

STATEMENT OF SENATOR SUSAN COLLINS
Senate Special Committee on Aging
“The Future of Long-term Care Policy: Continuing the Conversation”
December 18, 2013

Mr. Chairman, more than 12 million Americans rely on long-term care services and supports to perform the routine activities of daily living and to maintain their quality of life and, where possible, their independence. I appreciate your calling this hearing to explore options for improving our current long-term care financing and delivery system.

As the Senate co-chair of the bipartisan Congressional Task Force on Alzheimer’s Disease, I am especially sensitive to the complex care needs of Alzheimer’s patients and their family caregivers.

I therefore particularly look forward to discussing ways to provide more support to the 62 million family caregivers who, in 2009, provided an estimated \$450 billion in uncompensated long-term care, more than double the value of all paid long-term care.

Long-term care is the major catastrophic health expense faced by older Americans today, and these costs will only increase as our nation ages. It is not just that there will soon be a great number of older Americans. It is also that older Americans are living longer. Americans 85 and older – our oldest old – are the fastest growing segment of our population. And this is the very population that is most at risk of the multiple and interacting health problems that can lead to disability and a need for long-term care.

At the same time, declining birthrates mean that there will be fewer family members and paid caregivers to care for our nation’s growing aging population. Today, there are approximately seven potential caregivers for each person over 80 and at the highest risk of needing long-term care. By 2030, there will be four, and, by 2050 the number drops to fewer than three.

As a consequence, more people will have to rely on fewer caregivers. It is, therefore, clear that we will have to do more to support family caregivers and to recruit and retain a robust and competent long-term care workforce.

While there is a need for both public and private financing of long-term services and supports, I do believe that we must do more to encourage more Americans to provide for their long-term care needs. Many mistakenly believe that Medicare or their private insurance policies will cover the costs of long-term care should they develop a chronic illness or cognitive

impairment like Alzheimer's disease. Unfortunately, far too many do not discover that they do not have coverage until they are confronted with the difficult decision of placing a frail parent or loved one in a long-term care facility and face the shocking realization that they will have to cover the costs themselves.

Americans should consider their future long-term care needs just as they plan for their retirement or purchase life insurance to protect their families. Private planning for long-term care will not only provide families with greater financial security, but it will also ease the growing financial burden on Medicaid and strengthen the ability of that program to serve as a long-term care "safety net" for those Americans most in need.

Mr. Chairman, thank you again for calling this hearing, and I look forward to hearing from our witnesses.