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**California Long Term Care Insurance (LTCI) Task Force
Meeting #10 Minutes
Thursday, April 21st, 2022**

1. Task Force Meeting Call to Order – 1:08 PM

- Roll Call – present: Aron Alexander, Jamala Arland, Susan Bernard, Grace Cheng Braun, Anastasia Dodson, Joe Garbanzos, Eileen Kunz, Laurel Lucia, Doug Moore, Parag Shah, Sarah Steenhausen, and Tiffany Whiten
 - Note, Jamala and Laurel joined after the conclusion of roll call.
 - Note, Grace Cheng Braun and Doug Moore were also present, but could not be considered as voting Task Force members due to their locations not being listed on the public notice.
 - Absent: Dr. Karl Steinberg, Dr. Lucy Andrews, Brandi Wolf
- Quorum was met.

2. Agenda Item #1: Welcome & Housekeeping Items

- Introduction of one new member – Aron Alexander (representative of residential care facilities for the elderly, replacing prior Task Force member Michael Mejia).
- Chair Susan Bernard went over housekeeping items.

3. Agenda Item #2: Approve Minutes from Meeting #9

- Eileen Kunz moved to approve the minutes from the prior meeting, and Tiffany Whiten seconded. The motion was approved unanimously.

4. Agenda Item #3: Preliminary Recommendations to Date

- Stephanie Moench provided an overview of the Task Force's preliminary recommendations to date and shared a reminder that the Task Force can recommend multiple program designs, as the feasibility report will include a range of options.
- Task Force Member Comments:
 - Anastasia Dodson asked whether California has a constitutional requirement prohibiting investing public funds in stocks and bonds.
 - Response: Yes. Based on a preliminary review of Article XVI, Section 17 of the California Constitution, a constitutional amendment would

likely need to be pursued to invest funds associated with a potential statewide LTC insurance program in corporate stocks and bonds.

- Parag Shah noted that program costs will need to be a key discussion topic in future meetings. Parag indicated that the preliminarily recommended program design might be approximately four times as costly as Washington's program.
- Public Comments:
 - Louis Brownstone noted that employers might be unwilling to match their employees' contributions to the program.
 - Lindsay Imai Hong noted that she is glad that the program is leaning towards a more robust design. Lindsay also noted that she appreciates that a progressive tax option is being considered. Lindsay referenced the additional 0.9% Medicare Part A payroll tax for high earners as an example of a progressive tax structure. Lindsay also challenged the preliminary recommendation to restrict program eligibility to either adults without developmental disabilities or individuals above the age of 65.
 - Nina Weiler-Harwell asked how the LTSS benefit will interact with Medi-Cal.
 - Response: Medi-Cal is the payer of last resort, but concurrent non-duplicative payments from Medi-Cal would be allowed (subject to Medi-Cal's assessment of medical needs and up to certain limits).
 - Kristy Madden noted that individuals should not have to spend down their assets to receive care as it makes it difficult for them to afford other necessary medical care/services.
 - Steve Cain asked that the Task Force heavily consider the political feasibility of the financing option chosen. Steve opined that a payroll tax, if chosen as the main financing mechanism of the program, may not be politically feasible.
 - Judy Jackson asked how considerations for caregivers will be incorporated into the program.
 - Response: This topic will be covered during today's meeting.
 - Kevin Sypniewski noted that the Task Force needs to be cognizant of the program's cost. Kevin stated that current preliminary recommendations lean towards a robust program, though it may not be financially feasible.

5. **Agenda Item #4:** Overview of PACE

- Eileen Kunz provided an overview of the Program of All-Inclusive Care for the Elderly (PACE).
- Task Force Member Comments:
 - Parag Shah asked about the most significant hurdles that have been faced in expanding PACE.
 - Response: Regulatory challenges (as the program requires approval at the state level, federal level, and from each PACE center) and lack of program awareness. Efforts have been made to streamline the regulatory process.
 - Joe Garbanzos stated that he supports making PACE a certified provider as part of the potential statewide LTC insurance program. Joe agreed that increased awareness of the PACE program is a top priority.
 - Sarah Steenhausen stated that for-profit companies can now become PACE organizations and asked how the experience has been thus far.
 - Response: For-profit companies have expanded the availability of PACE providers. In addition, determining the right balance of PACE

centers is still being assessed. Further, the approach by which DHCS can most effectively coordinate with for-profit PACE providers is still in the educational phase.

- Aron asked about marketing strategies employed by PACE organizations.
 - Response: Today, most marketing is direct (mail) to Medi-Cal beneficiaries. PACE organizations are looking forward to the Master Plan for Aging and CalAIM initiatives, such as the No Wrong Door policy, which should help members be more informed of available options. The Center for Medicare and Medicaid Services (CMS) recently relaxed marketing guidelines, though awareness largely remains through word-of-mouth.
- Public Comments:
 - Doug Moore asked how caregiver employee turnover has been within PACE organizations.
 - Response: On Lok has successfully maintained long-standing employees with generally lower employee turnover rates than nursing homes.

6. **Agenda Item #5: LTSS Workforce Considerations**

- Sarah Steenhausen provided an overview of equity considerations, challenges, and opportunities for building California's LTSS workforce pipeline.
- Dustin Plotkin provided an overview of the supply, demand, and costs of LTSS for a potential statewide program in California.
- Tiffany Whiten provided an overview of problems and potential solutions in the current LTSS workforce.
- Grace Cheng Braun provided an overview of home care and adult day care workforce considerations.
- Task Force Member Comments:
 - Parag Shah asked whether the gap between supply and demand of caregivers has widened since the 2020 data presented by Sarah.
 - Response: The gap is an estimate and reflects a wide range – the high-end being 3.2 million individuals (and growing).
 - Joe Garbanzos noted that there are community initiatives that provide caregiver training. Joe asked about the extent of reach-outs being conducted to local organizations.
 - Response: Stakeholder and more general local outreach are important resources and areas of growth for the California Department of Aging (CDA).
 - Eileen Kunz noted that the roles of cost of living and subsidized benefits in wage negotiation are complicated. Eileen asked about the steps the CDA is taking in this respect.
 - Response: Sarah noted the complexities of this issue. Sarah provided an example, where to address workers' needs, the California Association of Health Facilities submitted a budget request to increase the minimum wage for certified nursing assistants (CNAs) to \$25 per hour by 2025.

- Jamala Arland asked about CDA's primary concerns that the Task Force should be aware of when making recommendations with respect to a statewide LTC insurance program.
 - Response: Workforce is a critical element of the statewide program. California's IHSS program has had challenges keeping up with caregiver demand. The workforce crisis should be tackled in tandem with other issues relevant to the statewide program.
- Joe Garbanzos noted that the disconnect we see between supply and demand of caregivers is a relatively rare occurrence and an economic anomaly. Joe also noted that society may not value caregiver services as much.
- Jamala Arland noted that many individuals prioritize other necessities over LTC, so the societal disconnect we see may not be due to how much consumers value caregiving services, but rather the fact that it is not top of mind. Jamala commented on the importance of providing education to the general public about the cost of LTSS.
- Sarah Steenhausen noted that helping seniors with health literacy and management are primary responsibilities of community healthcare workers.
- Eileen Kunz noted the economic impact of many individuals leaving the workforce to provide informal care for a family member.
- Parag Shah asked whether another workforce gap (outside of LTSS) will arise from potential actions to provide financial incentives to LTSS workers.
- Laurel Lucia referenced a study that found 10.8% lower COVID-19 mortality rates among union-represented nursing homes. Laurel echoed the importance of 'worker voice' in tackling workforce concerns.
- Joe Garbanzos noted that the Task Force should be mindful of cultural differences where unpaid caregiving is part of one's culture. Joe challenged the Task Force to consider how knowledge of cultural differences can be leveraged to enhance the LTSS workforce.
- Eileen Kunz noted that information regarding smaller family sizes should be built into the program's education initiatives.
- Anastasia Dodson asked the Task Force to consider if there is data available regarding potential care preference differences (e.g., respite care, home-based care, and community-based care).
- Joe Garbanzos asked if there are technology-based caregiving platforms that can be leveraged to address LTSS workforce challenges.
 - Response: PACE organizations have seen increased usage of telehealth. Providers have adopted strategies for helping individuals manage their medications and modify their homes to support aging in place. As we go forward, future populations approaching the aging process will be more effective in engaging with new technology.
- Eileen Kunz noted that there are diverse needs and cultures in California. Eileen noted the role of day care and virtual care settings in providing respite to informal caregivers. In addition, Eileen stated that PACE organizations offered educational programs to help members use technology (e.g., iPads).
- Jamala Arland suggested that the Task Force consider flexibility in the design of the statewide program to effectively span multiple generations.

- Aron Alexander stated that being a formal caregiver should be an enjoyable and feasible career path to follow. Aron commented that those wanting to provide informal care can't do so if their basic needs are not met.
 - Public Comments:
 - Doug Moore asked about the role of community healthcare workers and how a statewide LTC insurance program could help support these low-income workers.
 - Response: DHCS is getting approval from the CMS to establish benefits for community healthcare workers, with no planned overlap between resources provided to community healthcare workers and direct caregivers.
 - Ramon Castellblanch asked about the financial cost of Germany's increase in minimum caregiver wages and other benefits offered to informal caregivers (e.g., social security contributions).
 - Post-meeting note: We were unable to determine this information. However, we found additional information regarding the insurance contribution benefits (e.g., health insurance, contributions toward the national unemployment insurance fund), which are funded through Germany's LTCI fund for informal caregivers on leave.
 - Lisa asked the Task Force to make in-home care services as flexible as possible. In addition, Lisa noted the importance of attracting younger populations to become caregivers.
 - Aquilina Soriano Versoza noted a large population of undocumented caregivers and that such workers are commonly paid less than minimum wage. Aquilina suggested that the statewide program have protections and improved training for immigrant workers.
 - Lucero Herrera noted various statistics concerning caregiver wages and out-of-pocket expenses. Lucero recommended that the statewide program include flexible benefits and fair pay for caregivers.
 - Allen Galeon noted the mnemonic device ALOHA (Ask, Listen, Observe, Help, and Ask again) and provided an extensive listing of the many activities commonly performed by home care workers.
 - Ramon Castellblanch noted that technology will advance and that the Task Force should keep this in mind as the statewide program is developed.
 - Nina Weiler-Harwell suggested looking into workforce flexibility policies that were recently implemented in California.

7. Agenda Item #6: General Public Commentary

- No additional public comments were expressed.

8. Agenda Item #7: Next Steps & Closing

- The recording for this meeting will be available early next week.
- At 4:24, Susan Bernard requested a motion to adjourn the meeting. Eileen Kunz made the motion, which was seconded by Laurel Lucia. The motion was approved unanimously and the meeting adjourned.