

Oliver Kim

The Policy Agenda – Political Challenges Reforming the Long-term Care System in the United States
Senior Government Officials Meeting

The United States is in the process of dramatically transforming its health care system following the passage of the Affordable Care Act. That landmark legislation, however, only made arguably marginal changes to its long-term care system, which—similar to the American health care system—remains fractured: the largest payer in the United States of long-term care services is Medicaid, a program for low-income individuals but also varies from state to state, at a cost of \$131 billion in 2011; use of private insurance is limited, and much care is delivered through informal sources (the amount of out-of-pocket spending incurred by individuals and families was \$45.5 billion in 2011).

One attempt at addressing long-term care—the Community Living Assistance Services and Supports (CLASS) program—was never implemented by the federal government and ultimately repealed. More limited attempts to address long-term care for certain populations—mainly for low-income individuals but also for military veterans—have had limited success as Congress has struggled to find to finance a national long-term care system.

This discussion will discuss the challenges—ranging from fiscal to political— in the wake of the Affordable Care Act that federal policy-makers face in attempting to address this situation. It will also look at some recent proposals to reform the long-term care system and to provide a means to finance such a system.