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Opening Statement of Sen. Chuck Grassley
Hearing, “Home and Community-Based Care: Expanding Options for Long Term Care”
September 25, 2007

Today’s hearing is one of a series over the past several Congresses on this very important topic of home and community-based care. Over time, we have realized that many, many disabled people would prefer to live in the community. Many of these people have been placed in institutions because of the payment bias in Medicaid.

In addition, our population is aging. And we will need to face the fact that more of us will need help with the most basic aspects of living. Just as I endorse choice of health plans for Medicare beneficiaries, I endorse a choice for those needing long-term care. For some people and their families, an institution is the best site for long-term care. Many others prefer to receive care at home or in the community. In the deficit reduction act of 2005, we included \$1.75 billion in grants for a major demonstration program. This year, CMS awarded \$1.4 billion to 31 states, including Iowa. These states intend to move more than 37,000 people from institutions into the community.

In addition, we have given the states the option to allow people to manage their own care. They get a budget and they may contract with care providers. This option may not be for everyone, but in Iowa our State Department of Human Services is demonstrating that it can work. We also included in the DRA the Medicaid State Plan Option for home and community-based services.

Now for people who are disabled by mental illness, states have a new option to use Medicaid funds for home and community-based services without getting a waiver. Iowa is the first state to receive approval for this benefit. The state plans to serve 3,700 people in the first year and nearly 4,500 by the fifth year. That is thousands of people who would have been in an institution. I believe that we are moving in the right direction. We are working to enable people to stay in their communities. And we are allowing them greater responsibility and choice in yet another key area of their lives. I appreciate that Sen. Baucus is holding this hearing and I look forward to hearing the witnesses report on developments.