

Project Number: MRR 00-018
Project Title: Overall Millennium Act Assessment
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Background/Rationale:

Congress has mandated an assessment of VA's experience under P.L. 106-117 which required certain changes in extended care. Of particular interest are: Operating under provisions of the Millennium Act, has VA maintained and expanded its continuum of extended care, especially for veterans with the highest priority (70% or more service-connected disability)? What are VA's costs and utilization compared to what they are estimated to have been in the absence of this section of the Millennium Act?

Objectives:

Assessed the VA's continuum of extended care under the provisions of the Millennium Act (P.L. 106-117) and reported to VA's Office of Geriatrics and Extended Care (OG&EC) so that the assessment can be used to develop policy recommendations and report to Congress.

Methods:

Used VHA, VBA, Medicare and Medicaid data, VA enrollees receiving extended care have been identified for 1997-2002. Time trends were described by patients' priority status and services forecast through 2001. Measured the quality of VA long-term care (risk-adjusted mortality and preventable hospitalization rates), calculated and compared across LTC programs for fiscal years 1998-2001 Medicare datasets were used to identify both types of outcomes

Findings/Results:

To date, there is evidence of, at most, only small changes in VA long-term care services occurring immediately after enactment of Public Law 106-117. Overall costs are basically equal to what one would expect in the absence of the Act through fiscal year 2001. The impact on cost would arise primarily from the increase in VA LTC participation by veterans 75 and older. That impact could represent \$245 million in FY2002, equal to 5% of total VA medical costs for all VA LTC patients. From 1998-2001, risk-adjusted preventable hospitalization rates declined at significant rates (from 1%-4%) in NHCU, GEM unites in nursing home units, Contract Nursing Homes, HBPC, CRC and Geriatric Clinic Programs. Except for those in domiciliary programs, roughly 75% of VA long-term care patients were also enrolled in the Medicare program in the year they received VA long-term care (compared to 53% of VA enrollees overall). Medicaid enrollees were 14.4% of all VA LTC patients.

Impact:

The analyses will be important for development of VA's policy for extended care.