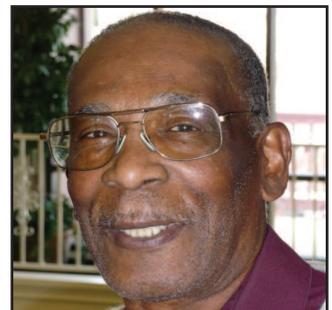


Humankind is experiencing a movement of such speed, proportion and impact that it is unprecedented in history. Call it the triumph of longevity...This represents a truly extraordinary accomplishment, for sure, but at the same time presents equally extraordinary challenges -- to public services and programs, to the private sector and nonprofits, and to individuals of all ages.

TRANSFORMING THE AGING EXPERIENCE

[THROUGH INNOVATION AND COLLABORATION]



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ESKATON IN BRIEF

Eskaton provides community living and home-based support to enhance the independence and quality of living for more than 14,000 older adults annually throughout Northern California. The nonprofit organization’s full spectrum of aging services includes residential living with services, assisted living, memory care, hospice, rehabilitation and skilled nursing, home care, adult day health care, and multiple other special programs. Affordability, innovation, collaboration, education and compassion are Eskaton standards as it endeavors to transform the aging experience.

Founded in 1968, Eskaton is headquartered in Carmichael, California. Contact Eskaton at 866-ESKATON (866-375-2866) or visit www.eskaton.org for more information.



TRANSFORMING THE AGING EXPERIENCE

When the vast majority of people can grow older with *connected independence*, this is a transformed aging experience. Homes will easily adapt to changing personal needs and neighborhoods will accommodate regular interaction between multiple generations. Healthcare will be centered in one's place of residence, using personal health technologies and management services. Individuals who desire to remain in the work environment will have flexible work and volunteer opportunities, and support for family caregiving. Access to support services will be readily available -- without driving. The healthcare insurance system will cover a broad array of assistance with activities of daily living and supportive technologies for persons across the economic spectrum. And, aging will be embraced as a journey of dignity and legacy.

Governments, businesses, nonprofits and consumers will need to partner to truly transform the aging experience. Collaborations must be substantive, innovative and intentional. Humbly, these challenges are too far-reaching for aging-services providers alone.

As a nonprofit serving our community for over 40 years, Eskaton envisions being a catalyst to action as part of its mission to enhance the quality of life of older adults through innovative health, housing and social services. Together we can rise to the occasion in equal measure to the challenges and opportunities that this new age of living will bring.

The following brief summary of these issues is to stimulate engagement, discussion and collaborative action by a broad range of partners. The attached "Opportunity Briefs" provide additional information and promising solutions to pursue.

The window of opportunity to prepare for the age wave is closing. Just like the "perfect storm" of the housing bubble and irrational financing that crashed our economy into recession, the tidal wave of aging boomers has implications that dwarf that crisis if we are again caught unprepared. It will impact every sector of our economy and society.

Every day since January 2008 and for the next 20 years, 10,000 boomers become eligible for Social Security and Medicare.¹ The 65-plus population has begun an *unparalleled* transformation from one-in-ten to one-in-five Americans. The 85-plus population, which is more resource-intense with twice the health care costs of those over 65,² will swell in a four-fold increase.³ At the same time, there is significant reduction in the number of people to support the economy and the demands of the burgeoning older population. Before long, in California there will be half as many working-age adults to support each person age 65 or older as there are now.⁴

Yet the majority of current approaches to respond to aging are essentially un-

Humankind is experiencing a movement of such speed, proportion and impact that it is unprecedented in history. Call it the triumph of longevity, we have extended life in the past century from an average lifespan of 40 years to now, 78 years. To put the gravity of this movement into context, our recent growth in life expectancy exceeds that of the previous 50 centuries combined. This represents a truly extraordinary accomplishment, for sure, but at the same time presents equally extraordinary challenges -- to public services and programs, to the private sector and nonprofits, and to individuals of all ages.

The intent of this paper is to both inform and transform. And to counter anxiety with strategies and solutions. In other words, though far from comprehensive, *Transforming the Aging Experience* will hopefully serve as a catalyst for innovation, collaboration and action.

Above all else, the goal is to ensure that we celebrate our new longer-life experience with dignity.

changed from those that existed 50 to a 100 years ago when older adults were a much smaller part of our population. While there were ample warning signs leading to the current economic crisis, we have far more data about the extraordinary aging of our population. The indisputable and daunting facts have been marshaled by a steady drumbeat for more than 20 years.

We cannot afford to miss this opportunity to transform the aging experience. Swift action is important not only for the sake of older adults but also for younger generations whose opportunities to advance and prosper could be stymied by an economy gridlocked by outmoded public policies, infrastructure and services unable to respond to the needs of an older population.

IMPLICATIONS, OPPORTUNITIES AND SOLUTIONS

As the first wave of boomers reach age 65, and the senior population grows by 36 percent from 2010 to 2020, we have no time to waste.⁵ While the implications are far reaching, the opportunities for change are as equally spread across all sectors. Workforce and business, housing and neighborhood de-sign, and aging services are a few of the realms where collaborative innovation is essential to transforming the aging experience.

A vast array of new tools and strategies are at our disposal:

- New technologies and service models that bring wellness promotion, health-care and connectedness to people in their homes
- New ideas for financing long-term care
- New models of integrated neighborhoods to support the lifespan from young to old so that we create connected communities instead of isolated independence
- New livable designs to build houses that can “flex” as we age to be a home for a lifetime

By partnering together we can chart new norms that will sustain an aging population and maximize the benefit new tools and strategies have to offer.

OPPORTUNITY: DESIGN COMMUNITIES TO EMBRACE AGING

The next decade of rapid growth in the older population will occur especially in suburbs where homes and neighborhoods were not designed to be age-friendly. Because the boomers were the nation’s first fully “suburban generation,” their aging in place will cause many major metropolitan suburbs to “gray” faster than their urban counterparts.⁶ Most production and custom home floor plans are not designed for a home that lasts a lifetime. The same is true for most neighborhood designs.

One of the most basic, but valuable new standards for home design enacted by some municipalities is “visitability.” This entails requiring that new homes have at

A warning ignored:

“It sure sounds alarming. But as the clouds gather and the wind stiffens, we sail onward, with no apparent adjustment in course, full steam ahead. Why aren’t we rushing to take evasive action? ... A lot of it has to do with timing. While many economists are willing to imagine in detail what a perfect storm would look like, virtually none will forecast precisely when – or if – it will start... Besides, adds Jeffrey Frankel, “some of us have been warning of this hard-landing scenario for more than 20 years.”

- Daniel Gross, *New York Times*, May 8, 2005, “The Perfect Storm That Could Drown the Economy.”

An opportunity to act:

Call this a crisis? Just wait. Actually, don’t wait, because we’ve got to stop a bigger economic disaster in the making: 78 million baby-boomers eligible for Social Security and Medicare. The costs of these current programs, along with other health-care costs, could bankrupt our country.

- David Walker, Former U.S. Comptroller, October 2008

least one zero-step entrance and a bathroom and bedroom on the main level. One level up is “universal design,” defined by features that enable people of all ages and abilities to use a space and/or product. These include basic visitability standards, plus elements such as lever handles, wider doorways and roll-under cabinets.

However, wide adoption of more comprehensive “livable design” by home builders is needed to transform the aging experience in America. Fully livable home designs enable homes to “flex” with us as we age without requiring construction modifications at the most inconvenient and costly time – when one’s needs change. These home designs are affordable, have versatile functionality and beautifully integrate a broad set of features. Livable designs can also increase the sustainability of living by incorporating energy-efficient systems and materials.

Livable neighborhood designs need to be put in place during the initial planning stages or redevelopment of a community, in order to support safe and easy access to services, transportation and amenities. These include features such as safe, accessible walking and personal transport spaces (wide enough for electric scooters/personal carts), clustered mixed-use developments to position housing near services, and others. Neighborhoods should also be oriented for an aging experience of intergenerational connectedness rather than isolation. All-age housing campuses could have services for both older adults and children with intergenerational interaction by design, such as joint school library/community centers and child/adult daycare centers.

OPPORTUNITY: MAXIMIZE THE CAPACITY OF AGING SERVICES

The full spectrum of aging services must be available, accessible and affordable. Our current public financing system for long-term care is unsustainable. According to the GAO, due to the record aging of the population, federal spending in Medicare, Medicaid, and Social Security on the older population will consume an even larger and ultimately unsustainable share of the federal budget and economic resources.⁷

At the same time, the public financing system falls far short of meeting current seniors’ needs. Reimbursement for traditional long-term care services (i.e., at skilled nursing homes) is inadequate to cover actual costs for providers and resources for activity of daily living (ADL) services in various settings are nearly non-existent. This leaves many older adults without affordable service options beyond nursing homes. Providing all older adults, not just those with substantial personal resources, with the most appropriate and cost-effective level of services and supports will take a completely new approach, particularly for home-based and assisted living care.



Beyond matters of dollars and cents, the age wave means that the existing capacity of long-term care services and supports cannot meet the increasing demand. We need to move rapidly to design and implement innovative models of care. Home-based services will require the most extensive growth and innovation over the next few years. We now have the technology tools to enable safe and sustainable models to connect people to a network of care in their own homes. These technologies empower individuals to take charge of their own health, enable families to maintain real time awareness of an older adult’s well-being, and provide consistent daily supportive and health care services in ways never before possible.

OPPORTUNITY: SUPPORT WORKFORCE CAREGIVERS

The impact of this age wave on workforce and businesses will be felt in greater productivity losses for employers due to the increased number of employees caring for a dependent older relative unless policies and programs that reinforce caregiving employees are put in place. The cost to employers in lost productivity has been estimated at between \$17.1 billion and \$33.6 billion annually.⁸ The recent economic crisis has exacerbated employee caregivers’ challenges, causing greater fear that their caregiving will jeopardize their job and dealing with reduced hours or pay at a time of increased caregiving costs.⁹ Policies such as flextime, telecommuting, and job-sharing as well as support programs such as respite care and adult daycare services will reinforce employee’s ability to be productive at work. Furthermore, without these supports, many employee caregivers will resort to publicly-financed health care, which in turn may result in a higher tax burden for business. The care provided by family members in 2007 was worth a staggering \$375 billion, more than total federal and state Medicaid program spending in that year.¹⁰

The impact also will be felt as only 58 million Generation Xers replace 78 million Baby Boomers in the workforce – a 20 million person gap of experienced human capital.¹¹ As a seasoned workforce retires from career positions at unmatched rates, public and private employers will encounter a critical loss of experience and knowledge. These trends are expected to create gaps in skilled workers and managerial occupations in particular, because boomers are more likely to occupy professional and managerial positions than previous retiree generations.^{12,13} To combat “experience drain” and maximize the “experience dividend,” employers will need to create alternatives to immediate retirement such as various part-time options, flex-time and working from home can better support a healthy work-life balance for employees. Recruiting retirees through a company “corporate reserve” or third-party databases of retirees is another way to retain specific knowledge and skills for short-term or part-time assignments.

Healthy old age makes longevity more affordable for individuals and societies. If we truly enjoy long life, we must have good health that naturally supports independence and vitality and, by extension, facilitates continuing contributions of older persons to society.

- Robert N. Butler, M.D.

CHANGE THROUGH COLLABORATIVE INNOVATION

Failure to act proactively now to address the impacts of record population aging and longevity will result in significant economic and social distress. As discussed in the attached “Opportunity” briefs, there are many promising tools and strategies available to use in meeting this challenge. But the solution is not in finding the right strategy. *The solution lies in collaboration.*

Through collaborative innovation, new norms can be charted that will sustain an aging population and maximize the benefit new tools and strategies have to offer. The following action steps are modeled after Virginia’s Older Dominion Partnership – a collaboration of businesses, policy makers, aging service agencies, academic institutions and philanthropic organizations to accelerate Virginia’s age wave preparedness (www.olderdominion.org and www.odpagewaveresources.org).

SUCCESSFUL PREPARATION AND RESPONSE

- Engage business leaders, governments, consumers and nonprofits beyond the traditional “aging-centric” organizations in transforming the aging experience.
- Educate middle-aged and older adults regarding successful aging and increase awareness of new personal health and prevention strategies and tools (i.e., wellness technologies).

IMMEDIATE ACTION RECOMMENDATIONS

- Conduct Survey of Business Leaders and California Residents regarding the impact of the wave of population aging, business preparedness and residents’ priority on aging services and changing the aging experience.
- Establish “Transforming the Aging Experience” Collaborative Roundtables of business leaders, aging service organizations, public planning organizations local governments, etc. to design and implement collaborative solutions.
- Designate or hire an organization staff person to act as “community partnerships director” to lead aging-related and other collaborative efforts.

Together we can seize this opportunity to transform the aging experience. This paper provides a platform for discussion and partnership to realize this vision. As a catalyst to change, Eskaton looks forward to working with you to develop cross-sector synergy and innovative solutions. Please contact Sheri Peifer, Vice President of Research and Strategic Planning at sheri.peifer@eskaton.org or 916-334-0810 for more information or to express your interest in joining efforts to advance this vision.



ENDNOTES

- ¹ Social Security Administration, “*Nation’s First Baby Boomer Files for Social Security Retirement Benefits – Online!*” (October 15, 2007).
- ² Centers for Medicare and Medicaid Services, *Medicaid Current Beneficiary Study* (2008). http://www.agingstats.gov/agingstatsdotnet/Main_Site/Data/2008_Documents/slides/OA_2008.ppt#299,48, Slide 48.
- ³ *Projections of the Population by Age and Sex for the United States: 2010 to 2050* (NP2008-T12), Population Division, U.S. Census Bureau; Release Date: August 14, 2008.
- ⁴ Ronald Lee and Valentine Villa, “*Population Aging in California.*” CPRC Brief: Strategic Planning on Aging. No. 2, May 2001. California Policy Research Center.
- ⁵ Brookings Institution, Metropolitan Policy Program, *Getting Current: Recent Demographic Trends in Metropolitan America* (2009).
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- ⁷ U.S. Government Accountability Office. *Long-Term Care: Aging Baby Boom Generation Will Increase Demand and Burden on Federal and State Budgets* (March 2002).
- ⁸ MetLife Mature Market Institute and National Alliance for Caregiving, “*The MetLife Caregiving Cost Study: Productivity Losses to U.S. Businesses*” (July 2006).
- ⁹ Evercare and National Alliance for Caregiving, “*Evercare Survey of The Economic Downturn and its Impact on Family Caregiving*” (April 2009).
- ¹⁰ Ari Houser and Mary Jo Gibson, AARP Public Policy Institute, “*Valuing the Invaluable: The Economic Value of Family Caregiving, 2008 Update*” (November 2008). *Insight on the Issues*.
- ¹¹ U.S. Census Bureau Population Estimates (2008). <http://www.census.gov/popest/national>.
- ¹² United States Government Accountability Office (November 2007).
- ¹³ Brookings Institution, *Getting Current*, (2009).



OPPORTUNITY: DESIGN COMMUNITIES TO EMBRACE AGING

“In order to appropriately plan for future developments and redevelopment projects to address the shift in demographics and the changes in housing needs, it is imperative that planners and developers incorporate [livable design] elements ...to foster healthy living for aging adults.”

-- San Mateo County¹

IMPLICATIONS

- The next decade of growth in the older population will occur especially in suburbs where homes and neighborhoods were not designed to be age-friendly to accommodate a person over longer lifetimes.²
- Without major changes to our neighborhood and housing designs, communities will themselves become barriers to independence and access to services for their residents, causing many older adults to experience preventable acute health crisis with unnecessary expense and consequences.

STRATEGIES

1. Livable Neighborhood Design

America’s longevity revolution combined with the predominant desire to live in one’s own community and neighborhood throughout a lifetime, make the physical plan and design of neighborhoods a critical component of transforming the experience of aging in the future. We have the opportunity to incorporate key solutions in the planning stages of a community or in redevelopment planning that will support safe and easy access to services, transportation and amenities.

- Walkable communities with safe, accessible walking and bicycle routes (wide enough for scooters/personal carts) from neighborhoods to local services and amenities
- Green spaces to promote outdoor activities and intergenerational social engagement vs. isolation
- Intergenerational housing, daycare, school/senior center libraries and tutoring programs
- Public/private collaborations, along with older adult residents, to make livable communities a top priority and identify opportunities to make current neighborhoods, plans and initiatives age-friendly

Model Solutions:

Center for Civic Partnerships, Sacramento, CA: “Improving Livability in California Healthy Cities and Communities” Program. As part of its 20-year California Healthy Cities and Communities Program, the Center is working with local governments throughout the state to assess neighborhood needs for improved livability, assemble cross-sector partnerships and plan specific ways to achieve livable neighborhoods for a changing demographic (www.civicpartnerships.org).



California Healthy Cities
and Communities

San Mateo County Aging Model: “Better Planning for Tomorrow”. In order to adequately plan for coordinated county services in the years 2020 and 2030, San Mateo County took action to explore the local impact on the aging population and its preferences. To meet these objectives, representatives from the San Mateo County Health System, Department of Housing, San Mateo Transit District, Health Plan of San Mateo, and the Commission on Aging collaborated to create a model that projects details of population over the age of 65 in San Mateo County. The model forecasts socio-demographic factors helpful in planning processes, such as racial/ethnic composition, income distribution, housing preferences and disability rates. The model was adopted by the San Mateo County Board of Supervisors in October 2007. The County has produced subsequent recommendations to achieve livable neighborhoods (www.smhealth.org/hpp).

Mather LifeWays Café’s Plus Concept. Begun as a new way to bring engagement, connection and services to older adults in their community, the Mather LifeWays Café Plus Concept has become an award-winning model to make neighborhoods better places for older adults to live, work, learn, contribute and play. They are a proven strategy to convert an existing neighborhood senior center or construct new hubs for inter-generational community vitality in an aging world. The concept has been designed to attract active, older adults (50+) by providing a vibrant café experience as well as fun, educational and wellness/fitness programs. Because the Cafés are a full-service restaurant visited by people of all ages, the Café Plus Concept is readily welcomed by older adults who don’t see themselves as old and choose not to frequent traditional senior venues while creating a key component of a livable community (www.matherlifeways.com).

Key Resource:

Aging in Place Initiative’s “A Blueprint for Action: Developing a Livable Community for All Ages”. Aging in Place is an initiative of Partners for Livable Communities (Partners) and the National Association of Area Agencies on Aging (n4a). The guide, sponsored by the Met Life Foundation is a comprehensive resource for local leaders to create an aging-friendly community. It includes information on common challenges and proven solutions in specific areas, such as housing, land use planning, supportive services and transportation. It also contains an overview of “Aging in Place” and community leadership through a six-step strategy to build community partnerships, which offers key elements on how to channel community energies into planning and implementing systemic change (<http://www.aginginplaceinitiative.org>).

2. Livable Home Design

The majority of homes have been designed for able-bodied families, as evidenced by the current housing stock designed with front steps up to the entry, narrow doorways and two-level dwellings. The current aging demographics’ desire to age in their homes and communities requires us to work together to create livable homes for a lifetime, supporting all abilities.



One of the most basic but important new standards for home design enacted by some municipalities is “visitability.” This entails requiring that new homes have at least one zero-step entrance (even if through a garage), at least one accessible half-bath, 36” doorways and in some cases a bedroom on the first level. In 1992 Atlanta became the first city to mandate visitability for any single-family home or duplex built with any type of subsidy from the city. Currently, at least eleven states and 24 communities have visitability mandates for new construction in certain circumstances. While most visitability requirements apply only to homes built with public funds, Pima County, AZ; Naperville, IL; Bolingbrook, IL; Arvada, CO and Lafayette, CO require visitability for all new home construction.³

One level up is “universal design” defined by features that enable people of all ages and abilities to use a space and/or product. These include basic visitability standards, plus elements such lever handles, wider doorways, roll-under cabinets and several others. Since 2006, California law (AB 1400) requires builders to use a “New Home Universal Design Checklist” with new for-sale residential units to provide potential buyers with a list of specific universal design features and associated costs. Homebuilders are not required to offer the features to buyers, but need to identify each as either being a “standard” item, a “limited” item, an “optional item,” or “not available.”⁴

However, wide adoption of more comprehensive “livable design” by home builders is needed to transform the aging experience in America. Fully livable home designs enable homes to “flex” as we age without requiring construction modifications when our needs change by using innovative approaches to barrier-free living. Livable designed homes can accommodate any age and ability.

The need for livable design is now readily apparent. In 2007, 72 percent of remodelers reported modifying homes for aging-in-place needs, a 16 percent increase from the year before.⁵ In fact, due in large part to aging-related needs, remodeling expenditures are expected to keep step with the aging demographic, and are projected to exceed \$240 billion dollars in 2011 and reach \$322 billion in 2016.⁶ Often such modifications address the age-related mobility needs of others too, such as visiting or live-in older relatives. The aging-in-place modifications most frequently purchased by homeowners, according to remodelers, include installing higher toilets (71 percent); upgrading to a curb-less shower (60 percent); widening doorways (57 percent); constructing ramps or lower thresholds (45 percent); and redesigning lighting and task lighting (45 percent).⁷

Livable designs are affordable, have versatile functionality and beautifully integrate a broad set of universal design and other features so that remodeling construction hassle and cost of such modifications are avoided at the most inconvenient time – when one’s needs change. Features include:

- Zero-step entryways for all entrances and minimum thresholds
- Wide doorways and hallways throughout the home
- Circulation and ease of use features
- Conduit for future adaptive technologies
- Lighting features and energy efficiency recommendations
- Exterior guidelines for safety and access

“VISITABILITY”

- 1 zero-step entry
- Accessible 1/2 bath on main level
- 36” doorways on main level



“UNIVERSAL DESIGN”

- Visitability standards
- Lever handles
- 36” doors/hallways (all)
- Roll-under cabinets, etc.



“LIVABLE DESIGN”

- Uses a broad-spectrum of universal design principles and solutions that produces buildings, products and environments that are usable and effective for everyone.
- Built-in features that exceeded universal design, many of which are undetectable, such as wall blocking and conduit, to anticipate changing needs.
- Comprehensive guidance for the building industry, designing homes and spaces for a lifetime.

Livable designs can also increase the sustainability of living by incorporating energy efficient systems and materials. Visitability and other accessible standards are now incorporated in the LEED Green Building Rating™.⁸

Model Solutions:

The Inclusive Home Design Act. First introduced in Congress in 2005, the legislation was reintroduced as H.R. 1408 in the 111th Congress (2009-2010). It would require that all single-family homes that receive federal assistance be constructed with at least one zero-step entrance, 32” wide doors throughout the main floor, and an accessible bathroom with at least a toilet and sink on the main level. Based on the Atlanta visitability standard, the zero-step entrance can be at the front, side or back of the home or through an attached garage.

Eskaton National Demonstration Home and Livable Design™. The Eskaton National Demonstration Home seeks to fill the gap of awareness for builders and consumers by demonstrating the affordability, functionality and beauty of integrating a broad set of universal design features in homes and living spaces.

Livable Design by Eskaton™ is a design certification program that integrates a builder’s own unique floor plans with Eskaton’s core building requirements, featuring user-friendly designs, many of which are undetectable. (www.demohome.org and www.livabledesign.net)

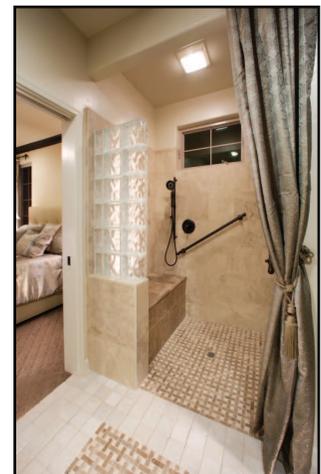
Key Resources:

AARP’s: “Increasing Home Access: Designing for Visitability”
(http://assets.aarp.org/rgcenter/il/2008_14_access.pdf)

Center for Inclusive Design & Environmental Access “Visitability Booklet”
(www.udeworld.com/visbooklet/visitabilitybooklet.pdf)

Livable Design by Eskaton
(www.livabledesign.net)

Livable designs enable homes to flex as we age without requiring construction modification when our needs change



OPPORTUNITY: MAXIMIZE THE CAPACITY OF AGING SERVICES

“If the growing numbers of older persons were all financially independent and enjoying good health, there would be no challenge. A significant minority, however, is not so fortunate. The challenge [and opportunity] is to assist those in need and to help people and society plan better.”

-- Robert N. Butler, M.D.

IMPLICATIONS

Unsustainable public financing system and lack of affordable care options:

- Because of the unprecedented aging of the population, federal spending on the older population will absorb a larger and ultimately unsustainable share of the federal budget and economic resources.⁹ Current projections show the Medicare trust fund becoming insolvent in just over seven years and Social Security will begin paying out more in benefits than it receives in taxes in about six years.¹⁰
- Activity of daily living (ADL) support in various settings is the largest area lacking in public and insurance reimbursement and is therefore an option only for more wealthy older adults. It is estimated that 12 percent of current nursing facility residents nationwide have “low care” needs but reside in nursing homes, the most costly care setting, because it is the only “affordable” care option.¹¹

Insufficient capacity of aging services for home-based support:

- The existing capacity of long-term care services and supports is not sufficient to meet the increasing demand of a rapidly aging population; capacity in all types of long-term services and supports will need to be bolstered to meet the needs.
- Development and implementation of new innovative models of care are needed, particularly for care provided in the home. 87 percent of older adults say if they need help taking care of themselves they would prefer to have that help given to them in their current home.¹²

STRATEGIES

1. Develop an Affordable Spectrum of Care Services

We have the opportunity to make all elements of the long-term care spectrum affordable so that all older adults are able to access the most appropriate level of services and supports. Doing so will take a new approach to financing long-term care, particularly for home-based and assisted living care. In addition to methods of restructuring the finance system, the mounting financial costs could be reduced by improving and lengthening the independence and health of adults as they age.

Model Solutions:

“The Long-term Care Solution.” Put forward in the 111th Congress (2009-2010) by the American Association of Homes and Services for the Aging (AAHSA), the LTC Solution is a broad-based national insurance trust supplemented by voluntary premiums that would provide cash benefits to pay for long-term care expenses. This system would allow aging baby boomers to pre-fund their long-term care needs, thereby alleviating state budget burdens and provide individuals with the services they need wherever they live. To qualify for benefits, individuals must be 18 years old and have contributed to the program at least five years. All working adults will be automatically enrolled in the program, unless they choose not to be. There are two benefit tiers: Tier 1 benefits (\$50/day) will be payable to eligible individuals who have two or more impairments on Activities of Daily Living (ADLs) or the equivalent cognitive impairments. Tier 2 benefits (\$100/day) will be payable to individuals who have four or more ADLs or the equivalent cognitive impairment.

The LTC Solution has been included in the *Community Living Assistance Services and Supports (CLASS) Act*, which is now part of the main health reform bill moving through Congress, the *Affordable Health Choices Act* (www.thelongtermcaresolution.org).

Program of All-Inclusive Care for the Elderly (PACE). Expansion of integrated payment service models such PACE is another way to make comprehensive care affordable and available to middle and lower income older adults. Currently there are 53 operating PACE programs in 25 states, serving 16,000 individuals. PACE is considered “all-inclusive” because clients receive a coordinated package of care and services funded by Medicare Medicaid, and other sources that combines primary and acute medical services with institutional and community-based long-term services like adult day care, in-home services, meals and transportation. However, several federal and state-level payment methodology standards must be put in place to make the PACE model a more mainstream and consistent for greater nationwide success.¹³

2. Expand Capacity via New Models of Aging Services and Supports

Home-based services will require the most extensive growth and innovation over the next few years to respond to peoples preferences and to provide more low-cost alternatives.

Model Solutions:

“Intentional Communities” or “Villages without Walls” --

- **Beacon Hill Village**, located in Boston, MA, was established in 2001 by a group of Boston neighbors who decided to initiate a membership program whereby older adults could remain in their own homes, yet be connected to a broad network of supportive social, personal and health services. Also referred to as “virtual villages” over 14 such communities have been organized nationwide, with more developing each year (www.beaconhillvillage.org).

- **Eskaton Neighborhood Network**, referred to as the “hub and spoke” model, is a village without walls that targets naturally occurring retirement communities (NORCs), or neighborhoods and regions surrounding Eskaton’s older adult communities. This membership program offered in the Northern California region is especially designed with the feedback of older adults and families, with the direct aim of supporting older adults’ independence. It does so via a concierge service that will link members with a network of services and supportive technologies. Eskaton campuses act as “hubs” serving the broader community of older adults living in the surrounding neighborhoods.

Senior Co-Housing -- for older adults who want to live in social and environmentally vibrant community. Senior co-housing revolves around custom-built neighborhoods organized by the seniors themselves in order to fit in with their real needs, wants and aspirations for health, longevity and quality of life.

- **Silver Sage Community**. Located in Boulder, Colorado, Silver Sage Village is a 16-home community located on one acre adjacent to a larger mixed-use neighborhood with an inter-generational co-housing community directly across the street. It was the first Senior co-housing community in Colorado. The community has many “Green Built” features including active solar hot water heating, passive solar heating (www.silversagevillage.com).
- **Glacier Circle Community**. Located in Davis, California, Glacier Circle is an eight-home community located on less than an acre of land in a larger planned and mixed use neighborhood. In the common house there will be an affordable second-floor apartment which the community plans to offer to a couple in exchange for helping with cooking and maintenance of the community. The situation may be especially helpful in the future as residents age in place. The homes have energy-efficient design from passive solar to fluorescent lighting. They also have many universal design features in place (<http://abrahampaiss.com>).

Housing Cooperatives -- Different from co-housing, cooperatives (co-ops) give you ownership in your home, with fixed mortgage costs, in a maintenance-free environment. Popular in the Midwest and rural areas, co-ops often provide transportation and home maintenance; some employ coordinators who help members obtain home and community-based services.

- **Applewood Pointe** is a network of senior cooperative communities in Minnesota offering a wide variety of choices in housing and amenities. Residents of the cooperative have access to extended living areas: the community sunroom, fitness center, parlor with a fireplace, a library, the woodworking shop and a hobby room. The communities are usually located within established neighborhoods, providing convenience, easy access to retail businesses and close proximity to parks (www.applewoodpointe.com).
- **“Small Houses” Nursing and Assisted Living Homes**; A movement initiated the “Green House” model in Tupelo, Mississippi to create smaller, more



home-like environments for older adults requiring more advanced care. There are approximately 250 such houses operational, or in development, nationwide today.¹⁴

- **The Green House Project**, developed by Dr. Bill Thomas, it intends to deinstitutionalize long-term care by eliminating large nursing home facilities and providing smaller, private, home-like settings with lots of natural light, social and dining opportunities and gracious outdoor spaces (www.thegreenhouseproject.org).

Key Resources:

- **In the Place They Call Home: Expanding Consumer Choice Through Home and Community-Based Services.** Recommendations from the Home and Community-Based Services Development Cabinet, American Association of Homes and Services for the Aging, January 2009 (www.aahsa.org).
- **Senior Cooperative Foundation** supports development of and best practices for senior housing cooperatives with a variety of services, education, and operating programs. These programs are available to resident-members and to new sponsor-developers who are committed to full resident ownership and control (www.seniorcoops.org).
- **NORCs Aging In Place Initiative** is a program of United Jewish Communities (UJC) with 157 Federations comprise a community-based network of 1300 health and social services with a focus on serving vulnerable populations (www.norcs.com).

3. Utilize Technology in Aging Services and Senior Living

Technology tools now exist to enable safe and sustainable models to connect people to a network of care in their own homes. These technologies empower individuals to take charge of their own health, enable families to maintain real time awareness of their family member’s well-being, and provide consistent daily supportive and health care services in ways never before possible. These technologies appeal to current older adults not only boomers.

Three-fourths of older adults are willing to receive telemedicine to diagnose or monitor health conditions remotely in their home.¹⁵

Model Solutions:

Enabled Care Services & Personal Health Management

- **Ecumen**, a faith-based, older adult services organization which serves over 12,000 seniors across a wide array of service options in Minnesota, Wisconsin, Iowa, and North Dakota, has installed 900 QuietCare® systems by GE Healthcare, that uses small, non-intrusive wireless motion sensors combined



with complex computer-based algorithms to analyze and report changes in key behaviors. Changes in behavior are often an early indicator of emerging health conditions or potential emergency situations. This type of technology empowers older adults to live independently with peace-of-mind in private residences. Ecumen will be expanding the use of these and many other technologies in an “Ecumen at Home” model being launched in early 2010 (www.ecumen.org).

- **Eskaton’s National Demonstration Home.** Located on Eskaton’s Roseville, CA campus, this home showcases many of the technologies available today to support health and independence in addition to demonstrating the latest in Livable Design. Technology partners include Intel Corp., California Lighting Technology Center, GrandCare Systems, Dakim Inc., and several others. Featured technologies include:
 - Passive monitoring of activities of daily living
 - Caregiver network accessible via secured website
 - Portable medication dispenser and alert
 - Smart lighting and LED technologies
 - Smart appliances
 - Two-way video communication
 - Wellness monitoring station with telehealth capacities
 - Social connection tools for resident, family and friend engagement
 - Cognitive fitness games with embedded functional assessment
 - Safety and security features for persons with various abilities

(www.demohome.org)

Interoperable Electronic Health Records in Health and LTC continuum

- **Presbyterian Senior Living** headquartered in Dillsburg, Pennsylvania, is ramping-up to be the “beta” long-term care provider partner in the Pennsylvania Keystone Health Information Exchange (KeyHIE). This will allow for interoperable exchange of key health information across hospital, physician, pharmacy, and long-term care settings to facilitate continuity of care and efficiency. Interoperable EHRs will play a critical role in enabling a new model that centers healthcare in the place a person calls home.

Reimbursement for Aging Services Technologies

- **Pennsylvania TeleCare Medicaid Waiver Program.** The State of Pennsylvania, in the fall of 2007, became to first state to provide reimbursement to publicly-funded homecare organizations for the use of a wide-array of aging services technologies in order to enable older consumers to continue living in their own home.

Key Resources:

Center for Aging Services Technologies (CAST). CAST has produced a wealth of resources on aging services technologies and best practices. View CAST’s video,



“Imagine the Future of Aging” (www.agingtech.org/Imagine_video.aspx) (CAST Resources: www.agingtech.org).

4. Supplement Professional Services with Boomer Volunteer Models

We have the opportunity to create new Boomer-Senior Volunteer Service Models where boomers are able to supplement professional care and support for older residents in their own community, thereby expanding the capacity of aging services. This could in part be accomplished by establishing easily accessible guidance for the next stage of life for near and recent retirees or other middle-aged and older adults looking to shift gears and are seeking meaningful opportunities.

Model Solution:

Civic Ventures’ “Next Chapter” Model. This model for meaningful service programs at the local level includes assessing status and strengths, exploring future possibilities, and setting goals; meaningful engagement through work and service; continued learning for new directions; and peer and community connections. This model could be utilized to establish effective Boomer-Senior Volunteer Service programs to expand existing aging service capacity (www.civicventures.org).

OPPORTUNITY: SUPPORT WORKFORCE CAREGIVERS

IMPLICATIONS

Workforce “Experience-drain”

More than 58 million Generation Xers will replace 78 million Baby Boomers in the workforce – a 20 million person gap of experienced human capital.¹⁶ These trends are expected to create gaps in skilled workers and managerial occupations in particular, because boomers are more likely to occupy professional and managerial positions than previous retiree generations.^{17, 18}

Costs for Employers from Increased Caregiving Needs

Current cost to employers in lost productivity due to employees providing care to a parent or older relative is between \$17.1 billion and \$33.6 billion annually.¹⁹ Costs include absenteeism, workday interruptions, supervisor time, shifting from full to part-time and replacing employees.²⁰

Unsupported caregiver employees often resort to publicly-financed health care, likely resulting in higher taxes for business to pay for higher caseloads in public program.

There are over 34 million Americans who have taken on the role of “informal family caregivers,” providing care for an older family member. In economic value, the care currently provided by family was worth \$375 billion in 2007, more than total federal and state Medicaid program spending in that year.²¹

In the years ahead, there will be far fewer adult children of boomers to care for their aging parents, resulting in steeper employer costs related to more “intense caregiving” by those employees (\$2,441 per employee²²).

STRATEGIES

1. Experience-Capital Retention

There is opportunity to combat “experience drain” and maximize the “experience dividend” by creating flexible schedule opportunities and other work modifications for staff who may be contemplating retirement. The good news is that 70 percent of 1,500 surveyed workers over the age of 45 want to work in their “retirement.” However, most indicated they would prefer part-time options. Sixty-five percent also said they are looking for better ways to balance their work and personal life.²³ Experience retention innovations include:

- Modified positions such as various part-time options, flex-time and working from home can better support healthy work-life transitions for employees with critical expertise.
- Cross-training, mentoring, coaching, shadowing and comprehensive exit interviews foster the transfer of knowledge necessary to succeed in a business climate with a smaller incoming workforce of Gen Xers.

- Recruiting retirees through an in-house “corporate reserve” or third-party databases of retirees with specific knowledge and skills for short-term or part-time assignments
- Cross-company collaborations will also become an increasingly important part of everyday business for many companies who experience a thinning of in-house expertise.

Model Solutions:

- **Mercy Health System’s “Work to Retire Program”** allows employees over 50 to work reduced hours, job pool, or work from home (www.mercyhealthsystem.org/body.cfm?id=220)²⁴
- **Home Depot’s “snowbird special”** allows high-performing employees who live in different parts of the country at different times of the year to transfer between Home Depot locations near their homes²⁵
- **Baptist Health South Florida** provides financial incentives to senior nurses who mentor junior colleagues²⁶
- **The MITRE Corporation’s “Reserves at the Ready”** program allows retired employees to be on call for part-time work assignments²⁷
- **Proctor & Gamble and Eli Lilly** were the initial founding participant companies for YourEncore, a placement agency matching retired scientists and engineers with companies for short-term projects (www.yourencore.com)²⁸

2. Support for Caregiving Employees

Much like the human resource policy changes American businesses began in the 1980s to accommodate the needs of workers with young children, we now have the opportunity to make supportive policies for employees caring for aging parents the norm rather than the exception. This change has already begun. Approximately 33 percent of *large* employers currently have an eldercare program to help employees with caregiving responsibilities.²⁹ Such policies help maintain productivity and manage caregiving stress, and mitigate the number of employees who leave the workforce all together. Employer and public policies that reinforce caregiving employees will also help contain health care and long-term care costs for taxpayers, individuals and businesses alike. To meet this opportunity, businesses, employees and support service organizations as well as policymakers, can collaborate to develop meaningful programs. These include:

- Caregiver-friendly schedules, such as flex-time, job-sharing, compressed schedules, temporary reduction of hours and working from home
- Flexible sick-leave policies that allow leave to be used to care for older relatives, and leave-sharing where employees donate leave to others with eldercare responsibilities

- Collaborative partnerships to provide caregiver support programs, such as respite care and older adult daycare services
- Education, information and referrals to available social and health programs
- Making long-term care insurance available with employee and employer contributions
- Public policies to establish tax credits for employee caregivers, and for businesses who provide additional paid leave for employees to address a caregiving crisis

Model Solutions:

- **SC Johnson** offers paid time off specifically designated for caregiving, short-term time off without pay, and long-term leaves of absence without pay to allow for caregiving. One distinctive caregiving program offered by the company is a \$50 per-night reimbursement to cover costs associated with child or eldercare when traveling for S.C. Johnson business. Another program pays 75 percent of the cost (up to \$50 per occasion and \$500 per year) for an employee's child or elder dependent for a special sick-care program at a hospital if the employee does not want to take time off for caregiving (www.aarp.org).
- **Massachusetts Institute of Technology**. Based on employee feedback, MIT's Center for Work, Family, and Personal Life added several seminars on the aging workforce and eldercare, including "How Aging Affects Memory," "Negotiating Job Flexibility," and "Caring for Elders at a Distance." Full- and part-time employees working at least 17 hours a week receive individual and family long-term care insurance, and short- and long-term disability (www.aarp.org).

ENDNOTES

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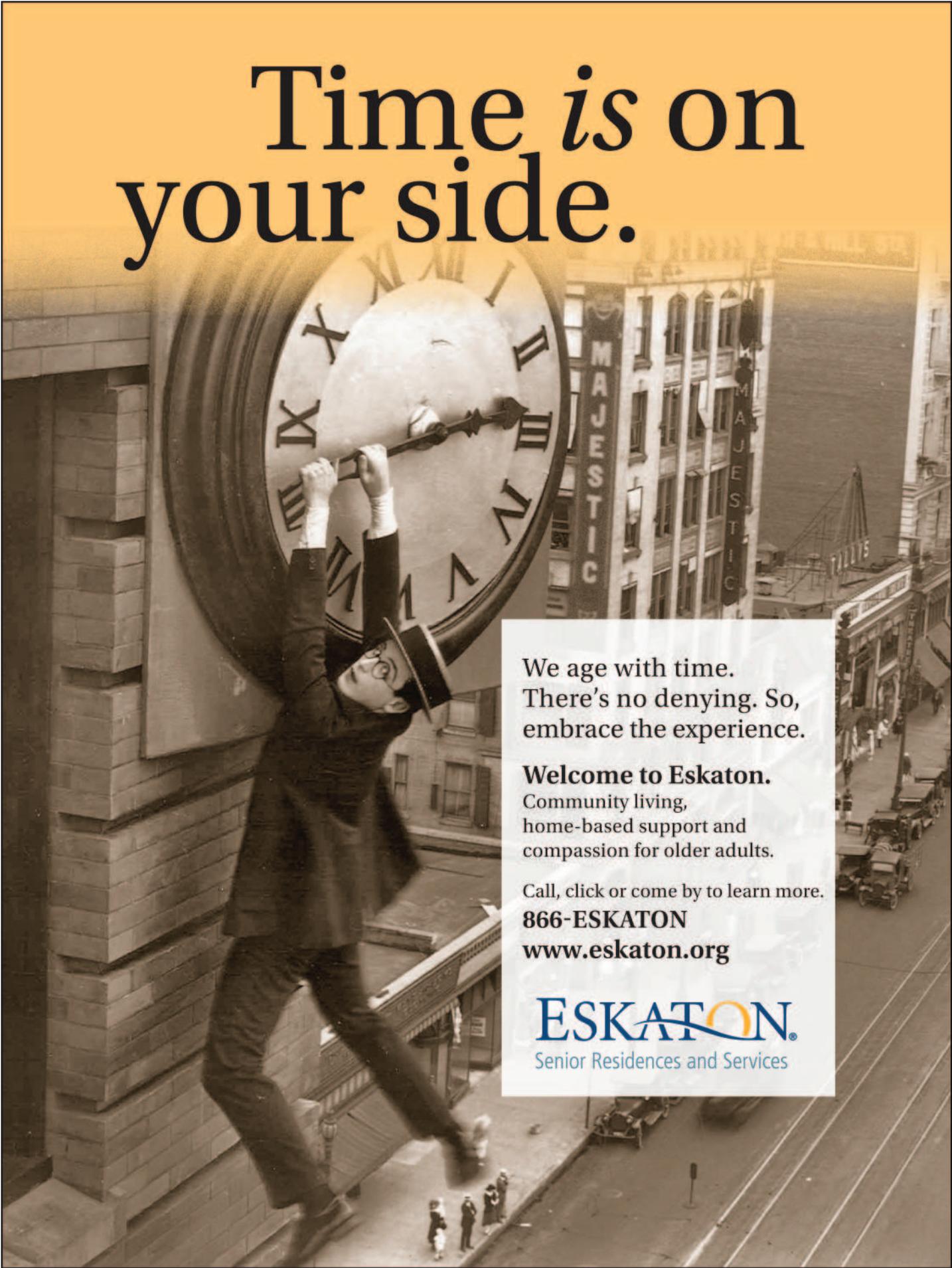
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