



Financing Principles for Long-Term Services and Supports

Our nation has too long ignored the urgent need to address in a fiscally responsible manner the emerging long-term services and supports crisis facing older adults, baby boomers, and people with disabilities of all ages. Long-term services and supports should offer consumers access to a broad array of support options, including a continuum of home and community-based supportive services, as well as residential options, as needed. Our current system forces people into institutions inappropriately, requires many to spend-down into poverty before receiving the help they need, fails to provide realistic opportunities for personal planning, and fails to support family caregivers adequately. America can and must do better. The following financing principles for long-term services and supports are intended to provide a framework for focusing attention, generating discussion and crafting a solution to the problem in the near future. In the interim, members of the LCAO and CCD will work toward a strong Medicaid program, substantial additional resources for home and community-based services, and opportunities for individual planning.

1. **National Problem, National Solution** – Recognize that although states, communities, families, and individuals have important roles to play, financing for long-term services and supports is a national problem that requires a national solution.
2. **Universality with Limited Opt-Out** – Create a public program that allows all people, including individuals with disabilities and those near retirement, the opportunity to contribute to and prepare for the costs of long-term services and supports. Make participation as convenient as possible but give people the limited choice to opt out.
3. **Public/Private Partnership** – Provide a strong foundation of protection while providing opportunities for personal planning that include a role for private sector options.
4. **Affordability and Risk Pooling** – Provide for broad pooling of risk and appropriate low-income subsidies to make premiums affordable enough so that all people, regardless of income and health status, can participate. Ensure that a new program does not force people to impoverish themselves to qualify.
5. **Fiscal Responsibility** – Provide actuarially sound funding, such as through voluntary premiums that build reserves over time sufficient to pay for future needs in a way that is affordable to individuals and to society as a whole.

6. **Relieve Pressure on Medicaid** – Provide additional long-term services and supports funding mechanisms that will help take the pressure off of future Medicaid expenditures, while preserving the guaranteed safety net.
7. **Consumer Choice and Control** – Promote independence and dignity across the broad continuum of services and supports by ensuring beneficiaries the right to control and choose what services they receive, how and where they are delivered and who provides them.
8. **Support Family Caregivers** – Recognize and support the central role families and other informal caregivers play in planning for and providing long-term services and supports, including developing strategies to support working caregivers to maintain their financial security.
9. **Invest in Quality Care and Quality of Life** –Target additional funding to ensure sufficient training and compensation for the workforce and to strengthen oversight, enforcement, and advocacy programs that improve quality of life and quality of care in all settings.

The Consortium for Citizens with Disabilities (CCD) is a coalition of national disability organizations working together to advocate for national public policy that ensures the self determination, independence, empowerment, integration and inclusion of children and adults with disabilities in all aspects of society. The Leadership Council of Aging Organizations (LCAO) is a coalition of national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena.