

Growing Demand for Long-Term Care IMPACT ON THE STATE OF CALIFORNIA

As California's population ages over the next 10 years, the state will face significant infrastructure and fiscal challenges. California currently lacks the capacity to meet the future needs of its aging population. Continued increases in state spending for long-term care could soon overshadow some of the state's competing priorities.



CALIFORNIA PARTNERSHIP FOR
LONG-TERM CARE

Read the full *Will Boomers Bust the Budget?* Issue Brief from the California Partnership from Long-Term Care and University of California, Berkeley at www.RUReadyCA.org.

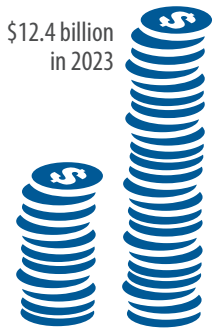
With institutional care facilities already 85 percent full, California's current infrastructure cannot support sharp rises in demand



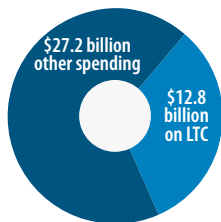
Long-term care costs could increase 88 percent over the next 10 years

\$12.4 billion in 2023

\$6.6 billion in 2013



Long-term care accounted for one-third of the \$40.8 billion California spent on Medi-Cal in 2009



THE \$12.8 BILLION SPENT ON LONG-TERM CARE INCLUDED:

- \$4.4 billion for nursing home care
- \$5.2 billion for home health and personal care
- \$3.2 billion for other long-term care services

Greater pressure for increased Medicaid spending because of increased long-term care needs could lead to:



Reduced provider payment rates

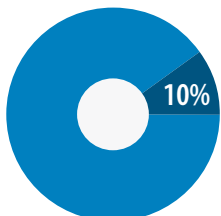


Reduced benefits



Restricted eligibility

2009-10 State Budget



10% Medi-Cal's spending on long-term care

Continued growth in the state's long-term care spending will increasingly cut into spending on other priorities, including:



Education



Transportation



Corrections