

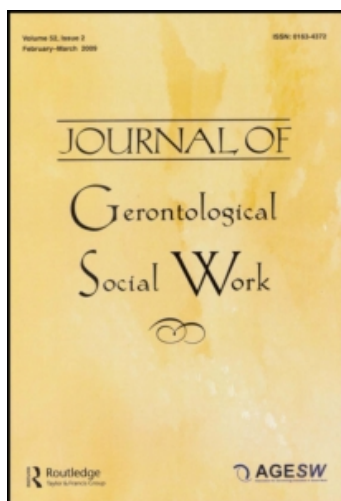
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EDITORIAL

The CLASS Act and Gerontological Social Work

In a few years, those of us who are still working may have the opportunity to enroll for publicly managed long-term care insurance provided under The Community Living Assistance Services and Supports (CLASS) Act. Beyond that, CLASS could provide new roles and opportunities for gerontological social workers. Here's a brief review of the act's provisions. You will also find excellent material in the latest issue of *Public Policy and Aging Report* (edited by Robert B. Hudson, who also edits the *JGSW* Policy Forum).

An estimated 10 million Americans need long-term care, and that number will surely increase as baby boomers age (Rogers & Komisar, 2003). CLASS is designed to expand the number who rely on insurance (rather than Medicaid) to pay for that care. CLASS goes into effect in 2011, and the Secretary of Health and Human Services has until 2012 to promulgate regulations that spell out the details. Once regulations are in place, workers will be automatically enrolled in publicly-managed long-term care insurance. Under current law, workers will be able to "opt out," though that could change.

Workers will be eligible to receive benefits should they become unable to perform two or more activities of daily living (ADLs) or develop an equivalent cognitive disability—after they have paid premiums for at least 5 years and been employed during 3 of those 5 years. The presenting impairment must be expected to last continuously for at least 90 days. There is no provision for coverage of non-working spouses.

CLASS benefits will be defined under the "CLASS Independence Benefit Plan." The cash benefit, set to average not less than \$50 per day, can be used to purchase non-medical services and supports necessary to remain in the home, such as compensation for family caregivers, respite care, or adult day care. Benefits may also be used to pay for institutional care. Benefit amounts will be based on the degree of impairment, using a sliding scale with 2 to 6 levels. Benefits will end if the recipient's functional status improves. In addition to cash, the plan must deliver advocacy services and advice and assistance counseling (National Health Policy Forum, 2010).

The act clearly states that taxpayer funds may not be used to finance the benefit. Instead, it will be funded through monthly premiums, which will be held in a trust fund (invested in U.S. Treasury Notes) administered by Health

and Human Services. Premiums will be adjusted for age and income (Kaiser Family Foundation, 2010); however, once a person is enrolled, the premium will “generally” remain the same (CBO, 2010).

The CBO anticipates that the program will reduce the deficit by \$72.5 billion from 2010 to 2019, based on an average monthly premium of \$123 and a benefit averaging \$75 per day. This reflects the anticipated reduction in Medicaid spending as CLASS benefits prevent or delay institutional placement, and as some people who receive CLASS benefits will not qualify for Medicaid. The 5-year vesting component is an important part of these calculations, as people will be paying premiums but will not be eligible to receive benefits. After 2019, the program may generate cost increases, though the Congressional Budget Office acknowledges that this is difficult to predict. Beyond 10 years, several factors come into play, including public perceptions about the need for long-term care insurance, the structure of the U.S. health care system, and the functional status of the aging population (CBO, 2009).

With a 3% cap on administrative costs, the program should be less expensive than private long-term care insurance, which might increase its likelihood of enrolling enough healthy people to remain solvent. On the other hand, where private insurers can selectively market their products to those unlikely to need them, the CLASS program would be open to all eligible enrollees. Adverse selection could be a problem, as those who are unable to secure affordable, long-term care coverage on the private market resort to the public alternative (CBO, 2009). Of course, as with health care reform generally, one way to solve the adverse selection problem is to *require* coverage (see Gleckman, 2010).

ROLES FOR SOCIAL WORKERS?

What role might social workers play in this new insurance-based long-term care system? Assessment comes to mind. Though CLASS will clearly up the ante in this regard, the act requires that functional assessments be conducted by a “licensed health care practitioner.” That doesn’t sound like us. At present, it is unclear what type of organizations will conduct assessments, though the act does prohibit the use of state disability determination services, which have such a checkered history with social security income.

I think the natural turf for social workers will be advocacy services and advice and assistance benefits. Each enrollee will be assigned to an advocacy counselor—in my view, a social worker. In this capacity, we might help workers understand the implications of opting out of CLASS, or we might advocate for enrollees during the appeal process. Likewise, beneficiaries will be entitled to advice and assistance with CLASS services, as well as

decisions about treatment and advance directives. Here too is a possible role for gerontological social workers.

CLASS will present research opportunities as well. I wonder, for instance, who will be opting out of the program, and what will be their rationale. It will be interesting to see how people spend the benefits—I'm betting heavily on compensation for family caregivers. A colleague in Germany once suggested to me that benefits like those provided under CLASS deter successful rehabilitation and foster dependency, a common argument in the disability field, but a challenge for public policy. This may present another researchable topic, and is the kind of work we are eager to publish in the *JGSW* Policy Forum.

For the present, we must be prepared to weigh in on the policy debates that will arise between now and implementation. Ask those eager Congressional candidates what they think of the CLASS Act—then tell them what they should think! Watch for announcements about rule-making, and be prepared to submit comments. Through that process we might seek to ensure that benefits can be applied to those non-medical services most likely to enhance the well-being of frail seniors and their caregivers. It is also time to begin thinking about the implications of mandatory long-term care insurance.

INTRODUCTION TO THIS ISSUE

Topics in 53(7) range from homelessness to forgiveness, and from racial disparities to remembrance, with a pause for Gero curriculum and a short report on ageism and abuse in the workplace. In the first of our two policy offerings, Judith G. Gonyea and her colleagues illuminate the forgotten population of homeless older adults in the United States. Then Joan K. Davitt and Lenard W. Kaye examine the disparate impacts of cuts in Medicare home health benefits on minority elders. We then turn to forgiveness and remembrance, first with an article by Shira Hantman and Orna Cohen on the association between forgiveness and meaning in late life among older adults in Israel; and then in a piece where David S. Dran considers how memories of family lend meaning to work in long-term care facilities. Educators will enjoy the final article, by Judy Fenster and her colleagues at Adelphi University, who present an educational innovation that infused gerontology content into MSW courses. Finally, Mebane Powell (a PhD student at Fordham) applies a human rights framework to sensitize us to the consequences when ageism and abuse combine in the workplace. The issue closes with our first media reviews, by Patricia J. Kolb.

Amanda S. Barusch
Editor, JGSW

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*Start here for an excellent summary of CLASS.