



# Washington State Auditor's Office Performance Audit Description

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## Long-Term Care: New Freedom Consumer Directed Services

### Program Background

Washington spends approximately \$1 billion a year for long-term care services, providing care to approximately 62,000 elderly and disabled adults. Of the total long-term care service budget, roughly half goes toward in-home services, with the remainder going toward services in residential settings or nursing homes. Washington has had success in reducing expensive nursing home care by increasing the number of clients receiving services in their own homes. Facing a growing population of seniors and tight budgets, Washington must decide which in-home service models will allow it to provide the most cost-effective and highest quality service to Washington's elderly and disabled adults.

Consumer-directed service models have been widely advocated as a means of promoting high quality and responsive care for elderly and disabled adults because they increase client control over services provided. Different models provide different levels of control. Traditional agency-led models allow clients to choose and manage service providers, but allow less flexibility to choose services. Individualized-budget models allow clients to choose types of services and may allow clients to choose providers.

Washington currently provides the majority of in-home services through an agency-led model, Community Options Program Entry System (COPES), but has a 5-year pilot project that uses the individual-budget model, New Freedom Consumer Directed Services. The relative performance of the two programs has not yet been evaluated.

### Audit Overview

The purpose of this audit is to provide policy makers with information on the performance of consumer-directed in-home long-term care models in Washington by accomplishing the following three audit objectives:

- Determine whether the individual-budget model or the agency-led model results in better client outcomes.
- Determine whether the individual-budget model or the agency-led model results in lower public costs.
- Identify the lessons that have been learned from Washington's pilot program and the challenges to expanding the individual-budget model.

### Timing

Audit results will be released in early 2015.

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