Impact of Medicare and Medicaid Financial Policies on Post-acute and Long-term Care for Persons Living with Dementia

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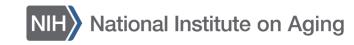
NIH National Institute on Aging

Background

- This country's 6.7 million older adults living with ADRD are the most frequent users of long-term care (LTC) services.

- Substantial barriers to LTC access, variable LTC quality, and potentially inefficient resource allocation across settings.

- Long-term care and post-acute care (PAC) delivered by the same providers

- Significant changes to the Medicare and Medicaid financing landscape that require investigation.
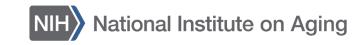
Research Objective

- **Overall goal:** Examine how state-level supply side policies, MA growth, and changes to available PAC funding impact care utilization and outcomes for persons with ADRD receiving PAC and LTC

- **Aim 1:** Examine how the demand for NH and HH care after an ADRD diagnosis varies by supply side policies (HCBS spend, CON)

- **Aim 2:** Examine the role of increasing MA enrollment and MA SNPs in the delivery of long-term NH care.

- **Aim 3:** Evaluate the impact of reduced PAC payments to nursing homes, vis-à-vis lesser-of rules and bad debts, on PAC and LTC delivery and outcomes
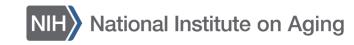
Data Source & Study Population

- Data
  - Administrative data from Medicare (MBSF, claims, CASPER surveys, OASIS, MDS)
  - State policy/spend data: (HCBS spend, CON, Lesser-of rules)
    - Develop own data by collaborating with legal experts

- Population
  - Aim 1: Individuals with new ADRD diagnoses between 2016 to 2018, tracked monthly 6 years pre-/post-diagnosis
  - Aim 2: NH-year level cohort, long-stay nursing home resident-quarter level cohort
  - Aim 3: PAC admission-level cohort, long-stay resident-quarter level cohort
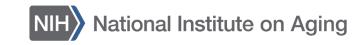
Key Measures & Outcomes

- Key measures (exposures, IV)
  - Aim 1: ADRD diagnosis (based on Bynum, adapted for MA users)
  - Aim 2: MA enrollment (individual, NH share)
  - Aim 3: State's lesser-of rule/timing of bad debt reimbursement reductions

- Primary Outcomes (any secondary outcomes, if applicable
  - Health care utilization (e.g., hospitalization, hospice enrollment, home health care use, facility star-ratings, PAC and inpatient spend)
  - Quality of care indicators (pressure injury, psychotropic medication use, vaccination)
  - Mortality

Analytic Approach

- Aim 1: DiD framework to examine variation in outcomes post-ADRD diagnosis across states with CON, HCBS spend levels
- Aim 2:
  - Rich descriptive analysis of MA take-up/lack-of
  - Shift share instrumental variable for NHs' MA enrollment levels, instrumenting for SNP enrollment with SNP availability
- Aim 3:
  - Dynamic DiD examining the impact of bad debt reimbursement reductions
  - Event study of the impact of lesser-of law adoption

Implications for the Economics of ADRD

- Better understanding on how supply-side policies (e.g., HCBS prioritization, CON) are shaping post-diagnosis health care demand for people with ADRD

- Better understanding on the performance of MA as an insurer for cognitively impaired individuals in long-term care settings

- Evidence on how the interplay between Medicare and Medicaid affects post-acute and long-term care delivery for people with ADRD.

Leveraging the Coordinating Center

- Rapid research brainstorming and resource sharing sessions

- Sharing both primary and peripheral research of projects

- Collective/coordinated policy outreach – input from Brown's Center for Advancing Healthcare through Research (CAPHR) for strategies