Home-Based Care for Older Adults with Alzheimer’s and Dementia

By Kasey Wilson, MSW & Sara S. Bachman, Ph.D.

BACKGROUND

Because the U.S. population is aging rapidly, the number of older adults with dementia is projected to rise over the next 10 years. People with Alzheimer’s and dementia have some of the highest health care costs of any chronic condition. They are less likely than other older adults to live in the community, even though doing so results in lower health care costs than when individuals with Alzheimer’s or dementia live in a skilled nursing facility (SNF). In addition to reduced costs, living in the community may improve the care received and increase independence and quality of life among older adults with Alzheimer’s or dementia. Despite the potential positive impact of home-based care, few older adults with Alzheimer’s or dementia receive it and those who do still report unmet health and social service needs. Home-based care programs also have typically had trouble demonstrating cost-effectiveness; one way to do so would be to substitute home-based care for SNF care because SNF stays are typically more expensive than community-based services.

METHODOLOGY

In this brief, we describe the impact of the House Calls program, a home-based care program that provides coordinated care to older adults, including those with Alzheimer’s and dementia, to avoid unnecessary hospitalizations and SNF placements, reduce costs, and increase the quality of care received at home. Descriptive statistics were run for Medicare-enrolled patients with Alzheimer’s or dementia on costs for six services: SNF, acute inpatient care, physician visits, home health, hospice, and social services. Costs were compared between House Calls patients and matched controls not enrolled in House Calls to determine the impact of the program on service costs.

RESULTS

Results showed that House Calls patients were about 2.5 times more likely than controls to have any home health costs and nearly three times more likely to have any hospice costs. Because of the nature of the House Calls program, cases would be expected to use more home health services. The increased use of hospice services, however, suggests potential for House Calls to improve end of life care. Some evidence suggests that patients with dementia who receive hospice care have better quality of life and fewer unmet needs at the end of life than those who
do not receive hospice. Patients receiving hospice care at home also have shown improved quality and greater satisfaction with care and lower health care costs than those receiving home-based care that does not include hospice.

Despite these promising results, House Calls patients received very few social services as part of their home-based care. This is likely related to the limited Medicare reimbursement that is available for these services and also may be implicated in unmet needs experienced by individuals with Alzheimer’s and dementia around social and mental health services.

**POLICY IMPLICATIONS**

Increasing reimbursement for social services and ensuring their inclusion in community-based care can help patients with Alzheimer’s or dementia meet their needs at home. These patients may be less likely to incur costly SNF stays, thus increasing the cost-effectiveness of home-based care and promoting the ability of older adults to remain in their communities.

The Affordable Care Act (ACA) provides options for states to improve long-term care services and to support systems that provide this care in community settings. The ACA provides a Medicaid state plan option, which allows states to provide home- and community-based services (HCBS) to specific targeted groups in the community. This option would allow states, for example, to create an HCBS program for low-income older adults with dementia. The ACA also provides an option for states to receive an enhanced federal match to Medicaid funds spent on increasing access to HCBS for individuals with disabilities. If states take advantage of HCBS options included in the ACA, older adults with Alzheimer’s or dementia may be able to receive high quality care in their homes that they prefer, rather than incurring costly nursing facility stays.

**LIMITATIONS**

The data analyzed in this study were obtained from a database of comprehensive Medicare eligibility, utilization, and payment data obtained through a contract with JEN Associates. Payment and service records not paid through the claims system were not captured in the database, so a complete profile of patient experience with health care services may not have been captured by these data.

Additionally, this study reports only descriptive statistics, so a causal relationship between House Calls participation and service costs cannot be determined.

**CONCLUSION**

Older adults with Alzheimer’s or dementia will represent a growing proportion of the population. These individuals have higher health care costs than other older adults, but receiving care in the community may help decrease these costs. The results of this study suggest that home-based care may improve the care received by older adults with Alzheimer’s or dementia. Increasing the extent to which social services are reimbursed by Medicare and are included in home-based care programs may help close gaps in care for older adults and increase the cost-effectiveness of receiving care in the community, which most older adults prefer to institutionalization.
End Notes


21. The full manuscript for this brief is under review. Please cite this brief as: Wilson, K., & Bachman, S. S. (2015). House Calls: The impact of home-based care for older adults with Alzheimer’s and dementia. Boston: MA.
### Table 1. Statistics describing individuals with dementia

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<th>Case</th>
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