

# Census 2010: Impacts and Policy Issues for Rural Nebraska Healthcare

Nebraska Rural Health Association  
Kearney, Nebraska - 2005

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# Census 2010: Impacts and Policy Issues for Rural Nebraska Healthcare

- New way of collecting data
- Changes driving policy shifts
- Expected policy arenas
- Some expected changes

# Census 2010

- American Community Survey
  - The ACS is more timely and relevant than the decennial census long form it replaces, providing decision-makers, communities and businesses with current information about their changing populations every year, rather than once a decade.
  - Information provided by the ACS includes topics ranging from housing values and educational attainment to commute times and language spoken at home.

# Census 2010

- Each year, the Census Bureau will mail the mandatory survey to a rolling, random sample of about 3 million households throughout the country and Puerto Rico.
- Roughly 2.5 percent of the population — about 1-in-40 addresses — will participate in the survey each year. By comparison, 1-in-6 addresses received the Census 2000 long form.

# Census 2010

- The Census Bureau will release data for areas with populations of 65,000 or more annually beginning in summer 2006.
- For smaller areas, it will take three or five years, depending on their population size, to accumulate a large enough sample to produce data.
- Once those data are collected, the Census Bureau will release tabulations based on rolling three-year averages annually for areas with populations between 20,000 and 65,000, and rolling five-year averages annually for areas as small as census tracts

# Census 2010

- The ACS eliminates the need for a census long form in 2010.
- The census short form will continue to produce the official count of the nation's population every 10 years, fulfilling the constitutionally mandated function of determining congressional apportionment.
- The permanent staff, professional interviewers and mapping updates needed for the survey will contribute to more complete and accurate results for both the ACS and the 2010 Census.

# Health Care Policy and Demographic Change

- Changes in age structure
- Changes in racial and ethnic structure
- Changes in educational levels
- Changes in workforce structure
- Changes in economic structure
- Changes in access issues

# Health Care Policy and Demographic Change

What is the spatio-demographic context of regional and national aging?

- Aging in regards to place
- Aging in regards to gender, race, and ethnicity
- Aging in regards to population

# The Changing Demographics of the Elderly

- Over 35.6 million Americans are aged 65 and over
- Three in five people in this age group are women.
- Over the next forty years, the number of people aged 65 and older is expected to double.
- During this same time frame, those aged 85 and older is expected to triple.

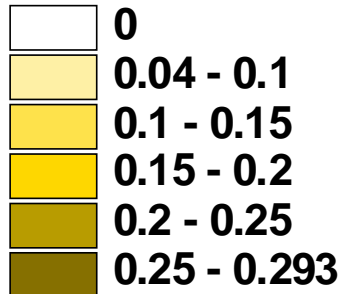
# The Aging of a Region

Elderly (65+) as a percent of the total county population

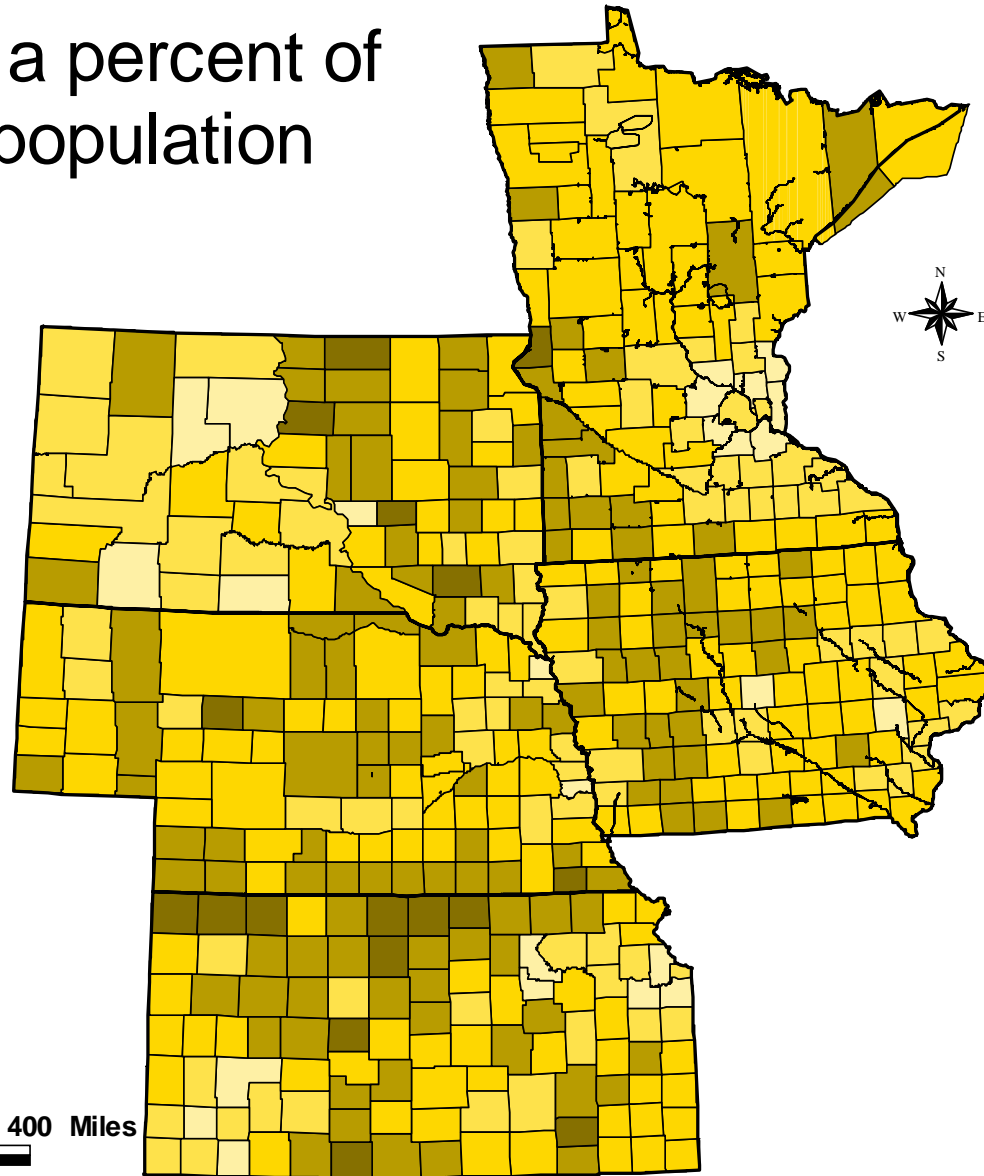


State Borders

% Elderly



0 200 400 Miles



# The Changing Demographics of the Elderly

- In 2002 the Hispanic older population was 2.0 million.
- This population is expected to grow to over 13 million by 2050.
- In percentage terms, Hispanics were 5.5 percent of the elderly population. In 2050 they will account for over 16 percent of this population.
- By 2028 the Hispanic population aged 65 and older is projected to be the largest racial/ethnic minority group in the 65+ age group.

# Educational Levels

- There still exists substantial educational differences among elderly racial and ethnic groups.
- In 2002, about 35% of the Hispanic population 65+ had finished high school compared to 70% of the total older population.
- Also in 2002, 5.5% of the Hispanic older population had a bachelor's degree or higher, compared to 16.7% of the total elderly population.

# Living Arrangements

- Although older women are more likely to live alone than are older men, the percent of Hispanic elderly men and women living alone is lower than the general population.
- Also, the percent of Hispanic elderly living with other relatives is about twice that of the total population.

# The Changing Demographics of the Elderly

**TABLE 26A | MAJOR COMPONENTS OF HEALTH CARE EXPENDITURES AMONG MEDICARE BENEFICIARIES AGE 65 OR OLDER, 1992 AND 1996**

	<b>1992</b>	<b>1996</b>
TOTAL	100.0	100.0
INPATIENT HOSPITAL	32.6	28.8
MEDICAL/OUTPATIENT	31.4	30.3
NURSING HOME CARE	21.1	20.8
SKILLED NURSING FACILITY/ HOME HEALTH CARE	5.6	10.1
PRESCRIPTION DRUGS	6.7	6.9
OTHER	2.6	3.1

Note: Data include both out-of-pocket expenditures and expenditures covered by insurance. "Other" expenditures consist of dental and hc expenses.

Reference population: These data refer to Medicare beneficiaries.

Source: Medicare Current Beneficiary Survey.

# Cost of Increased Elderly Population: Pressures on Medicare and Medicaid

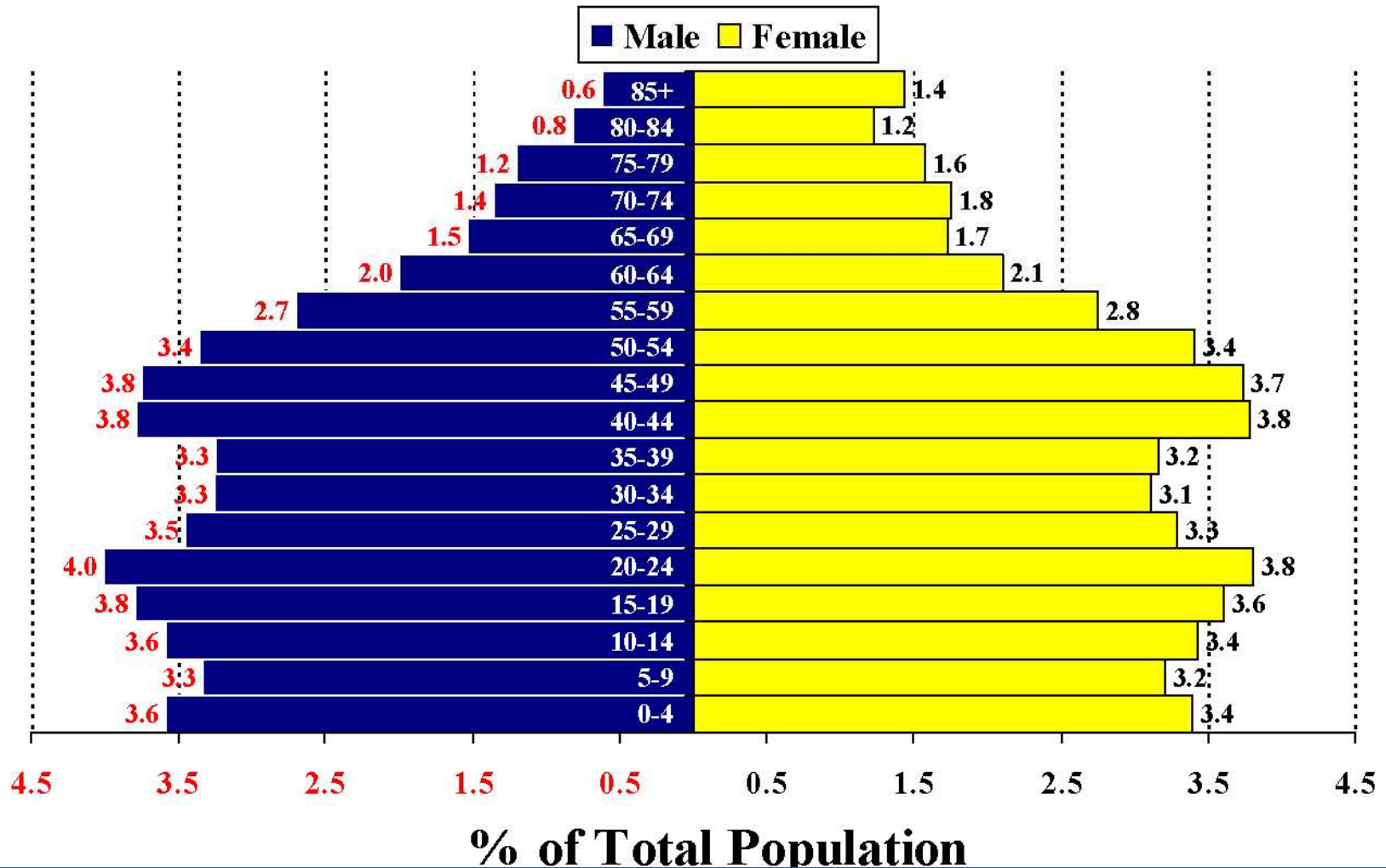
- Home Health
- Skilled Nursing Care
- Home and Community Based Services

# Changing Gender, Race and Ethnicity

- Health Issues
  - Age related issues
  - Workforce issues
  - Education issues

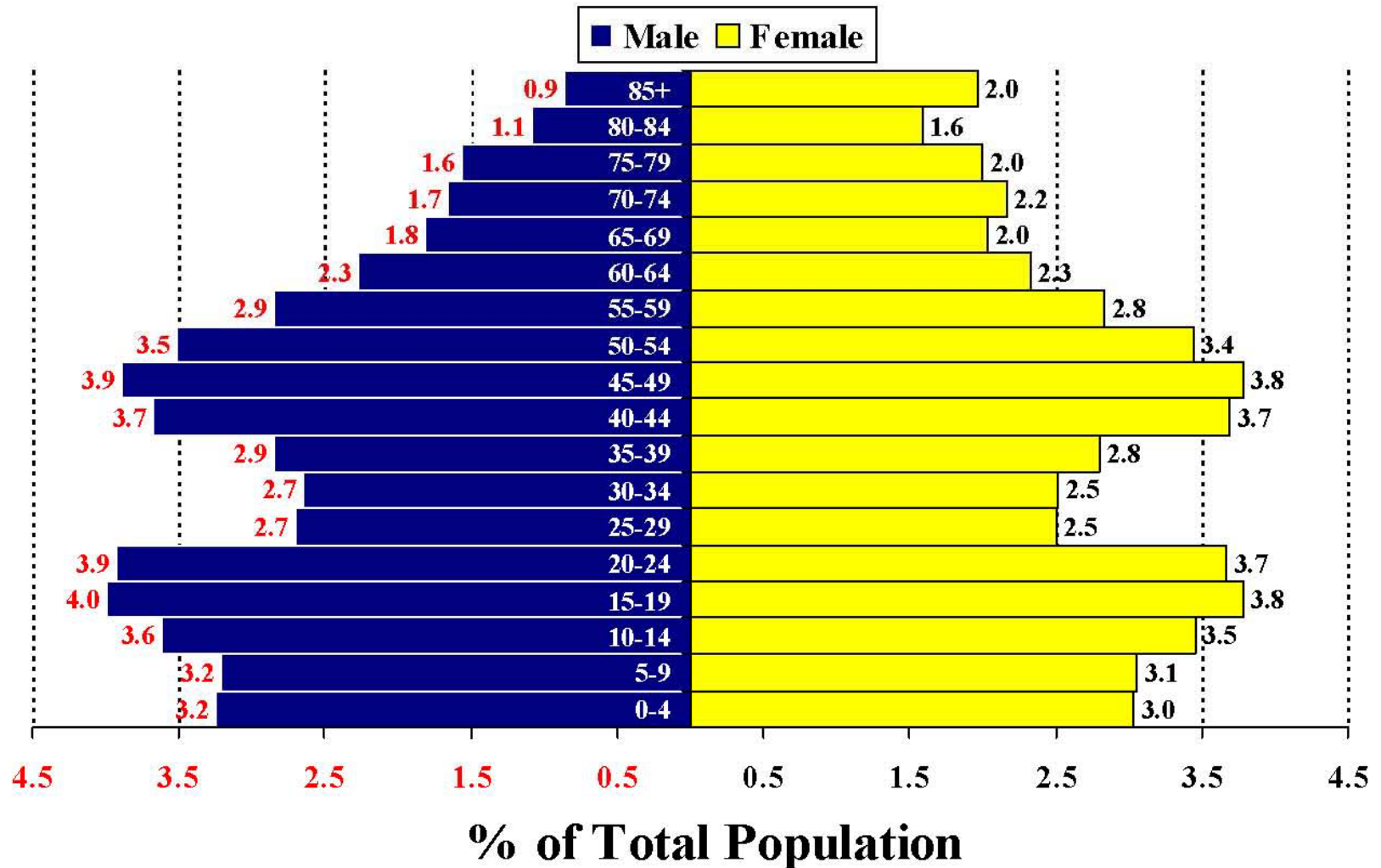
# The Echoes of the Boom

## Nebraska 2004 Population Pyramid



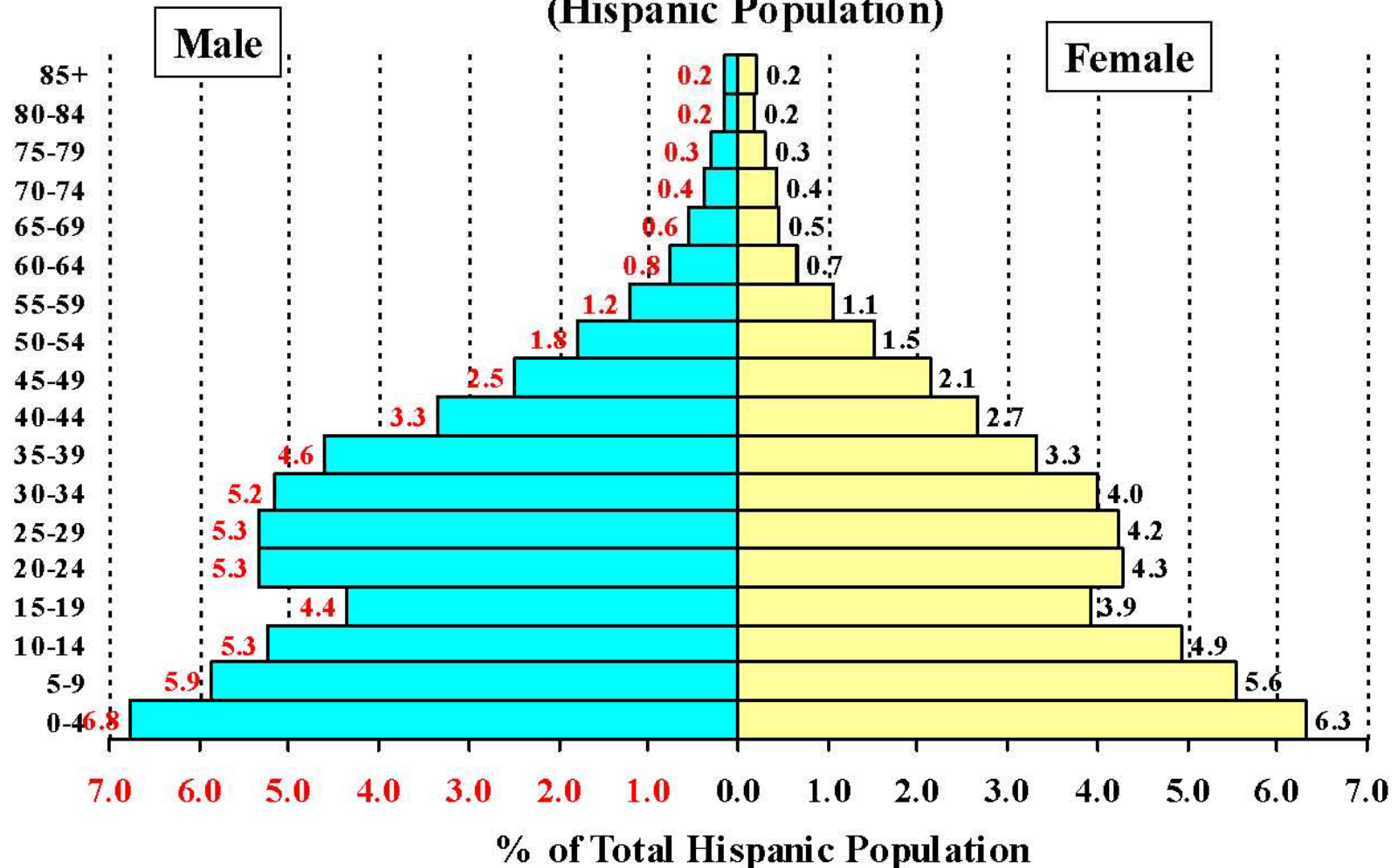
# The Echoes of the Boom

## Non-Metro 2004 Population Pyramid



# The Echoes of the Boom

**2004 Non-Metro Population Pyramids  
(Hispanic Population)**



# The Safety Net

## ■ Income

- Poverty rate increased for the fourth year in a row.

## ■ Healthcare coverage

- Uninsurance and Underinsurance rates increased for the fourth year in a row.

## ■ Citizenship status

- Pending federal legislation

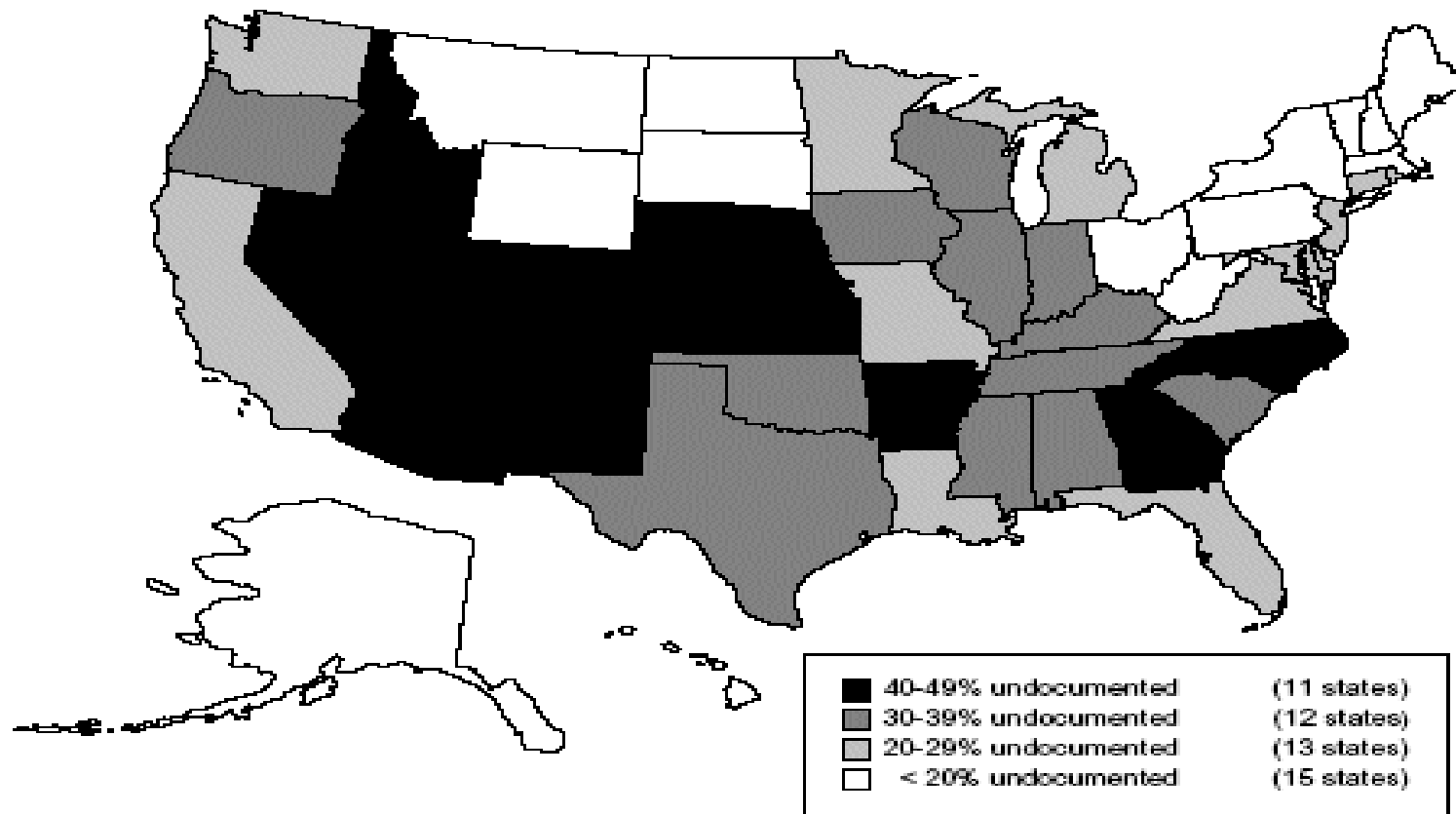
# Impacts of Recent Economics\*

- Nebraska and Iowa have lost a combined 39,500 manufacturing jobs.
- It has been proposed to cut Federal job training programs will by over \$560 million dollars.
- These issues will have a direct impact upon the expanding population groups in the region and their ability to pay for health care.

# Expanding the Safety Net

40-49% of Nebraska's Foreign-born population is undocumented (~27,000)

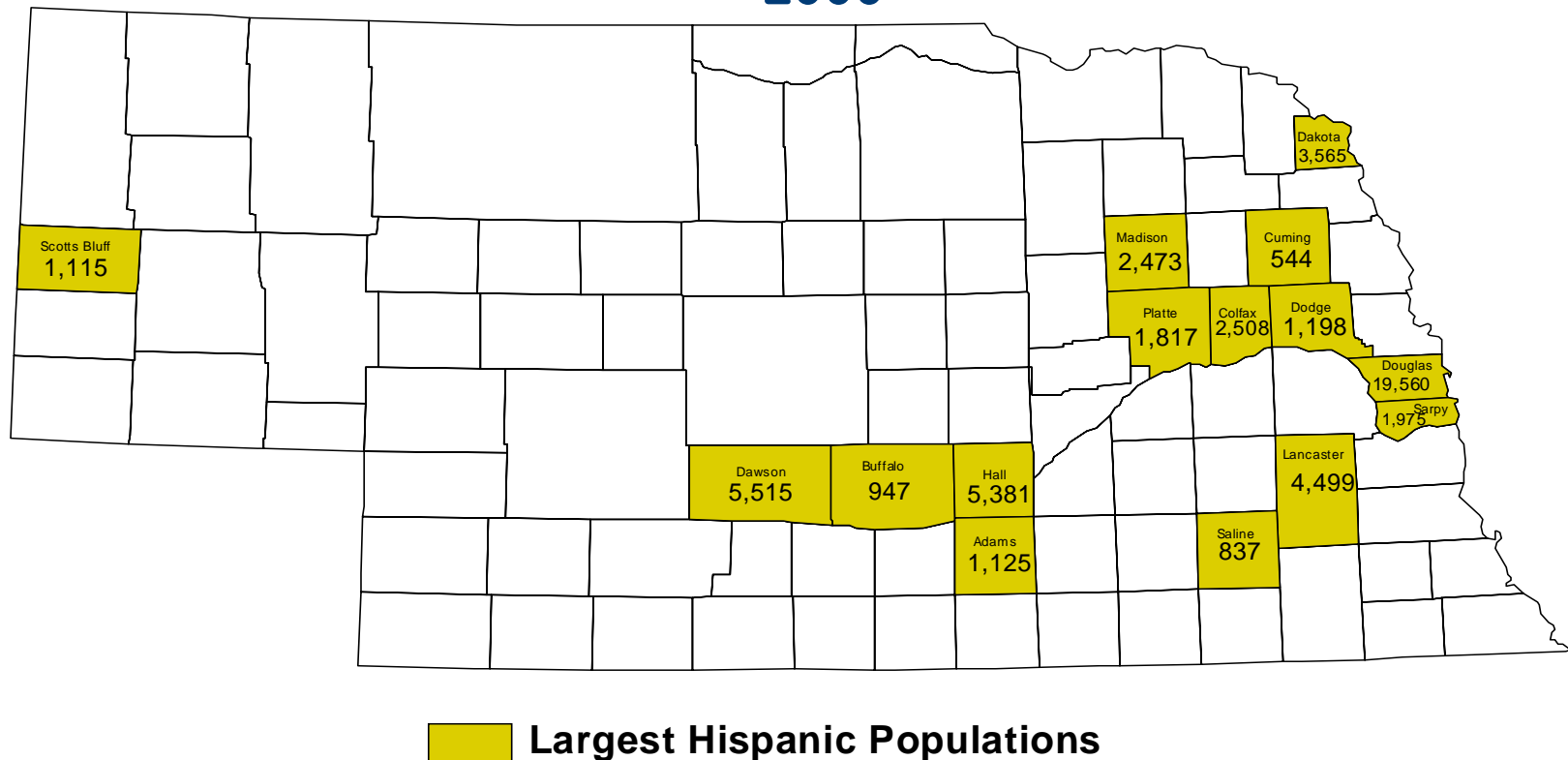
**FIGURE 2. SHARE UNDOCUMENTED OF FOREIGN-BORN POPULATION, BY STATE, 2000**



SOURCE: Urban Institute estimates based on Census 2000.

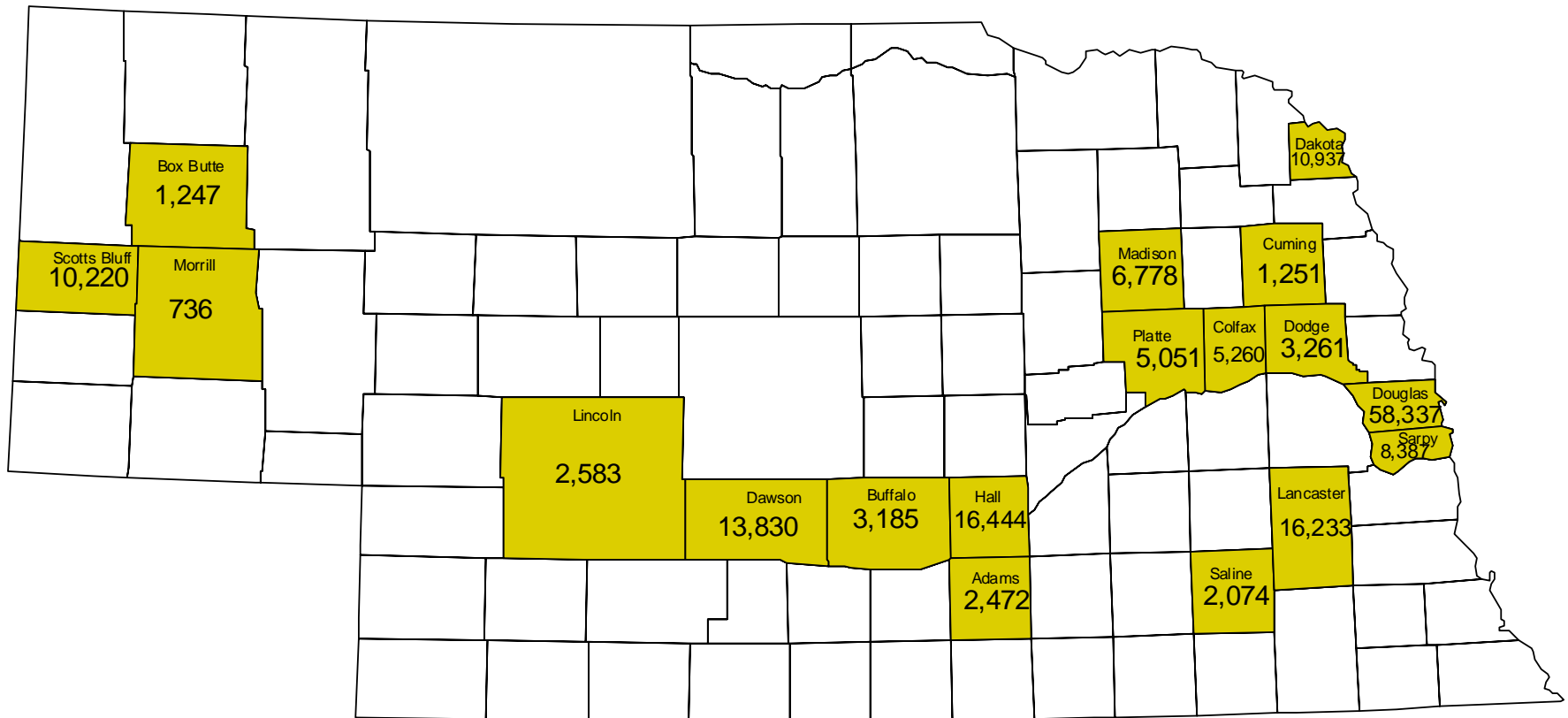
# Expanding the Safety Net: Where is the Need?

## Largest Hispanic Populations by County, Nebraska, 2000



# Expanding the Safety Net: Where is the Need?

## Largest Projected Hispanic Populations by County, Nebraska, 2015



# Policy Questions:

What level of government should respond to the issues, and how?

# Policy Questions:

- Meaning for Medicare program
  - How we implement MMA in this region
  - How we improve on MMA for regions elderly
  - Critical importance of Medicare policies
    - Payment
    - Flexibility in benefits
    - Flexibility in payment policies and associated regulations

- National: Medicare payment policies, demonstration projects
- State: Medicaid payment policies, waivers, special programs such as grants to convert to assisted living
- Local: Support for community based efforts
- Not-for-profits: Development of community based efforts

# Rural pharmacies may face contracting difficulties

- May not be needed for PDP to meet access standards
- Independents are more dependent on prescription revenue
- Any willing provider
  - Important protection
  - Need to meet terms of PDP contracts
- Dispensing fees
  - Negotiated between pharmacy and PDP

# Medicaid \*

- No federal plan announced at this time.
  - Look to the 2003 proposed Medicaid changes for idea of what 2005-6 holds.
- Initial look:
  - \$45 Billion dollar cut to states
    - \$238 Million for Nebraska
    - \$386 Million for Iowa
  - \$94 Million cut to Healthy Communities Access Program and a phase out for the Rural Health Grants

# We will be using devolution, locally-based approaches

- Expanded waiver authority in existing Medicaid
- Interest in increased role for private plans in public programs
- Medicare initiatives defined by states and regions
- Services are locally-based

# We will be using devolution, locally-based approaches

- If income transfer programs continue, location of elderly can be a tool for development
  - Health care services
  - Housing services
  - Other

# We will be using devolution, locally-based approaches

- Meaning for social services in rural areas:
  - area agencies on aging programs
  - community-based service organizations

# Policy Implications:

- Align incentives
  - changes in practice
  - changes in payment
- Promote innovation
  - demonstration projects sponsored by the federal government
  - Regulatory flexibility

# Policy Implications:

- Adopt new philosophies
  - caretaker to health promotion
  - centralized organizations to amoebic collaboratives
  - public entities to public-private partnerships
- New populations as a positive
  - sustaining quality of life is an economic gain
  - training new minorities
  - workforce from the elderly

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