Dear Friends of Participant Direction,

In March of 2010, the United States joined other nations in recognizing the importance of a national response to the financing of long-term care for elders and people with disabilities. The goal was a good one: to provide individuals a method in which to plan for their future long-term care needs utilizing an approach that is respectful of individual choice and control. The solution, the Community Living Assistance Services and Supports (CLASS) Act, would have been a voluntary long-term care insurance program administered by the federal government designed to help individuals with long-term care needs determine the mix of personal assistance and supports that are right for them.

On October 14, 2011, Secretary Sebelius of the Department of Health and Human Services announced that she did not see a method in which to allow the CLASS Act to succeed given the financial solvency requirement set forth by the law. In a letter to Senate Majority Leader Harry Reid (D-NV), Sebelius wrote: “Recognizing the enormous need in this country for better long-term care insurance options, we cast as wide a net as possible in searching for a model that could succeed. But as a report our department is releasing today shows, we have not identified a way to make CLASS work at this time.” The DHHS report cited by the Secretary is publicly available here. While some experts point to design modifications for CLASS to address threats to solvency, the potential for such redesign opportunities remains unclear at this time. Regardless of this uncertainty, what is clear is that the need for long-term care financing reform will not go away. Instead, it will become increasingly more urgent in years to come.

Long-term care is still the single largest component of Medicaid, making up nearly half when costs for older adults, people with disabilities, and Medicare and Medicaid dual-eligibles are included. In addition to the documented need for a solution, advocates have worked tirelessly and with a unified voice to communicate the importance of individual choice and control over how long term services and supports are provided, regardless of a person’s age, disability, or cognitive abilities. The demand for more choice and control over the services people receive in their communities, including the participant direction model, is rising – and definitely here to stay. Please let us know if you share our commitment to continue efforts to keep participant direction at the forefront of policy discussions. We’ll be sure to keep our website updated with our efforts. I hope that we can work together as we look to what’s next for participant direction with the hope that one day we all will celebrate such choice and control in our own lives.

Sincerely,

Kevin J. Mahoney
Director, National Resource Center for Participant-Directed Services