

Senator Larry Craig
"Long-Term Care: Who Will Care for the Aging Baby Boomers?"
June 28, 2001

Good morning. I am pleased to join John today in helping launch what promises to be a valuable series of hearings examining the challenges of assuring affordable, accessible, and flexible long-term care to America's seniors - particularly now, as the first of the massive Baby Boom generation approach retirement age.

Medicare prescription drugs and Social Security may be getting more ink at the moment, but the looming demands of our faltering long-term care system are perhaps of equal weight and concern. By the time all the Baby Boomers have retired, in approximately 2030, more than 70 million older Americans will be in need of some form of long-term care. And perhaps even more alarmingly, the number of Americans 85-and-older, those most likely to need daily assistance, will *nearly double* by 2020.

As we prepare to meet this challenge, one issue of particular concern to me -- and, I know, to Senator Breaux -- is the reality that despite decades of well-intentioned talk, this country continues to devote the lion's share of its limited long-term care funding to institutional nursing home care, rather than to assisting seniors in living independently in their own homes and communities. In addition to being more cost-efficient than nursing home care, home and community based care is vastly preferred by America's seniors and their families.

When a mother or a spouse is only one bad fall away from permanent institutionalization, just a few hours of simple in-home assistance with difficult tasks can make a tremendous difference, not only to the older person's quality of life, but also to his or her family and to the taxpayers. It is families and taxpayers, of course, who often must shoulder the cost of long-term institutionalization - a cost that now averages a staggering \$40,000 per year per resident.

Initiatives such as the Older Americans Act Family Caregiver program, which I strongly supported, and which this Committee recently examined, offer modest steps in the right direction. But much more remains to be done. For example, a look at efforts undertaken by many states - including Secretary Thompson's Wisconsin -- offers much in the way of encouraging innovation. I understand that state experimentation with long-term care solutions will be the focus of our next hearing, one I am very much looking forward to.

Finally, I would just add that no serious review of our long-term care system will be complete without a serious effort to simplify the current disjointed hodgepodge of long-term care programs and benefits. Navigating the current maze of Medicaid, Medicare, Older Americans Act, block grants, and other long-term care programs is a daunting challenge even for well versed policy experts, not to mention seniors themselves.

We have our work cut out for us, and I am eager to get started. Thank you.