

Long-Term Care at a Crossroads

Presented to GoldenCareUSA agents and staff

Wednesday, June 30, 2021

By Stephen A. Moses, President

[Center for Long-Term Care Reform](#)

This document has live links that would be lost if printed.

Good morning.

I want to thank GoldenCareUSA for today's opportunity to speak with you and for the company's many years of support for our work at the Center for Long-Term Care Reform. Likewise, thank you Golden Care agents and staff for the critical work you do in pursuit of our common mission: improving long-term care for all Americans.

Last time: **LTC and the Pandemic** was our over-riding theme. What did the Covid-19 international pandemic do to long-term care services and financing, including LTC insurance?

That was January 6, 2021 in the morning. That afternoon rioters breached the U. S. Capitol. Such active discontent and violent action against lawmakers and their policies was unprecedented in U.S. history. It is a symptom of big things happening, big changes in this country. Long-term care, both its services and financing sides, is no exception. Private LTC insurance is caught in the middle.

So today, we address a new big theme dominating the policy landscape: **Government and Long-Term Care**

We'll consider several related **Sub-themes**:

LTC and the Pandemic—still a major concern even as life lurches back toward normality. Consider this an update on our session last January.

Home Care—stealing the show

LTC at Crossroads—Government funding and regulation are expanding

LTC Social Contract—under attack. The agreement that you can get Medicaid for long-term care without spending down significantly, but you have to pay it back from your estate.

InLTCgentsia—The intelligentsia of long-term care. These are the scholars, policy analysts, and their media acolytes who follow them slavishly. I call them the LTC intellectual mafia.

WA Cares Fund—analysts' and advocates' big hope

The Bigger Picture—outrageous fiscal and monetary policy

Biden Administration Plans—The entitlement state, WSJ articles yesterday

Medicare Advantage on the rise

Medical and Dementia news—what *doesn't* cause dementia?

Center for LTC Reform and my response: more reaching out with publications like *Health Care News*, *Wall Street Journal*, *The Hill*, *McKnight's LTC News*, *McKnight's Senior Living*, *Broker World* and more to come. Following are links to seven of my by-lined articles in those periodicals.

["Panel Gives States Pass in Collecting Assets for Medicaid Long-Term Care,"](#) by Stephen A. Moses, *Health Care News*, July 2021

["Using Medicaid to protect inheritances,"](#) by Steve Moses and Brian Blase, *The Hill*, June 10, 2021

["President Biden, tear down this wall,"](#) by Stephen A. Moses, *McKnight's LTC News*, June 24, 2021

["LTC financing: Be careful what you WISH for,"](#) by Stephen A. Moses, *McKnight's Senior Living*, June 7, 2021.

["Government Violates the Long Term Care Social Contract to Your Detriment,"](#) by Stephen A. Moses, *Broker World*, June 2021

["The social contract for long-term care,"](#) by Stephen Moses, *McKnight's Long-Term Care News*, May 17, 2021.

["Why LTCI Fails,"](#) by Stephen A. Moses, *Broker World*, March 2021.

["Nursing Homes, Coronavirus and Medicaid,"](#) by Stephen A. Moses and Brian C. Blase, *Wall Street Journal*, June 1, 2020

We also focus on keeping Center members and subscribers at the forefront of professional knowledge. Here's a refresher on Center for Long-Term Care Reform publications:

LTC Bullets: Bi-weekly op-eds

LTC Clippings—daily emails highlighting critical news, articles, reports, data. Right to your inbox. They give the date, author, title, a hyper link, a representative quote, and my analysis or "spin," called the LTC comment.

LTC E-Alerts: Weekly compendium of *LTC Clippings*

To join the Center: Review our “[Membership Levels and Benefits](#),” join [here](#) or [here](#). Questions: contact smoses@centerltc.com

In preparation for today’s program, I reviewed all the *LTC Clippings* since we last met. That’s how I identified the big theme and the sub-themes. I’ve selected some news items from the past six months to illustrate the topics. Each news item was originally an “LTC Clipping,” so Center members had all of what follows in real time as it happened. Here I’ve dropped the representative quotes and only included some of my “LTC Comments” to conserve space.

First sub-theme: LTC and the Pandemic is still impacting senior living and LTC financing, including the prospects for LTC insurance

For a good review of pandemic’s impact on long-term care:

1/30/2021, “[COVID-19 and Long-Term Care: LTCI Insider](#),” by Margie Barrie, *ThinkAdvisor*

LTC Comment: This is the “white paper” I referenced and recommended in January. Strongly recommended. Well done, Margie.

News since January: nursing home deaths bad (especially New York) and getting worse, then gradual improvement; then 90% drop in cases as vaccines kick in; far fewer nursing home and senior living deaths; still, huge strain on staff, increasing staff shortages; more government money for nursing homes, but less for assisted living and adult family homes; home care in the spotlight along with telehealth.

Browse these articles highlighted in “*LTC Clippings*” to get a feel for how dramatically the pandemic impacted senior living.

1/8/2021, “[One-week US Covid-19 case and death totals are higher than ever](#),” by Christina Maxouris and Jason Hanna, *CNN*

1/20/2021, “[Nursing home sector continues to lose jobs, while healthcare overall rebounds: report](#),” by Danielle Brown, *McKnight’s LTC News*

1/20/2021, “[Pandemic forcing nursing homes across the country to close](#),” by Amy Novotney, *McKnight’s Senior Living*

1/28/2021, “[New York AG: Nursing Home COVID Deaths Undercounted by 50%, ‘Low Staffing Model Simply Snapped’](#),” by Alex Spanko, *Skilled Nursing News*

2/3/2021, “[Want to age at home instead of a nursing home? Consider this first](#),” by Alessandra Malito, *MarketWatch*

LTC Comment: Pandemic is to LTC awareness as two-by-four is to mule.

2/1/2021, “[Boren-like solution needed nationwide to address Medicaid shortfalls, expert says](#),” by Danielle Brown, *McKnight’s LTC*

2/11/2021, “[COVID-19 mortality tied to racial disparities in nursing homes, industry expert says](#),” by Alicia Lasek, *McKnight’s LTC News*

2/11/2021, “[Analysis Sees \\$94 Billion in Industry Losses Over Two Years](#),” by Patrick Connole, *Provider*

2/10/2021, “[Dementia doubles COVID risk — even after accounting for LTC residence, study finds](#),” by Alicia Lasek, *McKnight’s LTC News*

2/9/2021, "[Legal experts warn of incoming lawsuits for long-term care](#)," by Amy Novotney, *McKnight's Senior Living*

2/9/2021, "[COVID-19, in some respects, made senior living more appealing: survey](#)," by Kimberly Bonvissuto, *McKnight's Senior Living*

2/5/2021, "[Coronavirus cases drop at US homes for elderly and infirm](#)," by Jay Reeves, Associated Press

2/18/2021, "[Nursing Home Workers Had One of the Deadliest Jobs of 2020](#)," by Tanya Lewis, *Scientific American*

2/16/2021, "[The situation is dire': Provider group seeks \\$5 billion in COVID relief for senior living](#)," by Lois A. Bowers, *McKnight's Senior Living*

2/25/2021, "[COVID Cases, Deaths Plummet in Nursing Homes After Vaccine Rollout](#)," by Robin Foster and Ernie Mundell, *HealthDay*

3/2/2021, "[Alarming' nurse turnover rates linked to quality, payment woes in major new nursing home study](#)," by Kimberly Marselas, *McKnight's LTC News*

LTC Comment: Caregivers vote with their feet against government-funded care. Imagine having to replace your entire work force, and then some, every year.

3/13/2021, "[Maggots, Rape and Yet Five Stars: How U.S. Ratings of Nursing Homes Mislead the Public](#)," by Jessica Silver-Greenberg and Robert Gebeloff, *New York Times*

3/10/2021, "[Citing Vaccine Rollout, CMS Relaxes Nursing Home Visitation Rules](#)," by Alex Spanko, *Skilled Nursing News*

3/8/2021, "[Absolutely astonishing': 90% drop in COVID cases shocks Parkinson, industry leaders](#)," by Danielle Brown, *McKnight LTC News*

3/29/2021, "[We pretend to work and they pretend to pay'](#)," by John O'Connor, *McKnight's LTC News*

3/26/2021, "[The Nursing Home Vulnerabilities That Led to Disaster](#)," by Emily Gurnon, *Next Avenue*

4/9/2021, "[Untracked COVID: Nursing home workers have died at twice the rate of hospital workers](#)," by Alicia Lasek, *McKnight's LTC News*

4/8/2021, "[CNAs virtually march on Washington, calling for higher wages, more recognition](#)," by Diane Eastabrook, *McKnight's Senior Living*

4/3/2021, "[Fixing Nursing Homes: A Fleeting Opportunity](#)," by Robert G. Kramer, *Health Affairs*

4/12/2021, "[John Oliver Looks Into the Long-Term Care Industry](#)," by Matthew Dessem, *Slate*

LTC Comment: If you can filter out the constant gratuitous profanity and the socialist propaganda, you might find that this sarcastic 22-minute video sums up much of what ails long-term care in the USA today.

4/23/2021, "[Non-covered losses and steep rate increases: New report issues bleak outlook for provider insurance](#)," by Kimberly Marselas, *McKnight's LTC News*

4/29/2021, "[First they came for skilled care ...](#)," by John O'Connor, *McKnight's Senior Living*

4/27/2021, "[Investing in private rooms may have prevented nearly a third of COVID-19 long-term care infections, deaths: analysis](#)," by Amy Novotney, *McKnight's Senior Living*

5/4/2021, "[Researchers find many nursing home stays far too long, warn providers to become more efficient](#)," by James M. Berklan, *McKnight's LTC News*

5/19/2021, "[COVID-19 in Nursing Homes: Most Homes Had Multiple Outbreaks and Weeks of Sustained Transmission from May 2020 through January 2021](#)," Government Accountability Office

5/18/2021, "[Pandemic means 41,000 fewer senior housing units could be needed: analysis](#)," by Kathleen Steele Gaivin, *McKnight's Senior Living*

5/17/2021, "[COVID Accelerates Shift to Private Skilled Nursing Rooms, Up 31% in 2020](#)," by Amy Stulick, *Skilled Nursing News*

5/17/2021, "[Mor: Time to rethink U.S. nursing home landscape](#)," by Kimberly Marselas, *McKnight's LTC News*

5/10/2021, "[New State Payroll Tax Will Provide for Long-Term Care Insurance](#)," by Ryan Rogers, *KIMA*

5/26/2021, "[Nursing Home COVID Deaths Lead to State Staffing Rules](#)," by Elaine S. Povich, *PEW Stateline*

6/4/2021, "[Nursing homes among 'safest places' for seniors following 98% drop in COVID cases: NIC](#)," by Danielle Brown, *McKnight's LTC News*

6/3/2021, "[Semiprivate Nursing Home Room Cost Rises 9.2%: Mutual of Omaha](#)," by Allison Bell, *ThinkAdvisor*

6/3/2021, "[39 percent of nursing homes had no COVID deaths: report](#)," by Danielle Brown, *McKnight's LTC News*

6/2/2021, "[State Assisted Living Providers Billions Out of Pocket in COVID-19 Pandemic Losses](#)," Argentum

6/7/2021, "[Time for government – not nursing homes – to shoulder collective COVID-19 blame](#)," by Brendan Williams, *McKnight's LTC News*

6/7/2021, "[Senior housing market likely to rebound from pandemic recession: NIC analysis](#)," by Kathleen Steele Galvin, *McKnight's Senior Living*

6/17/2021, "[LTC use expected to double: report](#)," by Danielle Brown, *McKnight's LTC News*

6/2021, "[Report to the Congress: Medicare and the Health Care Delivery System](#)," by MedPAC (Medicare Payment Advisory Commission)

LTC Comment: So value-based payment comes up short just as we predicted in "[LTC Bullet: Value is in the Eye of the Beholder](#)," January 30, 2019. What could possibly go wrong when government pays for value (defined by politicians and bureaucrats) instead of services (prescribed by medical professionals). You read it [here](#) first.

6/15/2021, "[Comment on Clare Ansberry's 'One Family's Lessons Learned From a Decade of Caregiving'](#)," by Stephen A. Moses, *Wall Street Journal*

LTC Comment: The *Wall Street Journal* published my comment on Clare Ansberry's emotionally wrenching article 'One Family's Lessons Learned From a Decade of Caregiving.' The *Journal* is paywalled, but you can read the same article for free here: <https://texasnewstoday.com/lessons-from-a-family-learned-from-10-years-of-long-term-care/314178/>.

6/14/2021, "[Lessons from a family learned from 10 years of long-term care](#)," by Clare Ansberry, *Texas News Today*

6/15/2021, "[Healthcare infrastructure missing 'centralized access point' to long-term care: experts](#)," by Danielle Brown, *McKnight's LTC News*

6/14/2021, "[ACOs don't reduce burden of care for nursing home dementia patients: study](#)," by Danielle Brown, *McKnight's LTC News*

6/17/2021, "[Unpaid Caregivers Were Already Struggling. It's Only Gotten Worse During The Pandemic](#)," by Rhitu Chatterjee, *NPR*

Sub-Theme: Home care is stealing the show, rapidly growing emphasis and preference; Biden plan to spend \$400 billion for Medicaid home care; make it mandatory under Medicaid (not just nursing home); expect more adult family care homes; they're cutting Medicare nursing home therapy reimbursements; value-based care is failing (bureaucrats decide value instead of patients and doctors); public polls show people want more government LTC spending (make it free).

These *LTC Clippings* illustrate what's happening with home care.

2/24/2021, "[At-home hospital-level care is growing fast, home care execs say](#)," by Joe Jancsurak, *McKnight's Senior Living*

2/22/2021, "[As Nursing Homes Lose Patients to Home Health During COVID, Past Shifts Show Path Forward](#)," by Alex Spanko, *Skilled Nursing News*

2/1/2021, "[Reforming Medicaid LTSS would increase HCBS access, create better jobs: report](#)," by Kimberly Bonvissuto, *McKnight's Senior Living*

LTC Comment: Throw more money at the problem. Push home and community-based care. Federalize long-term care. More of the same from analysts who have not had a new or creative idea in decades.

3/19/2021, "[Senator calls for mandatory Medicaid coverage of HCBS as nursing homes remain under fire on Capitol Hill](#)," by Kimberly Marselas, *McKnight's LTC News*

LTC Comment: If health and long-term care are rights to which everyone is entitled whether willing or able to pay, then LTC providers, including Medicaid's underfunded caregivers, and LTC insurers are slaves, forced to provide and pay for caregiving whether they're compensated or not. (This story slipped by us until Center friend Steve Forman of corporate member [Long-Term Care Associates](#) brought it to our attention in their *Weekly Reader*.)

3/15/2021, "[The Boom in Out-of-State Telehealth Threatens In-State Providers](#)," by Matt Volz, *Kaiser Health News*

3/18/2021, "[Amazon Care reportedly to launch telehealth offering in all 50 states](#)," by Joe Jancsurak, *McKnight's Senior Living*

3/18/2021, "[Report: Adult family care homes deserve 'closer look' as viable alternative to nursing homes](#)," by Kimberly Bonvissuto, *McKnight's Senior Living*

LTC Comment: The main problems with adult family homes are that they lack the economy of scale of nursing homes and they're harder to monitor for quality. It all boils down to Medicaid's low reimbursement rates tying the whole system in knots. A free market would organize LTC service delivery according to what people prefer and can afford with poor care discouraged by competition among providers of all kinds.

3/17/2021, "[MedPAC to Congress: Reduce payments to home health in 2022, expand telehealth beyond public health emergency](#)," by Diane Eastabrook, *McKnight's Senior Living*

LTC Comment: Shunt people out of nursing homes into home care. Then cut home care. Need something? Just telehealth call us.

3/17/2021, "[Nearly all seniors are now prescribed drugs tied to falls: Study](#)," by Alicia Lasek, *McKnight's LTC News*

LTC Comment: Will the transition from skilled to home care improve or worsen this problem of pharmaceutical mis-coordination?

3/8/2021, "[Pandemic-Driven Home Health Shifts Trigger Therapy Layoffs, Nursing Home Strategy Changes](#)," by Lisa Gillespie, *Skilled Nursing News*

4/1/2021, "[Biden Proposes The Biggest Medicaid Home-Based Long-Term Care Expansion In History, But....](#)," by Howard Gleckman, *Forbes*

LTC Comment: More, more, more, but never enough. How I wish this were only a bad April Fool's joke and not the ugly truth. Doubling down on mistaken policy is doubly mistaken.

4/1/2021, "[Home care providers laud Biden plan to invest \\$400B in HCBS](#)," by Diane Eastabrook, *McKnight's Senior Living*

4/8/2021, "[Biden Begins An Important, Much-Delayed, National Debate About Long-Term Care Reform](#)," by Howard Gleckman, *Forbes*

4/15/2021, "[What Biden's \\$400B Plan to Shift Long-Term Care Home Could Mean for Nursing Home Operators](#)," by Alex Spanko, *Skilled Nursing News*

4/12/2021, "[Biden Seeks \\$400 Billion to Buttress Long-Term Care. A Look at What's at Stake](#)," by Judith Graham, *Kaiser Health News*

LTC Comment: Eloquent about need, advocates only mumble about money. But here comes President Biden proposing to spend \$400B more government funds on HCBS "infrastructure." Leaving aside the fact, always ignored by analysts, that it was government money (Medicaid) that gave us institutional bias and underpaid caregivers in the first place and more government money may create ever more dysfunction in LTC markets, there is no money for the government to spend on this or anything else. Never mind the national debt, over \$28T now, the federal government is spending \$7.8T this year but collecting only \$3.5T in taxes. The feds are printing or borrowing over half the federal budget! ([USDebtClock.org](https://www.usdebtclock.org)). This will not end well.

4/20/2021, "[How Could \\$400 Billion New Federal Dollars Change Medicaid Home and Community-Based Services?](#)," by MaryBeth Musumeci, Robin Rudowitz, and Rachel Garfield, *Kaiser Family Foundation*

4/16/2021, "[Biden's infrastructure plan reinforces elderly care failings](#)," by Sally Pipes, *Washington Examiner*

LTC Comment: Where did Sally Pipes of the Pacific Research Institute get such excellent ideas? Maybe from "[Medi-Cal LTC: Safety Net or Hammock?](#)," the 2011 study we conducted for her and the Institute.

4/25/2021, "[In-Home Care Providers Must Break Through Barriers to Handle More Long-Term Care Volume](#)," by Robert Holly, *Home Health Care News*

5/3/2021, "[Americans Want Government To Help Them Age At Home, Buttressing Biden's Medicaid Long-Term Care Agenda](#)" by Howard Gleckman, *Forbes*

5/4/2021, "[Senior living preferred over nursing homes for long-term care needs, but home still rules: study](#)," by Kimberly Bonvissuto, *McKnight's Senior Living*

5/21/2021, "[Home care providers declare 2021 'year of healthcare at home' while they acknowledge acute workforce shortage](#)," by Liza Berger, *McKnight's Senior Living*

5/14/2021, "[CMS issues guidance to states on how to use enhanced Medicaid HCBS funding from stimulus package](#)," by Liza Berger, *McKnight's Senior Living*

6/22/2021, "[Home care agencies are losing a third of their business to the 'gray market,' new study finds](#)," by Diane Eastabrook, *McKnight's Senior Living*

Sub-Theme: LTC at Crossroads

LTC insurance has more challenges than ever due to the pandemic. More carriers are leaving the business; criticism from rating agencies; more talk of government LTC expansion in funding

and regulation (more on this below); Genworth/China Oceanwide merger dropped. On the other hand, much more media coverage of the need for LTC risk protection. But that is a double-edged sword: most analysts and policy-makers prefer government program; they say private LTCI “failed.”

These *LTC Clippings* cover LTC insurance developments over the past 6 months.

1/7/2021, “[Genworth May Cut Remaining LTCI Sales and Marketing Operations](#),” by Allison Bell, *ThinkAdvisor*

1/12/2021, “[Poor Performance of Long-Term Care Product Persists](#),” by AM Best, *Advisor Magazine*

1/27/2021, “[Group Sees Long-Term Care Insurance Claims Rising](#),” by Allison Bell, *ThinkAdvisor*

LTC Comment: Think of how much more and faster LTCI claims would be rising (and taxpayers’ Medicaid liabilities declining) if the government hadn’t pulled the rug out from under the industry by artificially deflating interest rates forcing premiums up and by crowding out demand by paying for most expensive LTC through Medicaid.

1/26/2021, “[American Academy of Actuaries Examines COVID-19's Potential Impacts on Long-Term Care Insurance](#),” by American Academy of Actuaries, *Cision PR Newswire*

1/25/2021, “[Promoting the sixth insurance program](#),” by Wang Qiao, *ChinaDaily*

LTC Comment: Interesting how most U.S. analysts want to handle long-term care in the same way as the Chinese Communist Party—with compulsory social insurance enforced by government. For more on LTC in China, see [LTC Bullet: Long-Term Care Insurance in China](#), November 6, 2020.

2/2020, “[Advantages, Disadvantages and Considerations for LTC Policy Buyouts](#),” by Jeff Anderson and Mike Bergerson, *Long Term Care News*

3/2/2021, “[Demystifying Cash Buyouts of Long-Term Care Insurance Policies](#),” Morgan Lewis

3/18/2021, “[Long-Term Care Insurers Reveal Early COVID-19 Effects](#),” by Allison Bell, *ThinkAdvisor*

4/7/2021, “[COVID-19 Helped Long-Term Care Insurers in 2020: Fitch](#),” by Allison Bell, *ThinkAdvisor*

4/7/2021, “[Genworth Ends China Oceanwide Merger Agreement](#),” by Allison Bell, *ThinkAdvisor*

4/14/2021, “[COVID-19 Fogs Long-Term Care Claim Forecasts: ILTCI Virtual Conference](#),” by Allison Bell, *ThinkAdvisor*

4/12/2021, “[State Regulators Post LTC Insurance Rate Review Draft](#),” by Allison Bell, *ThinkAdvisor*

4/23/2021, “[“Moving fast and changing every minute’: COVID-19 brings increased policy attention to long-term care](#),” by Kimberly Bonvissuto, *McKnight’s Senior Living*

4/30/2021, “[COVID-19 Pushes Up Genworth Life Unit's Capitalization Level](#),” by Allison Bell, *ThinkAdvisor*

5/3/2021, “[Genworth Plans for Return to Long-Term Care Insurance Sales](#),” by Allison Bell, *ThinkAdvisor*

6/15/2021, “[LTCG’s Annual Cost of Care Report Reveals How the Global Pandemic and Other Industry Trends Impacted Long Term Care Costs](#),” LTCG, *Business Wire*

Sub-Theme: The Long-Term Care Social Contract is under attack

What is the LTC Social Contract? OBRA '93: easy Medicaid LTC eligibility, but mandatory estate recovery; so buy LTCI instead. But now MACPAC (Medicaid and CHIP Payment and Access Commission) wants to make estate recovery voluntary. Medicaid planning still a big problem. Easy income and asset eligibility after care is needed enables denial and procrastination. That's why most people are asleep about LTC risk and cost. You probably don't see, much less sell, 90 percent of the potential market. This leaves most people uninsured and dependent on Medicaid. That leads to more and more calls for government to spend more and regulate more. It's a vicious downward cycle.

In two *LTC Bullets* and an article in *The Hill*, we try to persuade members of Congress not to implement MACPAC's recommendations.

[LTC Bullet: MACPAC Misfires](#), March 4, 2021

["LTC Bullet: MACPAC Captured,"](#) April 2, 2021

["Using Medicaid to protect inheritances,"](#) by Steve Moses and Brian Blase, *The Hill*, June 10, 2021

These *LTC Clippings* cover Medicaid LTC eligibility issues and problems.

2/5/2021, ["Using Estate Planning to Prepare for Medicaid,"](#) *ElderLawAnswers*

LTC Comment: According to this article, estate planning for long-term care includes irrevocable trusts, Medicaid-friendly annuities, and hiding the home from Medicaid estate recovery, but not long-term care insurance. How can private insurance compete with that? Are you supporting the Center for Long-Term Care Reform, the strongest organization fighting for responsible LTC planning and against Medicaid planning abuses? If not, join us today [here](#).

2/4/2021, ["We need comprehensive long-term care reform, and we need it now,"](#) by Norma Coe, *The Hill*

LTC Comment: So, it's not enough that I take care of myself and my family; I have to take care of you and yours as well. To understand what's wrong with this social insurance approach, read tomorrow's *LTC Bullet* titled "Social Insurance is an Oxymoron."

2/2/2021, ["Here's a New COVID-19 Nightmare, for You,"](#) by Allison Bell, *ThinkAdvisor*

LTC Comment: I'm from the government and I'm here to help you. First I told you not to worry about saving for retirement, old age health care or long-term care, because I've got you covered. Then, when you were hit with a pandemic disease, I showered you with free "stimulus" money, because the economic devastation wasn't your fault. Now that you're convinced you don't need to save or annuitize your savings because I've got your back, guess what? Social Security and Medicare won't be able to pay, or what they do pay will have been deflated to have little value, and the long-term care you'll get is whatever Medicaid, the bankrupt welfare program, can scrounge. What more would you like me to do for you?

2/26/2021, ["The Top Eight Mistakes People Make With Medicaid,"](#) by Chambliss, Bahner & Stophel, P.C.

LTC Comment: Who do you think is going to close the deal? You, trying to convince people when they're aging but healthy that they should spend thousands of dollars to protect against the possibility of needing long-term care someday? Or this guy promising to wave a magic legal wand after his prospect already needs long-term care? All LTCI producers, distributors and carriers should support efforts to discourage Medicaid planning and encourage responsible LTC planning. That's what the Center for Long-Term Care Reform does. [Please support the Center.](#) **5/17/2021**, "[The social contract for long-term care](#)," by Stephen A. Moses, *McKnight's LTC News*

5/6/2021, "[New Guidance Could Make Long Term Care in the U.S. Worse \(Guest: Stephen Moses\)](#)," by Anne-Marie Schieber, Heartland Institute's *Health Care News*

6/1/2021, "[Government Violates The Long Term Care Social Contract To Your Detriment](#)," by Stephen A. Moses, *Broker World*

6/1/2021, "[Answering Covid's Wake-Up Call](#)," by Kelly LaVigne, *Advisor Magazine*

LTC Comment: This is a uniquely promising time to reach consumers with financial solutions of all kinds, but especially ways to mitigate long-term care risk and cost. If you think the Great Recession and the pandemic were disruptive, just wait to see what's coming in the 2030s when boomers start turning 85 and the bottoms fall out of Social Security, Medicare and Medicaid.

Sub-Theme: The Intelligentsia wants more government LTC spending and regulation. I call them the **InLTCgentsia**. Scholars and policy makers who are like an intellectual mafia with an ideological code of silence, the LTC omerta, they observe extreme solidarity and loyalty to their LTC dogma. To wit, LTC is a mess, private LTC insurance has failed, so we need more government regulation and spending. They refuse to ask and analyze why such a mess exists, so they advocate for more of what caused the problem in the first place: government money and regulation.

I've fought them for 30 years: [LTC Bullet: LTC Center Standing Guard](#), May 14, 2021

I've warned about their favorite proposals:

"[LTC financing: Be careful what you WISH for](#)," *McKnight's*, June 7, 2021

"[LTC Bullet: Milken Groupthink Fumbles LTC Financing](#)," April 16, 2021

"[LTC Bullet: Umpteenth Long-Term Care Study Disappoints](#)," August 14, 2020: This Bullet covers "[Learning from New State Initiatives in Financing Long-Term Services and Supports](#)," which summarizes the InLTCgentsia's favorite state LTC plans and lauds the Washington State payroll funded program as a model for the whole country.

From *LTC Clippings*, here's what they've been up to recently:

2/19/2021, "[Universal coverage of long-term care for older Americans may stabilize provider revenues: A report calls for establishing universal coverage for all Americans' long-term care needs through Medicare](#)," by Jeff Lagasse, *Healthcare Finance*

LTC Comment: Yet another report that wants universal LTC from Medicare without addressing how to pay for it and ignores the fact that Medicaid already pays for most LTC for the middle class as well as the poor. Disregarding economic reality has similar consequences to ignoring physical reality when a locomotive is bearing down on you.

2/24/2021, "[Is The Shift Of Medicaid Long-Term Care From Nursing Facilities To Home About To Accelerate?](#)," by Howard Gleckman, *Forbes*

3/15/2021, "[Advocates Release Nursing Home Industry Reform Proposals](#)," by Patrick Connole, *Provider*

LTC Comment: Great! So how to pay for it? Same as always. More money, money, money. All good except the government is clearly ready, nay eager, to spend money on all kinds of things ... but not long-term care. Bottom line, LTC providers will never escape the Medicaid trap they're in until analysts figure out what really caused the whole long-term care mess in the first place. Have you noticed? No one ever asks, much less answers that question before advocating more, more, more government money. For analysis that starts with "how did we get into this mess?" and proceeds to explain how we fix it, see [Medicaid and Long-Term Care](#).

3/10/2021, "[How Can The US Fix Long-Term Care In A Post Covid-19 World?](#)," by Howard Gleckman, *Forbes*

LTC Comment: Another broken-record appeal for the same wishful thinking from the usual suspects with nothing on how to pay for their pie-in-the-sky ambitions. What bothers me most is that these "experts" never stop to analyze or explain how the LTC system got so messed up in the first place. As they forget history, they repeat it. They naively demand more government funding and regulation which is exactly what caused the problems they'd like to solve.

4/5/2021, "[Senior housing wealth exceeds record \\$8.05 trillion](#)," by Amy Novotney, *McKnight's Senior Living*

LTC Comment: It's a good thing too, because home equity is what will pay for their long-term care when Medicaid and any forthcoming social insurance plans implode. Home equity will pay for the LTC of people who have it through reverse mortgages and for people who don't have it by government confiscation, *i.e.* taxes and inflation.

4/24/2021, "[Why Would A 50-Year-Old Want To Join Medicare?](#)," by John C. Goodman, *Forbes*

4/22/2021, "[Biden Should Look Beyond Medicaid to Expand Long-Term Care](#)," by Howard Gleckman, *Forbes*

4/27/2021, "[How Lowering the Medicare Eligibility Age Might Affect Employer-Sponsored Insurance Costs](#)," Kaiser Family Foundation

LTC Comment: Wow, shift costs to Medicare and save the private sector tons. On top of that, the government will just print the money instead of taxing us to pay for it. What a great system. Why not turn the entire private sector over to the government on the same principle? Wait, didn't someone already try that? Soviet Union, Cuba, Venezuela. Never mind.

4/27/2021, "[Aging services industry takes wait-and-see approach on infrastructure plan](#)," by Kimberly Bonvissuto, *McKnight's Senior Living*

LTC Comment: Is it automatically better to spend more government money on "older adults" whether or not the government has any money to spend? Have the trillions already expended on nursing home care through Medicaid and then on trying to reverse institutional bias by promoting home care improved long-term care? Or dug the access, quality and fiscal holes deeper? What happens when printing and borrowing more federal funds than taxation generates, as we're already doing according to the [U.S. Debt Clock](#), leads to inflation putting long-term

care more out of reach than ever? If you think things are bad now, just keep doing more of what got us into this mess. That's what both parties advocate ... one more than the other, but both. This will not end well.

6/10/2021, "[How Might Lowering the Medicare Age Affect Medicaid Enrollees?](#)," by MaryBeth Musumeci, Robin Rudowitz, and Tricia Neuman, Kaiser Family Foundation

6/7/2021, "[LTC financing: Be careful what you WISH for](#)," by Stephen A. Moses, *McKnight's Senior Living*

6/24/2021, "[President Biden, tear down this wall](#)," by Stephen A. Moses, *McKnight's LTC News*

Sub-Theme: WA Cares Fund--The InLTCgentsia has hit upon a model program they want every state and the federal government to adopt. Formerly the Washington Long-Term Care Trust Act, now [WA Cares Fund](#). You know it well already, I'm told. Payroll-funded 58 cents per 100 dollars with a waiting period leading to eligibility for up to \$36,500 in total benefits. Already \$15 billion in the hole, WA Cares Fund has twice failed to win voters' support. It is an underfunded boondoggle we've compared to CalPERS and the CLASS Act. We've criticized the program in several *LTC Bullets* and *LTC Clippings*.

The ironically titled "[LTC Bullet: The WA Cares Fund Gets a Bad Wrap](#)," June 18, 2021

"[LTC Bullet: The Keystone Kops of LTC Insurance](#)," October 9, 2020

"[LTC Bullet: Umpteenth Long-Term Care Study Disappoints](#)," August 14, 2020

I predict the WA Cares Fund will join the "Hall of Shame" for government LTC funding schemes with CalPERS and CLASS.

12/22/2020, "[Trust Fall](#)," by Stephen D. Forman, [LTC Associates](#)

1/18/2021, "[Washington state lawmakers look to the market to cover long-term care costs](#)," by Tim Gruver, *The Center Square*

LTC Comment: Washington State voters rejected the whole compulsory LTC plan when asked. They rejected funding it with risky investments when asked. What part of "no" escapes The Evergreen State's politicians?

1/31/2021, "[Trust Fall II: Surfin' USA](#)," by Stephen D. Forman, [Long-Term Care Associates](#)

LTC Comment: Special thanks to Regional Representative Stephen D. Forman of corporate-member [Long-Term Care Associates](#) for tipping us to this news in his "Weekly Reader." Leave it to California to compound its LTC errors from CalPERS and Medicaid. See [Medi-Cal LTC: Safety Net or Hammock?](#) on the latter mess.

3/10/2021, "[Washington State's New Long-Term Care Statute Is a Mess – Can ERISA Preemption Provide the Cleanup?](#)," Davis Wright Tremaine, LLP

3/25/2021, "[Lawmakers might close a window on workers who would rather choose their long-term care plan than be taxed for a publicly financed one](#)," by Elizabeth Hovde, Washington Policy Center

4/6/2021, "[Comment: Protect state's new long-term care trust program](#)," by Charles Reed, *Daily Herald*

LTC Comment: Here's a classic case of the pot calling the kettle black, if that's an expression we're still allowed to use. The author, Charles Reed, ran the Medicaid single-state agency for many years as it lured middle class and affluent Washingtonians away from private LTC insurance and eventually onto the welfare program. He has the gall now to blame the victim, LTCI, for its self-defense in the face of the state government's latest boondoggle. If Washington had followed our advice in [*What We Don't Know About Medicaid and Long-Term Care is Hurting Washington State*](#) (2004), the state would not be in this mess of its own making.

4/5/2021, "[Washington long-term care insurance program, a 'compliance nightmare,' may face ERISA preemption](#)," by Kimberly Bonvissuto, *McKnight's Senior Living*

4/19/2021, "[UPDATE: Not Aware of the Washington State Long-Term Care Program? – Employers Take Notice and Act Quickly](#)," Davis Wright Tremaine

4/30/2021, "[The LTSS Trust has a new name. Meet the WA Cares Fund!](#)," Aging and Long-Term Support Administration

4/29/2021, "[A Majority Of U.S. Consumers Lack Confidence In Stock Investments](#)," *Advisor Magazine*

LTC Comment: Interesting finding in the context of Washington State lawmakers' efforts to dupe citizens into supporting a compulsory government LTC insurance program funded with payroll deductions invested in risky stocks and bonds. Citizens twice dissed the plans, but arrogant politicians push ahead anyhow.

4/27/2021, "[Legislature delivers Washingtonians wins, losses and important health-care legislation to unwrap](#)," by Elizabeth Hovde, *The Washington Policy Center*

5/17/2021, "[How to opt out of coming payroll tax](#)," by Elizabeth Hovde, Washington Policy Center

5/10/2021, "[New State Payroll Tax Will Provide for Long-Term Care Insurance](#)," by Ryan Rogers, *KIMA*

5/27/2021, "[New payroll tax to hit workers this fall for mandated long-term-care program, but state commission has few answers on how it will work](#)," by Elizabeth Hovde, *Washington Policy Center*

5/25/2021, "[Washington State Cares Fund Update](#)," NGL

6/1/2021, "[Yes, You WILL Have To Have Long-Term Care Ins. In Washington](#)," by Dave Ettl, *NewsTalk1280*

6/8/2021, "[Details about the state's mandated long-term care law and payroll tax are slowly emerging](#)," by Elizabeth Hovde, Washington Policy Center

6/18/2021, "[Going, Going, Gone](#)" by Elizabeth Hovde, Washington Policy Center

LTC Comment: Click through to the article and you'll also find a link to our "[LTC Bullet: The WA Cares Fund Gets a Bad Wrap](#)," published the same day, which Ms. Hovde requested to post on their website. It is good to have allies like [Elizabeth Hovde](#) and the [Washington Policy Center](#) in our fight to stop bad LTC public policy.

6/17/2021, "[Mutual of Omaha is among a handful changing long-term care sales](#)," by Elizabeth Hovde, Washington Policy Center

6/14/2021, "[Did you receive a 'long-term care' email from your employer? Here's what it means to opt-in or opt-out](#)," by Mike Lewis, *GeekWire*

6/14/2021, "[Meetings, rules and deadlines push long-term care law along](#)," by Elizabeth Hovde, *Washington Policy Center*

6/25/2021, "[Washington State Forces Nearly Everyone to Buy Long-Term Health Care](#)," by Michael Shedlock (Mish), *MishTalk*

6/21/2021, "[Insurers Try to Avoid Collision With State LTCI Program](#)," by Allison Bell, *ThinkAdvisor*

Sub-Theme: The Bigger Picture: Extraordinary monetary and fiscal policy. Federal Reserve (Chairman Jerome Powell) printing money at unparalleled rate, monetizing the debt by buying bonds, encouraging the Treasury (Janet Yellen, former Fed Chair) to spend, spend, spend. [U.S. Debt Clock](#) shows federal government spends (\$7 trillion) double what it takes in (\$3.5 trillion). That's what the Biden Families Plan wants to add to. It's highlighted in yesterday's *Wall Street Journal* [It's the Entitlements, Stupid](#) and [Biden's Plan for an Entitlement Society](#).

For example:

"Federal child care, government paid family leave, free community college, a \$3,600 tax credit per child, a permanent expansion of ObamaCare premium subsidies, universal pre-K, permanent expansion of the earned-income tax credit to workers without children, and more. ... [T]hese programs aren't intended as a 'safety net' for the poor or those temporarily down on their luck. They are explicitly designed to make the middle class dependent on government handouts." ([WSJ](#), 6/28/21)

"The American Families Plan proposes several new entitlement programs. One promises students the government will pick up the entire cost of community-college tuition; another promises families earning 1.5 times their state's median income that Washington will cover all daycare expenses above 7% of family income for children under 5; still another promises workers up to 12 weeks of federally financed wage subsidies to take time off to care for newborns or sick family members." ([WSJ](#), 6/28/21)

Who pays for all this? "The rich" say advocates. But the true answer is "Everyone." Why everyone? Because everyone pays the hidden tax of inflation. The government is printing trillions of dollars, showering that money directly on consumers through so-called "stimulus" payments, enabling people to stay out of work and at home, so that they are not producing goods and services. So we have too much money chasing too few goods, which is the classic definition of inflation.

So far inflation has enriched the wealthy by creating asset bubbles in stocks and real estate, but lately consumers are beginning to see higher inflation in the cost of goods they use every day, both necessities and amenities. As the pandemic closures reopen and people spend more and more money day in and day out, the cost of living, not to mention the cost of long-term care, will shoot up. That is the real cost of the policies the Administration is pursuing and those are the hidden taxes we'll all pay to cover that cost.

We've lambasted the outrageous federal monetary and fiscal policy in *LTC Bullets*:

["LTC Bullet: So What If the Government Pays for Most LTC, 2019 Data Update"](#), December 18, 2020

[“LTC Bullet: Modern Monetary Theory and Long-Term Care,”](#) October 23, 2020

[“LTC Bullet: How *Not* to Redesign Long-Term Care,”](#) June 12, 2020

LTC Clippings highlighting outrageous monetary and fiscal policy:

12/22/2020, [“Senate Passes \\$2.3T Package of Relief, Funding and Tax Breaks,”](#) by Erik Wasson, Laura Litvan and Billy House, *ThinkAdvisor*

1/15/2021, [“Low Interest Rates Push LTCI Prices Up,”](#) by Allison Bell, *ThinkAdvisor*

LTC Comment: Oh, so it’s not those greedy insurance companies pushing up premiums to exploit consumers, after all? It’s really government forcing interest rates down artificially so consumers have to make up the returns carriers can’t get on their reserves? Who knew? This is a classic example of the economic principle of “the seen and the unseen.” People see premiums going up and blame carriers. But the real problem is unseen, the government forcing interest rates down instead of letting the market perform its magic.

3/11/2021, [“2021 Poverty Projections: Assessing Four American Rescue Plan Policies,”](#) by Laura Wheaton, Sarah Minton, Linda Giannarelli, and Kelly Dwyer, Urban Institute

LTC Comment: Sorry, I missed the part about how pulling capital out of the productive economy to shower it on everyone and everything that are not producing anything will help anyone in the long run. As Elon Musk said: “If you don’t make stuff, there is no stuff.”

3/23/2021, [“The Nation’s Fiscal Health: After Pandemic Recovery, Focus Needed on Achieving Long-Term Fiscal Sustainability,”](#) Government Accountability Office

3/22/2021, [“Implementation of a \\$15 federal minimum wage may help reduce turnover in long-term care: expert,”](#) by Amy Novotney, *McKnight’s Senior Living*

LTC Comment: Arbitrarily increasing the cost of labor will cut turnover all right—by eliminating jobs.

3/30/2021, [“Nursing home residents have a little more time to spend stimulus checks before losing Medicaid,”](#) by Tami Luhby, *CNN*

5/4/2021, [“Federal Long-Term Care Programs Get \\$1.4 Billion More,”](#) by Allison Bell, *ThinkAdvisor*

4/27/2021, [“States’ 2020 Personal Income Growth Was Highest in 20 Years,”](#) by Barb Rosewicz, Mike Maciag & Joe Fleming, *PEW*

6/3/2021, [“Overwhelming Bipartisan Majority Oppose Social Security & Medicare Cuts To Reduce Deficit,”](#) *Advisor Magazine*

6/11/2021, [“Taxpayers Protecting Inheritances,”](#) by Grace-Marie Turner, Galen Institute

Sub-Theme: In other news: Medicare Advantage seems to be sweeping the table while Medicare Supplemental Insurance holds its own. These *LTC Clippings* recount what’s been happening.

1/3/2021, [“MA Beneficiaries See Nearly 20% Fewer Home Health Days Than Traditional Medicare Peers,”](#) by Robert Holly, *Home Health Care News*

2/5/2021, [“MA Enrollment in Plans With Extra Benefits for Chronically Ill Tripled in 2021,”](#) by Robin Duddy-Tenbrunsel, *Avalere*

2/20/2021, "[MA Members Could See High Out-of-Pocket Costs For COVID-19](#)," by Hannah Nelson, *HealthPayerIntelligence*

3/1/2021, "[Lower Spending Drives Senior Satisfaction with Medigap Policies](#)," by Kelsey Waddill, *HealthPayerIntelligence*

LTC Comment: Refreshing to see good Medi-Gap news as Medicare Advantage seems usually to steal the show.

3/24/2021, "[How to Walk the Medicare Advantage Communications Tightrope](#)," by John Krahnert III, *ThinkAdvisor*

4/26/2022, "[As Medicare Advantage drives rate lower, fed-up CEOs embrace strategies that limit carriers' influence](#)," by Kimberly Marselas, *McKnight's LTC News*

5/25/2021, "[Medicare Advantage Dual Eligibles Have Better Access to Care](#)," by Kelsey Waddill, *HealthPayerIntelligence*

6/2021, "[Comparing Medicare Advantage And Traditional Medicare: A Systematic Review](#)," by Rajender Agarwal, John Connolly, Shweta Gupta, and Amol S. Navathe, *Health Affairs*

6/21/2021, "[Although Their Share of the Market Varies By State, Enrollment in Medicare Advantage Plans Has More Than Doubled Over the Past Decade, with More than 4 in 10 Medicare Beneficiaries Now Enrolled in the Private Plans](#)," Kaiser Family Foundation

Sub-Theme: Finally, to close, there's been a lot of **LTC and Medical News**. All kinds of things have been linked to having dementia later in life. For example: eating nuts, hearing loss, anxiety or depression, heart problems in youth, prescription drug mixtures, middle-age loneliness, processed meat, too many restaurant meals, unhealthy life style, sleeping less than six hours, diet, any alcohol of any kind, too much TV, trouble falling asleep, laughing at the wrong time.

My takeaway? Forget about it. Eat, drink and be merry. We're all doomed anyhow. Sell, sell, sell. Protect as many people as you can. Focus on access to quality care when needed in the most beneficial and desirable venue. Remind prospects and clients that Medicaid is the government's long-term care default option, dominated by institutional care, and with a reputation for limited access and questionable quality. Stick to those basics and you'll do well doing good even as the current of public policy doesn't especially help.

Thanks for your attention.

1/14/2021, "[Nearly half of Alzheimer's cases are mild, supporting a focus on early intervention](#)," by Alicia Lasek, *McKnight's LTC News*

1/26/2021, "[Eating Nuts In Your Forties Could Cut Dementia Risk In Later Life, Study Finds](#)," by Natasha Preskey, *Independent*

1/25/2021, "[Dementia, Alzheimer's not an inevitable part of aging: Study](#)," by Dr. Alexis E. Carrington, *ConnectFM*

2/4/2021, "[Six-year study links hearing loss to dementia risk](#)," by Alicia Lasek, *McKnight's LTC News*

2/18/2021, "[US life expectancy dropped a full year in first half of 2020, according to CDC](#)," by Deidre McPhillips, *CNN*

2/24/2021, "[Alzheimer's May Start Sooner for People With Anxiety, Depression History](#)," by Judy George, *MedPageToday*

2/25/2021, "[Alzheimer's May Strike Women and Men in Different Ways](#)," by Steven Reinberg, *HealthDay*

3/17/2021, "[Study: Heart problems in young adulthood increase cognitive decline later](#)," by Brian P. Dunleavy, *UPI*

3/9/2021, "[Dementia Patients Often Have Dangerous Mix of Drugs at Home](#)," by Judy George, *MedPageToday*

3/25/2021, "[Middle-Age Loneliness Linked to Alzheimer's Disease](#)," by Judy George, *MedPage Today*

3/22/2021, "[Is Eating Processed Meat a Risk Factor for Dementia?](#)," by Peter Russell, *Medscape*

4/2/2021, "[A Revolution Is Underway in Alzheimer's, and It's Not All Good](#)," by Judy George, *MedPageToday*

3/31/2021, "[Dementia toolkit for clinicians underscores urgency of early diagnosis](#)," by Alicia Lasek, *McKnight's LTC News*

3/25/2021, "[Too Much Restaurant Fare Could Shorten Your Life](#)," *HealthDay*

4/5/2021, "[Study: Alzheimer's disease treatments could reduce the financial burden to U.S. state budgets](#)," by Emily Henderson, *News-Medical*

LTC Comment: Cutting Alzheimer's progression 40% by spending more to diagnose and treat it earlier would save Medicaid a lot of money? Count me dubious.

4/12/2021, "[Healthy lifestyle may reduce odds for prostate cancer in men at high risk](#)," by Robert Preidt, *HealthDayNews*

4/20/2021, "[Sleeping less than 6 hours a night in midlife raises risk of dementia 30%, study finds](#)," by Sandee LaMotte, *CNN*

5/6/2021, "[Alzheimer's Pathology Linked to Diet](#)," by Judy George, *MedPageToday*

5/20/2021, "[Drinking any amount of alcohol causes damage to the brain, study finds](#)," by Amy Woodyatt, *CNN*

5/27/2021, "[A Neurologist Faces His Alzheimer's Disease](#)," by Judy George, *MedPageToday*

5/20/2021, "[Too much TV may be bad for your long-term brain health](#)," by Rachael Rettner, *LiveScience*

5/19/2021, "[What are the effects of inappropriate prescriptions in older adults?](#)," *EurekAlert!*

5/27/2021, "[Simple tool can accurately predict Alzheimer's onset within 4 years](#)," by Chris Melore, *Study Finds*

6/11/2021, "[Trouble Falling Asleep Predicts Later Cognitive Impairment](#)," by Judy George, *MedPageToday*

6/7/2021, "[Controversial Alzheimer's Drug Wins FDA Approval](#)," by Judy George, *MedPageToday*

6/17/2021, "[Common cold starts to spread fast as COVID restrictions are lifted](#)," *ClickOnDetroit*

6/11/2021, "[3 Experts Have Resigned From An FDA Committee Over Alzheimer's Drug Approval](#)," by Bill Chappell, *NPR*

6/21/2021, "[If You Notice This When Talking, It Could Be an Early Dementia Sign, Study Says](#)," by Zachary Mack, *BestLife*