The Impact of Medicaid Work Requirements on Family Caregivers and Older Adults

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Justice in Aging is a national organization that uses the power of law to fight senior poverty by securing access to affordable health care, economic security, and the courts for older adults with limited resources.

Since 1972 we’ve focused our efforts primarily on populations that have traditionally lacked legal protection such as women, people of color, LGBT individuals, and people with limited English proficiency.
Diversity, Equity, and Inclusion

To achieve Justice in Aging, we must:

• Acknowledge systemic racism and discrimination

• Address the enduring negative effects of racism and differential treatment

• Promote access and equity in economic security, health care, and the courts for our nation’s low-income older adults

• Recruit, support, and retain a diverse staff and board, including race, ethnicity, gender, gender identity and presentation, sexual orientation, disability, age, economic class
The Public Policy Institute (PPI) is the focal point of public policy research, analysis and development at AARP. Led by AARP Senior Vice President Susan Reinhard, PPI develops creative policy solutions to address our common need for financial security, health care, and quality of life. Founded in 1985, PPI publishes policy analyses and provides updates on a range of topics, including current AARP priorities and emerging issues that will affect older adults in the future.

Additionally, PPI informs and inspires public debate on the issues we face as we age, frequently convening leading policy experts and other “think tanks” for discussion of key national and state policy matters. In addition, PPI provides critical analytical support for AARP advocacy efforts and campaigns.
Medicaid Work Requirements, Family Caregiving & Older Adults

MEDICAID WORK REQUIREMENTS
The Impact on Family Caregivers and Older Adults

A look at how Medicaid work requirements make it harder for family caregivers to meet their health care needs and a state-by-state survey of work requirements and caregiving exemptions.
Today’s Webinar

• **Family Caregivers**
  - Who they are & what they do
  - Costs family caregivers face
  - Why Medicaid matters to family caregivers

• **Key Findings from the Report:**
  - What states are requiring of family caregivers who are eligible for Medicaid
  - Impacts of work requirements on family caregivers & older adults
Who Are Family Caregivers and What Do They Do?
Family Caregiver

Broad Definition

- Any relative, partner, friend or neighbor who has a significant personal relationship with, and who provides a broad range of assistance for, an older person or an adult with a chronic, disabling, or serious health condition.
Valuing the Invaluable

• In 2013, about 40 million family caregivers in the U.S. provided an estimated 37 billion hours of care to an adult with limitations in daily activities.

• The estimated economic value of their unpaid contributions was about $470 billion in 2013—

  from an estimated $450 billion in 2009

Valuing the Invaluable: 2015 Update, Undeniable Progress, but Big Gaps Remain
How Much is $470 Billion?

- Walmart: $477
- Family Caregiving: $470
- Total Medicaid: $449
- OOP Spending on Health Care: $339
- Total Medicaid LTSS: $123
Today’s Family Caregivers

• Family caregiving cuts across gender, age, and race/ethnicity
  ▪ 60% are women; 40% are men
  ▪ Nearly 1 in 4 (24%) is a Millennial
  ▪ About 40% represent multicultural communities

• Average hours of care/week: 24 hours

• 24% have provided care for 5+ years

• 22% care for someone with dementia

• Nearly half provide care for someone age 75+

• 60% are employed

Source: National Alliance for Caregiving and AARP Public Policy Institute, *Caregiving in the U.S. 2015*. 
Most Family Caregivers Work at a Paying Job

- Nearly 24 million (60%) family caregivers are employed
  - Work an average of 34.7 hours per week
- Half (51%) are older workers ages 50+
- Almost 3 in 4 (73%) millennial family caregivers are employed
- Nearly 2 in 3 (63%) care for someone age 65+
- Most (61%) have made one or more workplace accommodations.

Source: National Alliance for Caregiving and AARP Public Policy Institute, *Caregiving in the U.S. 2015.*
Figure 1
Selected Impacts of Family Caregiving on Employed Caregivers

- Reduce work hours; take a less demanding job: 14%
  - 21+ hours: 25%
  - 0-20 hours: 10%
- Give up work entirely: 6%
  - 21+ hours: 12%
  - 0-20 hours: 4%
- Retire early: 4%
  - 21+ hours: 8%
  - 0-20 hours: 3%

Hours Spent Caregiving per Week

Base: Employed caregivers of adults (n = 724)
What Do Family Caregivers Do?

- Provide emotional support and companionship
- Help with household tasks (paying bills, preparing meals)
- Carry out intimate, personal care (bathing, dressing)
- Administer and manage multiple medications and other medical and nursing tasks
- Identify, arrange, and coordinate services and supports
- Hire and supervise direct care workers
- Arrange for and provide transportation
- Communicate with health professionals
- Serve as “advocate” during medical appointments and hospitalizations
- Implement care plans
- Act as “care coordinator” during transitions
Costs of Caregiving: Families at Risk

• Family caregiving comes at substantial costs to the caregivers themselves

• A vulnerable and at-risk population that the health care and LTSS systems neglects
  ▪ Physical health risks
  ▪ Emotional strain/mental health problems
  ▪ Social isolation
  ▪ Financial burdens
  ▪ Workplace issues; lost career opportunities
  ▪ Retirement Insecurity

• Family caregiving is now viewed as a public health concern
The Health Impact of Caregiving is Highly Individual and Dependent on Personal and Family Circumstances

• For some, caregiving instills confidence, provides meaning and purpose, and brings the caregiver closer to the older adult

• For others, caregiving leads to emotional distress, depression, anxiety, and impaired physical well-being

• Family caregivers spending long hours caring for someone with advanced dementia are especially vulnerable

Family Caregiving Can Pose Substantial Financial Risks

• Nearly 40% of family caregivers report moderate to high levels of financial strain
  ▪ They may lose income, Social Security/retirement benefits, and health insurance if they have to modify work hours or leave the paid workforce

• Family caregivers at the greatest risk of financial harm include those who:
  ▪ Are caring for significantly impaired older adults
  ▪ Are low-income or have limited financial resources
  ▪ Have limited or no access to paid leave (if they are employed)

• Caregivers may also incur substantial-out-of-pocket expenses:
  ▪ Medical/medication associated costs
  ▪ Assistive devices/home modifications
  ▪ Home health aides

Family Caregivers Provide $470 Billion in Unpaid Care

- More than three in four family caregivers (78%) are incurring out-of-pocket costs as a result of caregiving.
- Family caregivers are spending, on average, nearly 20% of their income on caregiving activities.

Source: AARP Research, Family Caregiving and Out-of-Pocket Costs: 2016 Report
Why Does Medicaid Matter to Family Caregivers?

• Vital safety net for older adults and their family caregivers

• Medicaid is the largest public payer for LTSS
  ▪ Important for older people who have lived into their mid to late 90s and have run out of their personal resources to pay for assistance
  ▪ Families rely on Medicaid to provide at-home assistance to supplement their care

• Critical source of support for low-income family caregivers
  ▪ Especially for those who reduce their work hours or quit their jobs to provide care for an older relative or friend and lose health benefits on the job
Key Findings: The Impact of Medicaid Work Requirements on Family Caregivers & Older Adults
17 States Considering or Imposing Work Requirements in Medicaid

** CMS reapproved Kentucky on November 20th
Work Requirements Are a Barrier to Coverage

- Most Medicaid-eligible adults are working
- Caregiving responsibilities are a main reason for not working
- Greater barrier for older adults

**Figure 6**
Main reasons for not working among non-SSI, adult Medicaid enrollees, 2016

- Ill or disabled, 36%
- Taking care of home or family, 30%
- Retired, 9%
- Going to school, 15%
- Could not find work, 6%
- Other, 3%

Total = 9.8 Million

NOTE: Includes nonelderly adults who do not receive Supplemental Security Income (SSI).
How States Apply Work Requirements to Family Caregivers

- Caregiving hours counted towards work requirement:
  Indiana, Kentucky, New Hampshire, South Dakota, Virginia

- Exemption from work requirement applies to adults caring for persons who are not dependents/relatives or living in the same household: Alabama, Arkansas, Michigan, Maine, Oklahoma, Utah, Wisconsin

JUSTICE IN AGING
Fighting Senior Poverty Through Law
AARP
Real Possibilities
Caregiving Counted as Work

- 5 states count caregiving towards meeting work requirement
- Restrictions based on care recipient
- Burden to track & report caregiving hours
## “Caregiving” Exemptions

**States use vague & widely varying language**

<table>
<thead>
<tr>
<th>Least Restrictive</th>
<th>Most Restrictive</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Wisconsin</strong></td>
<td><strong>Arizona &amp; Kansas</strong></td>
</tr>
<tr>
<td>Caring for persons who cannot care for themselves</td>
<td>Limit to caring for another Medicaid enrollee who is also relative/household member</td>
</tr>
<tr>
<td></td>
<td>Limit to caring for dependent/relative/household member</td>
</tr>
</tbody>
</table>

9 states
Other Exemptions

- **Age Exemptions Vary by State**
  - 7 states have no age exemption under 65
  - **Age 50 & older**
    - 3 states:
      - Arkansas
      - Ohio
      - Wisconsin
  - **Age 51 & older**
    - Oklahoma
  - **Age 55 & older**
    - Arizona
  - **Age 60 & older**
    - 4 states:
      - Alabama
      - Indiana
      - South Dakota
      - Utah
  - **Age 63 & older**
    - Michigan

- **“Good Cause” Exemption**
  - Temporary
  - Aligned with exemptions in Supplemental Nutrition Assistance and Temporary Assistance for Needy Families programs
## Exemptions

<table>
<thead>
<tr>
<th>STATE</th>
<th>WORK REQUIREMENT (4 states count caregiving hours)</th>
<th>Exemption: CAREGIVER</th>
<th>Exemption: AGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arkansas</td>
<td>80 hours/month</td>
<td>“Caring for an incapacitated person”</td>
<td>50+</td>
</tr>
<tr>
<td>Arizona</td>
<td>20 hours/week</td>
<td>“Caregivers of a family member who is enrolled in the Arizona Long Term Care System”</td>
<td>55+</td>
</tr>
<tr>
<td>Indiana</td>
<td>0-20 hours/week (phased in over 18 months) including “caregiving services for a non-dependent relative or other person with a chronic, disabling health condition, including individuals receiving FMLA to provide caregiving”</td>
<td>“Beneficiaries who are a primary caregiver of … a disabled dependent”</td>
<td>60+</td>
</tr>
</tbody>
</table>
Medicaid enrollees subject to work requirements must:

- Understand the requirement
- Record hours
- Find documentation
- Remember to report
- Have internet/computer access

It’s Complicated!!
Equals Loss of Coverage

Figure 2
80% of not exempt AR Works enrollees did not report 80 hours of qualifying work activities in October 2018.

Total of 69,041 People Subject to Work and Reporting Requirements in October 2018*

- Exempt from Reporting**
  - 53,798
  - 78%

- Not Exempt from Reporting
  - 15,243
  - 22%

- Reported 80 Hours of Qualifying Work Activities
  - 1,525
  - 10%

- Did Not Report 80 Hours of Qualifying Work Activities
  - 12,128
  - 80%

- Reported an Exemption
  - 1,590
  - 10%

15,243 Not Exempt from Reporting

NOTES: *Work requirement was phased in for those ages 30-49 from June-September, 2018. **Includes those identified as already working >80 hours and those identified as exempt from the work requirement.
The Impact

• Family Caregivers lose Medicaid coverage
• Older adults’ health compromised
• Increased health disparities
Resources

• Justice in Aging’s issue brief, fact sheet, & more:
  ▪ justiceinaging.org/medicaid-work-requirements-caregivers

• AARP Public Policy Institute:
  ▪ aarp.org/ppi/issues/caregiving

• Kaiser Family Foundation’s Waiver Tracker
Questions?

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