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AGING BABY BOOMERS AND HIGHER HEALTH CARE COSTS TO IMPACT LONG-TERM CARE

UC Berkeley Study Looks at Economic Impact of Impending Increase in Seniors

Sacramento, Calif. – University of California, Berkeley researchers state in a new study that an unprecedented increase in seniors over the next decade could nearly double Medi-Cal long-term care costs, from \$6.6 billion to \$12.4 billion annually by 2023.

“This long-anticipated increase in seniors will impact Medi-Cal long-term care costs,” said lead researcher Dr. William H. Dow of U.C. Berkeley’s Division of Health Policy and Management, which released the socio-economic analysis. “The huge baby boomer generation is now retiring. Over the next ten years, California will experience a 44 percent increase in seniors, jumping from 4.8 million today to 6.9 million by 2023.”

An 88 percent increase in public expenditures for institutional long-term care is projected over the next decade. Since nearly 90 percent of long-term care is provided by family and friends, the growing demands not only impact state coffers, but family caregivers as well. Family caregivers, the study says, report higher levels of mental and physical health problems and are generally uncompensated for their services. For their employers, the demands of caregiving also hurt productivity and increase absenteeism.

“The burdens on family caregivers are enormous,” explained Brenda Bufford, chief of the state of California’s Partnership for Long-Term Care, which funded the study. “This research highlights those challenges, which are especially pressing when you realize that 70 percent of seniors will need long-term care.”

The study concluded that Californians should strongly consider planning ahead to ensure they live their later years with quality and dignity. At some point, they may require in-home or nursing home assistance with basic, daily functions that are often taken for granted. Without proper planning, paying for long-term care can be a devastating financial burden.

The first step is to have a conversation with loved ones and begin to develop a long-term care plan. The Partnership website, www.rureadyca.org, offers a number of free planning tools to help families think about their options and take the first step toward planning. Partnership policies help to protect Californians’ independence by ensuring high-quality long-term care coverage and lessening their dependence upon others for their long-term care needs.

For more information about the tools and resources available to tackle the realities of long-term care, please log on to www.rureadyca.org.

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