



**MINNESOTA BOARD ON AGING**  
**LONG-RANGE PLANNING TASK FORCE**

**Report and Recommendations**

**September 2, 2009**

**Minnesota Board on Aging  
Long-Range Planning Task Force**

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# MBA Long-Range Planning Task Force

## Report and Recommendations

### BACKGROUND

The charge to the MBA's Long Range Planning Task Force is to assist the Board by reviewing a wide range of possible longer-term issues and prioritizing those few which appear most critical to the Board's Mission and Roles. The Task Force further focused its scope to those *long-range* issues fall roughly into two categories:

1. Long-range issues that fall outside the scope of the Board's regular, standing committees, but for which the MBA is uniquely positioned to initiate action whether through its Administrative or Advisory roles.
2. Future-oriented issues that are outside the direct scope of the Minnesota Board on Aging's operations, but where the Board to either initiate or shape needed changes through its Advocacy role.

Since its inception in 2007, the Long Range Planning Task Force has explored a wide range of issues and trends that are likely to have far-reaching effects on older people in Minnesota. This is an extension of the Board's ongoing work in collaboration with the Department of Human Services and the MN Department of Health to identify future issues related to a permanent shift in Minnesota's age distribution. An initial report was submitted to the MBA in July 2008. The content of that report addressed the need to review and update the MBA's nutrition policies, and to address specific issues in the Board's Strategic Plan: future need for geriatric and general long-term care services personnel; strategies for reducing future disability rates, and development of feasible and sustainable services models that will meet the needs of rural Minnesotans. The Task Force also supported updating the state's Vulnerable Adults Act to bring the statute up-to-date with regard to current service and market realities, and general trends that should be monitored in regard to their significant impact on older Minnesotans into the future: **health care reform**, the **development and application of new technologies**, and the **visibility of aging issues** among the policy issues discussed by the general public.

## ISSUE REVIEW

During this past year, the Task Force met four times to further discuss issues suggested at the Board's 2008 Retreat, as well as to follow-up on ideas that had only briefly been touched on in the earlier report.

## SUCCESSFUL RURAL SERVICE MODELS

Population forecasts in Minnesota show a relatively high proportion of older persons in some of Minnesota's smallest and most rural communities for the next two decades. Identifying ways to continue to support these individuals, especially in light of projected public budgets, is a critical issue for the Task Force. Rachel Shands summarized several years' experience from the Community Service, Service Development (CS/SD) grant program, which is intended to develop *sustainable* service models. Over the years, some service models have tended to be more sustainable and successful than others, especially in rural parts of the state:

1. Service models that maximize new technologies such as telehealth and home monitoring equipment to overcome distances, reduce travel costs and time, and augment people's ability to help themselves.
2. Partnership models that include both (a) community support agencies and (b) hospitals and/or other health-oriented providers to improve service integration for the consumer and reduce administrative overhead for the providers.
3. Volunteer-based models that leverage community involvement and local leadership.

A literature review of successful rural models in other states finds a consistent pattern of (a) strategies to simulate or create economies of scale to control unit costs; (b) use of technologies to reduce costs associated with travel or personnel; and (c) leveraging local, volunteer and in-kind resources to supplement scarce funding or workforce capacity.

Board members also discussed rural delivery models (also known as "bundled delivery") that coordinate delivery of meals, groceries, prescription drugs and even library books; and the evolving role of the Senior Center/Community Center in rural communities as a potential focal point for aging service and information.

## THE FUTURE ROLE OF STATE UNITS ON AGING

The MBA is designated as the State Unit on Aging (SUA) in Minnesota to implement Older Americans Act programs in this state. The federal Administration on Aging which has oversight of the SUAs has been working on several initiatives to revise and update the roles and responsibilities of the Aging Network to be better prepared for population

aging. In order to get a clearer understanding of the implications of AoA's work on the future work and role of the MBA, the Task Force invited Jim Varness, Director of AoA's Region 5 from Chicago, to provide an overview of national trends and the new policy directions.

- **Organizational and operational differences among SUAs:** The MBA is one of 56 State Units on Aging (includes all 50 states, the District of Columbia, Puerto Rico and the US Protectorates), and all are different. Most (60%) are integrated into umbrella agencies, 28% are placed in separate departments, 11% are commissions and only one (Minnesota) is an umbrella/commission combination. In the past 25 years there has been a strong trend toward integration and program consolidation between aging and other target groups. Most SUAs administer all long-term care/services for both elderly and younger disabled persons<sup>1</sup> including the Medicaid waiver programs (MN does not); 62% manage the Title V Senior Employment program (DEED manages this program in MN); and 36% operate the state's Adult Protection system (in MN this is managed by DHS).

Another national trend has been toward centralization. Some states centralized the administration of all long-term care services at the state level. A major influence, historically, has been role of the state's Governor in designating the SUA as the focal agency for long-term care administration and coordination.

- **Policy Direction from the Administration on Aging:** The AoA has adopted five strategic goals and objectives which are not likely to change under the current administration. All five goals are incorporated into the MBA's State Plan, but we may want to look at *how* we promote these in Minnesota, and explore how we could be more effective.
  1. Empower older people, their families and other consumers to make informed decisions about and to be able to easily access, existing health and long-term care options.
  2. Enable seniors to remain in their own homes with high quality of life for as long as possible through the provision of home and community-based services, including supports for family caregivers.
  3. Empower older people to stay active and healthy through Older Americans Act Services and the new prevention benefits under Medicare.
  4. Ensure the right of older people, and prevent their abuse, neglect and exploitation.
  5. Maintain effective and responsive management.

Many states have focused on a few "strategic positioning" initiatives such as (1) streamline the access system to enable older persons and their families to make informed care/support decisions; (2) promote new ways to put more "power" into the hands of consumers, such as using vouchers rather than grants or contracts to providers and new consumer-directed models; (3) use of evidence-based service models to ensure maximum return on investment. The MBA and the AAAs in Minnesota have also focused on these three initiatives—See below.

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<sup>1</sup> In Minnesota, programs for younger disabled persons and persons with developmental disabilities are administered within a single DHS unit. No SUA's administer programs for persons with developmental disabilities.

- **Opportunities for future MBA leadership.** One difficulty in planning for the future is the likelihood that future cohorts of older people will be very different from today's elderly in both wants/needs and resources. The challenge will be to transition today's programs to better address market changes as they occur. We also have to be more strategic in regard to the services that we fund and the persons to whom they are targeted so that they are the best investments for increasingly limited public dollars

The Older Americans Act requires the MBA to be a strong advocate for aging—both at the state level and at the federal level. As we move into this new era, it will be more important for leaders at the federal level to hear from constituents than from lobbyists—and this is a great opportunity for the MBA to make itself heard in Washington.

## FEDERAL POLICY DIRECTION AND MINNESOTA'S INITIATIVES

As noted above, the federal expectations for the future role/s of the MBA are generally in line with those already adopted by the MBA. But the extent to which we could improve on these or *take them to the next level* is unknown. The Task Force invited key MBA staff to provide more detail on the three “strategic positioning” areas described above:

- √ Help people make good care/support decisions: improve information dissemination, assessment/eligibility determination, and care planning
  - √ Consumer-focused services: new ways to put more “power” into the hands of consumers, whether through new models of subsidized service or development of new fee-for-service options.
  - √ Evidence-based service models: funding and development of service models that can show that they produce the intended outcomes
- **Help people make good care/support decisions:** Krista Boston provided a brief history of the Senior LinkAge Line® (SLL) and the other elements in the MinnesotaHelp Network®, highlighting the increase in annual callers and general growth of the system. This was partly due to improved referrals (especially from clinics) and better technology, but also because the SLL number is the primary helpline for Medicare's Prescription Drug program in Minnesota. Today it is staffed by 45 paid personnel and 450 volunteers. The duration of calls has increased due to the increasingly complex nature of the calls.

Information and Assistance is a service directly provided by the Area Agencies on Aging. Because of its unique market position, several new directions are emerging:

- Expansion to new markets, particularly to Veterans (via Veteran's LinkAge Line®).
- Nursing home diversion and/or Return to the Community from a nursing home: targeted information to persons (and their families) whose service needs do not warrant facility-based care, and who could be supported in their own homes or apartments.

- Improved assessment procedures for all persons: beyond the narrow county intake process, to help people find out how to get services and whether there are any ways to lower the costs.
- Expanded use of the web: especially for family members who look first to the web (not the Yellow Pages) for information.
- Developing closer links between the SLL system and the health care system: to improve transitions from hospital to community or nursing facility to community; and to be closer to the “point” of decision-making for older persons and their families.

Challenges: Medicare Part D continues to have a big impact on the system, (1) increasing the visibility of SLL, and (2) almost swallowing up all current capacity dealing with the volume of calls and complex issues. A future direction is to make more use of new technologies (e.g., Voice Over Internet Protocol--VOIP) to decrease costs and to improve service. Because technology *per se* becomes eventually obsolete, it is essential to stay on top of the changes. A second challenge is the need for staff with “specialty” expertise, and to have these resource people available to callers across the state through technology.

- **Putting power in the hands of consumers.** In 2004 the MBA’s Consumer Direction Task Force completed a report that framed the MBA’s position regarding consumer directed service models. Subsequently the MBA instituted a unique consumer choice element within the nutrition programs to target persons for whom the regular Senior Dining and/or Home Delivered Meals programs do not work. In addition, the Area Agencies developed pilot caregiver support programs which are created around the unique needs and circumstances of the individual caregiver. The concept of “consumer direction” is not new, it is the same as the private pay model. The challenge is to apply this concept to services that are subsidized with public funds. The Task Force discussed the public’s general willingness to use a service if it is provided at no cost; but if people have to pay they do not believe that they really “need” it. An example is assistance with LTC decision-making: few are willing to pay for advice, even though many need it—perhaps because the service needs better marketing.
- **Evidence-based models/Health Promotion:** With limited public funds, it is essential that we invest in programs for which there is evidence that the service results in desired outcomes. Kari Benson described the MBA’s work in instituting evidence-based models that reduce risk in three risk areas: Memory (dementia), Falls Prevention, and Exercise (which is the single best predictor of improved health and functioning in older age). With an initial grant from AoA, the MBA is now working with many partners, including health plans, to implement programs that are proven to reduce frailty and subsequently reduce health care costs<sup>2</sup>: For example,

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<sup>2</sup> Research and evaluation studies have consistently found that the following interventions produce desired outcomes: *Caregiver Support models--*

- New York University Caregiver Intervention (Mittleman – memory loss)
- Powerful Tools for Caregivers

*Health Promotion/Disease Management models*

- Living Well with Chronic Conditions (Stanford’s Chronic Disease Self-Management Program)

health plans across the state are now subsidizing gym membership or provide free exercise programs for older persons that are tested and found to be effective in reducing health risk.

Task Force members discussed the various incentives that might be more effective in changing people's behavior regarding health risks. It was noted that most people take "good health" for granted until they have a health problem. Possible ways to increase public awareness of health promotion were discussed: from *tpt* programs to encourage *individuals*, to "Healthy Communities" projects to encourage whole *communities* to promote healthy living, and the state's new State Health Improvement Program (SHIP) to reduce the prevalence of identified conditions.

## **BUSINESS PERSPECTIVES: IMPLICATIONS OF AN AGING SOCIETY**

The implications of a permanent shift in the state's age structure over the next 20 years have far-reaching effects in all sectors of society. The Task Force invited input from three perspectives within Minnesota's business community on the longer term implications of societal aging on the state's economy: manufacturing, the health care industry, and workforce development.

- **Manufacturing:** Brian Ronningen, Director of Human Capital Planning at 3M, described three issues for which the company is already planning;
  - The expected retirement bubble (2010-2020) during which the Boomers are expected to leave the workforce. Most international companies have a much younger workforce in their off-shore businesses, but their U.S. and Western Europe locations are most affected by this change.
  - Gaps in the talent pipeline – ensuring that the expertise that will be needed within the company has been clearly identified and that it will be adequately available through this transition period.
  - Knowledge transfer to ensure that there is appropriate succession planning, and that retirements are sufficiently delayed to bring in and train replacements. The current slow economy has actually helped the company by reducing the pressure for retirement.

Task Force members discussed cohort differences in work styles, and whether a sense of company loyalty is more prevalent among the older workers. Companies and their Human Resources personnel obviously focus on what motivates their workforce, and these motivations are different from one cohort to the next. There are some barriers to bringing retirees back into the workforce as part-time or temporary employees, but this definitely happens when specific expertise is needed.

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- Matter of Balance (falls prevention)
  - EnhanceFitness (physical activity)
  - Arthritis Foundation Exercise Programs (land and water)
  - Healthy Eating for Successful Living (nutrition education)

- **Health Care Industry.** Tom von Sternberg, MD, Associate Medical Director, Geriatric Home Care and Hospice, HealthPartners described several areas where population aging will have significant impact on this industry.
  - At the national level, whatever happens in Health Care Reform will shape the healthy care industry into the future. Medicare, as it is currently designed, does not meet the needs of a population with chronic illnesses. Whatever direction this goes, the end product should include portable coverage, so that employees are not tied to the wrong employer/job (and vice versa) because of the need for health insurance.
  - Geriatric medicine and long-term care occupations are not perceived as good career tracks by young people, despite the forecast in future “demand.”
  - In the future businesses could work with health plans to reduce the high rates of absenteeism that results from lack of organized care available to their employees who are family caregivers. However many businesses are opting out of the “benefits” business because of the high costs.
  - From the point of view of the general public, the highest priority should be successful aging, both in terms of reducing health care costs and in terms of quality of life. Health promotion, exercise, healthy eating—these are the messages that should be emphasized.
  - Technology advances will be part of the solution: from electronic medical records to telemedicine to assistive devices that persons can use in their own homes. And there are a lot of other businesses (beyond healthcare) that are actively developing products (e.g., Intel, Medtronic, 3-M, Google)
- **Workforce Development.** Lief Larson, President, Workforce, Inc. pointed to the often overlooked element of *experiential knowledge*—namely the specific knowledge that one acquires on the job, rather than in a classroom or training setting. This information is infrequently shared and is seldom documented. When anyone leaves a workforce setting, they are taking with them their “tacit” knowledge of the workplace and the work process. Succession planning should address this information as well, to ensure that it is transferred.

Businesses may not be aware of the importance of the unique knowledge-base of older workers, nor is there an organized way for businesses to connect with available retirees with the specific knowledge that they require.

Businesses require creativity and expertise—regardless of the age of the workforce.

## TASK FORCE PRIORITIES AND RECOMMENDATIONS

### Issues within the Direct Scope of the Minnesota Board on Aging's Mission and Roles

#### 1. MBA's Administrative Role

- Population Change: The MBA's intra-state funding formula is based on the most recent Census figures, and the 2010 Census will provide updated population counts for Minnesota. In addition, the State Department of Administration provides population forecasts to guide longer-range planning.
  - The MBA, in partnership with the Area Agencies on Aging, should review population trends across the state to anticipate and prepare for any significant shifts in state funds that may result from the 2010 Census.
  - Population forecasts by age, race and ethnicity should be made available to AAAs for their review in regard to addressing cultural differences in the state's *future* older population.
  - The MBA's Diversity Committee, in partnership with the AAAs should promote the development of service models (like *Wisdom Steps*) that are designed by and for other cultural groups (e.g., older Somali, Hmong, Hispanic, and other refugee/migrant communities).
- Sustainable Service Models: The MBA should continue to encourage AAAs to fund and to promote innovative service models.
  - New models for rural communities should include: partnerships and collaborations to reduce duplication; use of volunteers; technologies that maximize staff efficiency and reduce travel; "generalist" and cross-trained personnel.
  - The 2009 Senior Nutrition Task Force should recommend innovative nutrition service models that will improve sustainability and reach the target population. These models will begin to shift the Senior Nutrition Program away from the traditional home delivered and congregate meal models to more efficient and consumer-focused models.

#### 2. MBA's Strategic Plan

- Aging Services Market: The MBA should review the changing roles of Assisted Living, Nursing Homes and Home Care Services in the larger aging services market.
  - Identify the potential impact on MBA's programs and services, especially SLL and Ombudsman programs. Several Board members have expertise in this area and their experiences would be instructive to the entire Board.
- Health Care Reform: Federal health reform legislation is likely to have significant impact on Medicare and Medicaid as well as the private health care insurance market. Significant elements for the MBA to monitor include:
  - Any changes in reimbursement rates (Medicare and Medicaid rates are now significantly below the private pay rates—which reduces capacity and choice).
  - Any changes in availability of prescription drugs.
  - Treatment of mental health services (the current lack of coverage is significant and getting worse)

- Coverage of dental care for persons in MA (and the types of personnel and treatments that are included in the benefit)
  - Reimbursement for consultation (essential in Geriatric care) and for Geriatric Nurse Practitioners.
3. MBA's Advocacy/Public Policy Role
- Consumer Rights and Protections: The MBA's Public Policy Committee should continue to monitor the impacts of the major Aging Services market trends (e.g., increasing service decentralization, more consumer choice/autonomy, and models that promote family/informal support), and as appropriate, to partner with other advocacy and service organizations to advocate for necessary changes in the state's Vulnerable Adults Act.
  - Advocacy at the Federal Level: Because changes in federal programs have a profound impact on programs and services available to older Minnesotans, the Public Policy Committee and the MBA should explore new methods for providing feedback to Minnesota's congressional delegation such as face-to-face meetings or other ways to promote a relationship.
4. MBA's Advisory/Public Education Role:
- Promote Awareness of Critical Issues: Continue partnerships with other state agencies, AAAs and other statewide organizations (e.g., Project Transform 2010) to raise awareness statewide:
    - Communities for a Lifetime includes several concepts that make them a good place to "age well" including ways for older persons to volunteer and continue to contribute to community life. The Task Force specifically discussed the future cadre of retired nurses and health professionals whose expertise could be utilized in their own communities. MBA members should identify opportunities to promote the concepts of CFL through the Speakers Bureau.
    - Transportation continues to be a critical issue in Minnesota. The MBA should continue to explore new ways to promote transportation system efficiencies -- to get more transportation out of existing transportation dollars.
    - The MBA should review its presence the State Fair (booth, building, location, activities) and seek ways to leverage this visibility.

### **Issues Outside the Direct Scope of the MBA**

1. Corporations and Societal Aging: The globalization of the economy has had different effects on different business sectors. Service industries, in particular, are more dependent on the local labor force. The Task Force discussed the impact of business changes in Minnesota on older Minnesotans.
- The MBA should be aware of the effects on older Minnesotans (now and in the future) of shifting from defined benefit to defined contribution pension plans.
  - The MBA should continue to partner with Project Transform 2010 (and/or its successor) to work with the Minnesota business community to explore the impact of incentives to retire and/or to continue working, and to identify barriers to continued employment for persons who either want to or need to continue to work past traditional retirement age. Suggested examples:
    - The impact of paying income tax on Social Security benefits
    - The longer-term impacts of the loss of "nest egg" investments (e.g., 401-K and home equity) on timing of retirement and planning for old age.

2. Impact of Aging on Minnesota Business: With other state partners, the MBA should monitor the ways in which the aging of Minnesota's workforce affects the state's economic vitality and competitiveness. Suggested examples include:
- Productivity of aging workforce
  - *Talent drain* when persons who retire take informal and corporate history knowledge with them.
  - Cost to business of poor health/chronic illness among employees/incentives to keep employees healthy