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# Overview of Long-Term Services and Supports

## What Are Long-Term Services and Supports?

Long-term services and supports (LTSS) refers to a broad range of health and health-related services and supports needed by individuals who lack the capacity for self-care due to a physical, cognitive, or mental disability or condition. Often an individual's disability or condition results in the need for hands-on assistance or supervision over an extended period of time. An individual's need for LTSS may change over time as his or her needs or conditions change.

About 14 million adults in the United States are in need of LTSS, and over half (56%) are older adults aged 65 and over. Most are cared for in their own homes with the assistance of informal providers, such as family members or friends.

LTSS is different from acute care services or post-acute care services. In general, acute care services are health services provided for the prevention, diagnosis, or treatment of a medical condition. Acute care services are often performed by licensed health care providers (e.g., physicians) in a clinical setting, such as a doctor's office or a hospital. In general, post-acute care services are health services provided over a short-term, typically after a hospitalization to assist an individual with recovery from injury or illness and return to as normal a condition as possible. While LTSS may be offered in combination with acute care or post-acute care services, LTSS is not intended to treat or cure a medical condition. In contrast, LTSS provides assistance in maintaining or improving an optimal level of physical functioning and quality of life.

LTSS includes a variety of services and supports that can be provided in either community-based or institutional settings. Examples of community-based LTSS include a home health aide assisting a frail elderly person with daily personal care activities such as bathing or dressing, a contractor building a wheelchair ramp onto a home, or an adult day program providing social and other related support services to a cognitively impaired individual. LTSS can also be provided in a community-based residential care setting, such as a group home or assisted living facility (ALF) that provides housing and services such as meals, laundry and housework, and assistance with medication.

LTSS also includes more intensive nursing care, such as nursing care provided to a ventilator-dependent child in a private home or institutional setting. Individuals who have severe physical and/or cognitive impairments may need the 24-hour supervision and convalescent care provided in an institutional setting, such as a nursing home or institution

for individuals with intellectual and developmental disabilities. LTSS also includes the use of supports such as special equipment, assistive devices, or technology.

## Who Needs Long-Term Services and Supports?

The need for LTSS can affect persons of all ages—children born with disabling conditions, such as intellectual or developmental disabilities; certain working-age adults with inherited or acquired disabling conditions, such as mental illness or traumatic brain injury; and the elderly with chronic conditions or diseases, such as severe cardiovascular disease or Alzheimer's disease and related dementia. The need for LTSS is generally measured, irrespective of age and diagnosis, by the presence of functional limitations in the ability to perform basic personal care activities, known as activities of daily living (ADLs), or by the need for supervision or guidance with ADLs because of a mental or cognitive impairment.

ADLs refer to activities such as eating, bathing, using the toilet, dressing, walking across a small room, and transferring (i.e., getting in or out of a bed or chair). Instrumental activities of daily living (IADLs) may also be used to measure a person's need for LTSS. These activities are necessary for an individual's ability to live independently in the community. IADLs include activities such as preparing meals, managing money, shopping, performing housework, using a telephone, doing laundry, getting around outside the home, and taking medications.

While the need for, use of, and costs associated with LTSS vary across individuals over their lifespan, the probability of needing LTSS increases with age. It is estimated that 70% of individuals who survive to age 65 develop a disability serious enough to need LTSS, 40% will need care for up to two years, and 38% will need care for four or more years. As the population ages, the demand for LTSS is expected to increase. In addition, advances in medical care and supportive care are enabling younger persons with disabilities to live longer lives, requiring the delivery of services and supports for longer periods of time.

Generally, public and private payers of LTSS determine eligibility for LTSS in part based on the number of limitations in specific ADLs. For example, publicly financed programs that cover LTSS, such as Medicaid, often use limitations in a certain number of ADLs to determine LTSS eligibility, among other criteria. State Medicaid programs have flexibility in determining LTSS need, sometimes referred to as "level-of-care" criteria, where a high threshold for the level of care criteria might require an individual to be dependent in four or more

ADLs, while a lower threshold might require dependency in only two ADLs.

Under a private long-term care insurance (LTCI) policy, limitations in the number of ADLs are the basis for triggering benefit eligibility. Specifically, federal law provides federal tax benefits and minimum consumer protection standards for purchasers of “tax-qualified” LTCI policies, as authorized by the Health Insurance Portability and Accountability Act of 1996 (HIPAA, P.L. 104-109; 42 U.S.C. §7702B). HIPAA tax-qualified LTCI products are required to have defined benefit triggers for when the policy begins to pay long-term care benefits. In general, these triggers require policyholders to be certified by a licensed health care practitioner as unable to perform at least two ADLs for a minimum of 90 days or require substantial supervision due to severe cognitive impairment.

## Who Provides Paid Long-Term Services and Supports?

The vast majority of LTSS is provided by caregivers, such as family members, friends, and neighbors, who provide uncompensated LTSS. However, some public programs may allow caregivers to be compensated to provide care and/or provide resources to further assist caregivers. A national survey published in 2015 found that 43.5 million individuals in the United States served as unpaid family caregivers to an adult or a child in the past 12 months.

Paid LTSS is provided by individuals employed by an organization or agency, such as a nursing home or home health care agency, or by self-employed individuals who are hired by an individual or family member. The National Center for Health Statistics estimated that about 65,600 paid, regulated long-term care services providers served over 8.3 million individuals in 2016. These providers include an estimated 28,900 residential care communities, 15,600 nursing homes, 12,200 home health agencies, and 4,600 adult day health centers. With the exception of adult day health centers, the ownership status of most long-term care providers was for-profit.

Licensed or skilled health care workers that provide LTSS include registered or licensed nurses, physical and occupational therapists, and social workers. However, most LTSS is provided by nonlicensed providers such as certified nurse assistants, home health aides, and personal care aides. The Bureau of Labor Statistics (BLS) estimated that there were 3.3 million home health aides and personal care aides in 2018. This likely underestimates the number of home care workers, as it does not include self-employed workers. BLS estimates another 1.6 million nursing assistants and orderlies in 2018, which is an overestimate of the LTSS nursing assistant workforce, as it includes individuals who work in acute care hospitals as well as long-term care settings. Between 2018 and 2028, home health aides and personal care aides are projected to be among the top 20 fastest growing occupations, both in terms of rate of growth (a 36% increase) and numerical growth, with an increase of 1.2 million new jobs. This is faster than the average rate of growth for all occupations at 5%. Nursing assistants are projected to grow by 9%, with a projected increase of 138,000 new nursing assistants over the same time period.

## How Much Do Long-Term Services and Supports Cost?

LTSS varies widely in terms of intensity and cost, depending on an individual’s underlying conditions, the severity of his or her disabilities, the setting in which services are provided, and the caregiving arrangement (i.e., paid care versus uncompensated care). The cost of obtaining paid assistance for these services, especially over a long period of time, may far exceed many individuals’ financial resources. Moreover, public programs that finance this care, such as Medicaid, may not cover all the services and supports an individual may need. Medicare does not cover most long-term care expenses. Large personal financial liabilities associated with paid LTSS can leave individuals in need of LTSS and their families at financial risk.

For those receiving LTSS at home, the cost varies depending on the amount and duration of care provided (see **Table 1**). Assuming care is provided 44 hours per week, the median annual cost for homemaker services was about \$51,500 in 2019, while the median cost of home health aide services was over \$52,600. Adult day health centers have a median annual cost of \$19,500 per year in 2019. These estimates are national figures and can vary widely by geographic region. For example, across the United States, median daily rates for home health aide services ranged from \$107 to \$188, and median daily rates for adult day health centers ranged between \$32 and \$154.

Residential settings that provide housing and services as well as institutional settings tend to have higher annual costs than home care services, on average. Assisted living facilities had a median annual cost of about \$48,600, while the median annual cost of nursing home care was over \$90,100 for a semi-private room and \$102,200 for a private room in 2019. As with estimated costs for home care services, these estimates are national figures and can vary widely by geographic region. For example, across the United States, the median daily rate for a one-bedroom, single occupancy unit in an assisted living facility ranged between \$95 and \$371, while the median daily rate in a private nursing home room ranged between \$185 and \$994.

**Table 1. Median Rates for LTSS Providers, 2019**

	<b>Daily Rate</b>	<b>Monthly Rate</b>	<b>Annual Rate</b>
Nursing Home (Private)	\$280	\$8,517	\$102,200
Home Health Aide	\$144	\$4,385	\$52,624
Homemaker Services	\$141	\$4,290	\$51,480
Assisted Living Facility	\$133	\$4,051	\$48,612
Adult Day Health Care	\$75	\$1,625	\$19,500

**Source:** Genworth Financial, *Genworth 2019 Cost of Care Survey*, October, 2019.

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