



*U.S. Delegation to the
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**Remarks by
The Honorable Josefina G. Carbonell
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U.S. Department of Health and Human Services**

**“Towards a Balanced Care Strategy Panel”
November 6, 2007**

Mister Chair, fellow delegates, ladies and gentlemen, I am delighted to be here with you today, and honored to represent the United States of America.

I would like to extend my great appreciation to the organizers and to the government of Spain for convening this ministerial conference. GRACIAS y BRAVO.

In preparing for this conference, I reviewed the policies of many of the European countries to see how you are addressing the aging of your populations. I find that we are dealing with similar challenges such as:

- How to finance and integrate long-term care services;
- How to provide quality services; and
- How to promote independence and active aging.

Historically in the U.S., our long-term care financing policies have been biased toward placing individuals in institutional facilities. Under the leadership of President Bush, we are undertaking a number of initiatives to update, modernize and rebalance our health long-term care system in preparation for the Baby Boom generation.

The Department of Health and Human Services administers three of the four cornerstones of the US public health and long-term care systems: Medicare, Medicaid and the Older Americans Act. We support a nationwide network of 29,000 public and private organizations responsible for coordinating and providing direct community-based human services to help older people maintain their independence and dignity and remain in their own homes and communities. We currently invest \$5 billion in public, private, state and local resources to provide critical direct services to over 10.2 million older people.

We complement other public and private sector programs that benefit older people, including the two major Federal health programs -- Medicare and Medicaid. We are making our health and human services systems more integrated, more cost-effective, and more responsive to the needs and preferences of older people.

Our long-term care rebalancing efforts contain three main strategies:

1. Consumer Empowerment Through Aging and Disability Resource Centers

We are empowering consumers to make informed decisions through the establishment of “one-stop shop” entry points to health and human services at the community level. Because services are funded and administered by different public and private entities, older people, their families, as well as younger people with disabilities, are often confused when they seek help. To address this problem, we are supporting states to integrate and streamline their systems of long-term care supports – so that there is “no wrong door” for accessing services.

2. Community Living Incentives Through Flexible Options and More Choices for High-Risk Individuals

Traditionally, consumers have had limited influence over decisions about the services they receive from public programs. Under our new consumer-directed models, people are given more control and are empowered to determine what types, the manner, and where they receive their services – and they overwhelmingly choose services at home rather than in nursing homes. This approach includes giving consumers authority to hire their own workers, including family members, friends and neighbors, to provide their care.

3. Healthy Lifestyles Through Evidence-Based Disease Prevention

We are helping older people take more control over their own health by making behavioral changes that have proven effective in reducing the risk of disease, disability and injury among the elderly. This strategy, based on science, provides simple tools that seniors can use to better manage their chronic conditions, reduce their risk of falling, and improve their nutrition and their physical and mental health. Further, these programs are ideally suited to be implemented by community-based human services agencies, such as senior centers and faith-based organizations.

Across all three strategies is the concept of providing individuals reliable information to assist them in making better decisions and to plan ahead for their long-term care. Our efforts include:

- The first Federal website -- the National Clearinghouse for Long-Term Care Information -- with comprehensive information about public and private LTC options --;
- Promoting the purchase of affordable private long-term care insurance coverage; and
- Promoting the use of reverse mortgages which permits older people to use the equity in their homes to help with their expenses, including those related to health and long-term care services.

To improve the health of older Americans, the U.S. is also modernizing Medicare -- the federal public health insurance program -- to have a greater focus on prevention. Today, over 39 million older persons have access to the prescription drugs they need to stay healthy and to a variety of preventative benefits, including a complete physical exam and screenings for a variety of diseases such as cancer, cardiovascular disease, and diabetes. In addition, we are leveraging the competitive market to give seniors more choices, and the results are lower costs and high satisfaction rates.

Our modernization efforts hold great promise for improving the quality of life for older Americans, and have the potential to reduce the use of costly health care services. We are emphasizing local solutions with more consumer input and control. In addition, we are focused on promoting competition, improving efficiency, enhancing value and increasing quality.

While the impending demographics will place significant demands on both public and private sector long-term care systems and resources, the initial success of our rebalancing efforts shows that we are headed in a direction that better prepares us to address the challenges.

Thank you.