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## Assessing function is key to providing person-centered, high-quality care

By **Megan Burke**

**E**ditor's note: The SCAN Foundation, The John A. Hartford Foundation, the Administration for Community Living, the Gary and Mary West Foundation, the Marin Community Foundation and the Colorado Health Foundation have united to fund a three-year grant to develop and establish the Aging and Disability Business Institute ([goo.gl/nz7ykU](http://goo.gl/nz7ykU)), housed within n4a. Under the grant, ASA and n4a are collaborating on a series of articles and case studies in **Aging Today** that will help to prepare, educate and support community-based organizations and healthcare payers to provide quality care and services.



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When older adults talk about their health and what really matters to them, topics usually include spending time with loved ones, enjoying a hobby and managing day-to-day life. These simple activities can become more challenging as health and daily functioning change over time. In fact, half of Americans turning age 65 today will at some point need a high level of help with daily activities like walking, eating and bathing. What happens when older adults need more support than loved ones can provide? How can older people best understand their daily living needs and where to find help?

The healthcare system could be a natural spot to connect people to medical and non-medical services. What would it look like if healthcare systems and supportive services networks collaborated to respond to individuals' needs and goals? Recent policy changes provide opportunities for Medicare to do just that by combining medical and non-medical services to improve care for people who have complex needs.

**Why Function Matters**

Before care systems can be fully responsive to older adults who have complex needs, providers and payers must understand a person’s functional ability. Such knowledge serves to identify person-level needs for care planning; connect individuals to appropriate services; and plan at the population level to deploy resources effectively (e.g., capitated funds, workforce).

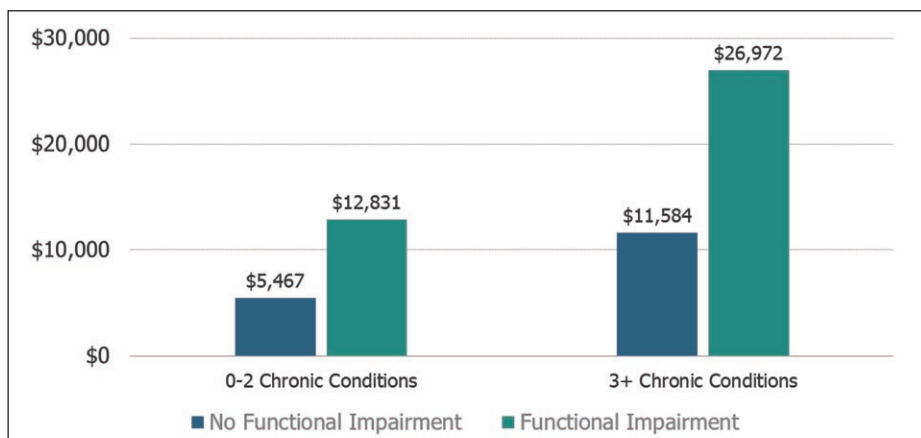
Research from Anne Tumlinson Innovations has consistently shown that non-medical factors—how a person functions on a daily basis, including the extent of his or her social supports—drive healthcare use and spending. Figure 1 (opposite) shows that no matter how many chronic conditions a person has, functional limitations are the determining factor for healthcare costs.

**Target Services to Realize Value**

Successfully providing high-quality care requires collecting the right data, and then using it, as follows, to inform planning and service delivery.

**Identify functional needs.** Health systems express difficulty with identifying who would benefit from non-medical services to maintain or improve function. Historically, health systems have identified “high-need, high-cost” individuals, using administrative and clinical data (e.g., diagnoses, hospital admissions, prescription drug costs). While understanding a person’s medical history is vital, older adults are much more than their medical diagnoses. Assessing for function helps to create an understanding of an individual’s needed supports for health and well-being.

**Figure 1. Medicare Per Capita Spending for Those Living in Community, 2015**



Source: Anne Tumlinson Innovations, 2018; 2015 Medicare Current Beneficiary Survey data linked to fee-for-service claims.

**Connect individuals to services.** Payers and regulators are beginning to recognize the value of assessing function. This year, for example, California’s Department of Health Care Services required its Medicaid plans to include 10 questions ([tinyurl.com/y9xv2flt](http://tinyurl.com/y9xv2flt)) in their health risk assessments that address daily living, home environment, health literacy, social support, caregiver stress, potential for abuse, memory, fall risk, financial well-being and social isolation. Starting with simple screening questions concerning these 10 factors, health system staff can better identify who would benefit from a more comprehensive assessment, care coordination and support services. That said, collecting functional information is just the first step in delivering high-quality care. The real value comes in using this information to craft a care plan tailored to the whole person—one that addresses medical and non-medical needs and connects the person to services and supports within the health system and the community.

**Population-level planning for resource deployment.** Assessing function not only is good for serving individuals, but also helps in creating strategies to meet the community's needs. To better understand the populations served and effectively organize care, leading health plans and systems are beginning to gather data about function and social needs. As demonstrated in a 2014 Avalere study ([tinyurl.com/yd7vmexk](http://tinyurl.com/yd7vmexk)), this new knowledge can provide a clearer understanding of how to improve population-level risk stratification, and support delivery system efforts that better match people who have identified needs with high-quality, targeted interventions—even resulting in a return on investment. For health systems that have figured this out, *The Playbook for Better Care* ([tinyurl.com/y8rcx7mv](http://tinyurl.com/y8rcx7mv)) offers a curated group of practical tools and resources to help target and improve care for people with complex needs.

### **Opportunities in a Changing Policy Landscape**

A new policy window opened this year to connect Medicare beneficiaries with complex needs to services across the care continuum. The Bipartisan Budget Act of 2018 ([tinyurl.com/ycffa8ng](http://tinyurl.com/ycffa8ng)) and guidance from the Centers for Medicare & Medicaid Services promote assessment of functional and social needs as part of delivering high-quality, more cost-effective care.

Examples include expanding the scope of supplemental benefits that Medicare Advantage (MA) plans can offer for beneficiaries with certain chronic conditions, including non-medical services based on an individualized needs assessment; allowing MA plans to offer beneficiary incentives for completion of risk assessments; and allowing more MA plans to test enhanced benefit packages targeted to individuals with specific chronic conditions.

These changes allow health systems the flexibility to offer non-medical services, and present additional opportunities for health systems and community-based service providers to work together to meet individuals' identified needs in a coordinated fashion.

Older adults should be able to access a delivery system that respects and supports their needs and choices. Identifying how someone is functioning and then addressing non-medical as well as medical needs are essential elements of high-quality care. Such information helps health systems to better serve individuals, plan for targeted populations and use resources more effectively and efficiently. ■

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