.

Residential Settings are supervised living situations that provide meals and assistance with activities of daily living. These settings require the Veterans to pay their own rent, but HCBS can be provided if the Veteran has certified needs and is enrolled in the VA health care system. Medical Foster Homes (MFH) fall within this category. MFHs provide an alternative to nursing homes in a personal home at substantially lower costs. VA provides program oversight and care in the home by HBPC, while the Veteran pays on average $2,400 per month for room, board, and daily personal assistance. MFHs currently operate in 45 States providing care for over 1,000 Veterans each day at a significant cost savings as compared to care provided in community nursing homes. Additionally, Veterans express high levels of satisfaction from care provided through the MFH program, but many are limited from MFH because of the costs to the Veteran. VA has submitted a legislative proposal to grant VA authority to

pay for nursing home level of care in VA MFHs for those highly service-connected Veterans who would otherwise be in a nursing home at VA expense.

Facility Based Care

Nursing homes are settings in which skilled nursing care, along with other supportive medical care services, is available 24 hours a day. All Veterans receiving nursing home care (NHC) through VA, whether provided in a VA-operated Community Living Center (CLC) or purchased by contract in a community nursing home (CNH), must have a clinical need for that level of care. VA strives to use NHC when a Veteran's health care needs cannot be safely met in the home. Certain Veterans have mandatory eligibility for nursing home care. These Veterans have service-connected disabilities rated at 70 percent or greater or need nursing home care for service-connected conditions. Veterans with mandatory nursing home eligibility can be provided care in a VA CLC or a private nursing home under contract with VA. Consideration is given for Veterans' preferences based upon clinical indication and/or family/Veteran choice, when possible. Veterans without mandatory nursing home eligibility, a population that makes up the majority of Veterans, receive care on a resource available basis. If these Veterans are admitted to the CNH Program, placement at VA expense is limited to 180 days. More non-mandatory Veterans who need nursing home care usually receive that care in VA CLCs rather than in private nursing homes at VA expense.

VA also maintains strong, working relationships with the states in the oversight and payment of Veterans' care through State Veterans Homes (SVH). Through this partnership, states provide care to eligible Veterans across a wide range of clinical care needs through nursing home care, domiciliary care, and adult day health care programs. VA provides construction grant funding for construction and renovation of the state home, continuing operating funds for eligible Veterans through a grant and per diem program, and ongoing quality monitoring to ensure Veterans in SVHs receive high quality care in accordance with VA standards. Currently, there are 156 SVHs across all 50 states.

Ambulatory Care and Inpatient Acute Care Programs

Finally, GEC offers Ambulatory Care programs, including Geriatric Patient-Aligned Care Teams (GeriPACT), and Inpatient Acute Care Programs, including Geriatric Evaluation and Management (GEM), and a variety of dementia and delirium programs. GeriPACT clinics provide longitudinal, interdisciplinary team-based outpatient care for high-risk, high-utilization, and predominantly (but not exclusively) elderly Veterans. The teams have enhanced expertise for managing Veterans whose health care needs are particularly challenging due to multiple chronic diseases, coexisting cognitive and functional decline, as well as psychosocial factors. GeriPACT integrates and coordinates traditional ambulatory and institution-based health care services with a variety of community-based services and strives to optimize

independence and quality of life for these particularly vulnerable Veterans in the face of their multiple interacting cognitive, functional, psychosocial, and medical challenges. GeriPACT panel sizes are one-third smaller than regular PACT teams and have a social worker and a pharmacist as core members. By helping Veterans maintain function, preventing unnecessary hospitalizations, nursing home admissions, and unwanted tests and procedures, the total costs of care for targeted high-risk Veterans are about 15 percent lower when they are managed in GeriPACT than when managed by regular Primary Care PACT teams. Currently, only about half of VAMCs have GeriPACT, and VA is working to expand this program to larger Community-Based Outpatient Clinics.

Conclusion

VA's various long-term care programs provide a continuum of services for older Veterans designed to meet their needs as they change over time. Together, they have significantly improved the care and well-being of our Veterans. These gains would not have been possible without consistent Congressional commitment in the form of both attention and financial resources. It is critical that we continue to move forward with the current momentum and preserve the gains made thus far. Your continued support is essential to providing high-quality care for our Veterans and their families. Madam Chair, this concludes my testimony. My colleague and I are prepared to answer any questions.