ATI Advisory

POLICY BRIEF

Beyond Medicaid: Innovative Approaches to Support Aging in the Community for the Overlooked Middle

Contents

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Executive Summary

Paying for long-term services and supports (LTSS) will be a challenge for the growing number of people who earn too much to qualify for Medicaid, but who cannot afford the support they need to age at home and in their communities – a group referred to as the "overlooked middle" throughout this report. Many individuals who are ineligible for Medicaid yet unable to afford LTSS often go without necessary care, leading to preventable health decline or premature institutionalization. Aging in the community is not only a personal preference for most older adults and people with disabilities but also a strategy that can help states reduce long-term Medicaid expenditures by delaying or preventing functional decline.

As policymakers work to address this challenge, it is valuable to understand how states and local communities are supporting aging in the community for older adults and people with disabilities. To that end, ATI Advisory, with support from CDA and in collaboration with the LeadingAge LTSS Center @ UMass Boston and Wolf Eagle Enterprises, conducted a review of innovative state and local programs and policies that help older adults and people with disabilities in the overlooked middle remain in their communities. Findings from a survey, expert interviews, and desktop research are highlighted through:

- **Table of Action Areas to Impact Aging in the Community:** A menu of options and strategies for state and local policymakers, with examples of initiatives that support people to remain in the setting of their choice.
- **Case Examples:** Three case examples that showcase innovative, practical models that help older adults and people with disabilities in the overlooked middle age in the community with valuable insights into program operations, funding, outcomes, barriers, and drivers of success:
    - *Massachusetts' Home Modification Loan Program (HMLP)* provides deferred zero-interest loans for home accessibility modifications.
    - *Pennsylvania's Elder Cottage Housing Opportunity (ECHO)* program places "cottages" for older adults on caregivers' properties.
    - *Washington's Tailored Supports for Older Adults (TSOA)* offers limited home and community-based services (HCBS) to people not financially eligible for full Medicaid benefits.

Across the country, communities are testing strategies to make aging in the community a reality. Learning from these innovations can accelerate progress toward more sustainable models of care that support people to age with dignity and connection, regardless of income, in the places they call home.

Compendium of Opportunities to Support Aging in the Community: This report serves as a companion to the compendium resource which features more than 200 organized programs and policies that support aging in the community. Each entry includes information on the target population, program administration, and funding strategy. The compendium is available for download online.

Introduction

Most people want to stay in their homes as they age, but many struggle to do so.[i] This is especially true for those who are not eligible for Medicaid but cannot afford to pay out-of-pocket for long-term services and supports (LTSS). Without public assistance or the ability to self-insure, people may forgo the support they need and, as a result, experience avoidable health deterioration and or require institutionalization.[ii]

Paired with a growing older adult population – the number of older adults 85 and older will more than double between 2022 and 2040 – this challenge underscores the urgent need for scalable approaches to support older adults and people with disabilities in California and nationally.[iii]

While not widely available, state and local organizations across the country have developed a broad range of approaches to support aging in the community for older adults and people with disabilities who are not eligible for Medicaid services and supports. As part of the California Department of Aging's (CDA) LTSS Financing Initiative, ATI Advisory conducted research to identify and elevate innovative programs and policies. This discovery work resulted in the identification of more than 200 programs and policies that state and local communities leverage to help people age at home and in their communities. These discrete programs and policies are compiled into a searchable companion compendium to this report, **available for download online**.

Definition: In this report, "overlooked middle" refers broadly to older adults and people with disabilities who earn too much to qualify for full Medicaid benefits but cannot afford to pay out-of-pocket for the LTSS that might be required to remain in their homes, without compromising basic living expenses.

OVERVIEW OF BARRIERS TO AGING IN THE COMMUNITY

Informed by ATI's research and additional expert interviews described in the Methods section below, older adults and people with disabilities who do not qualify for Medicaid often face a range of challenges to aging well in the community, including:

- **Lack of Tailored Programs and Care Navigation Support:** Outside of Medicaid, there are few widely accessible programs designed to meet the needs of older adults and people with disabilities. The fragmented nature of the LTSS system and the lack of care navigation support make it especially difficult for people and their families to understand what options are available.

- **Unaffordable HCBS:** The high cost of HCBS places services out of reach for many who do not qualify for Medicaid. For example, the average annual cost of a full-time home health aide (40 hours per week) was $68,640 in 2023 and many people rely on aide support for years.[iv] With limited affordable care options, many people are forced to "spend down" their assets to become Medicaid-eligible, effectively impoverishing themselves and, in some cases, their families.[1]

1 The 2025-2026 California State Budget, enacted on June 27, 2025, reinstates the Medi-Cal asset limit for seniors and disabled adults at $130,000 for an individual and $65,000 for each additional household member, effective no sooner than January 1, 2026.

- **Shortage of Both Family (Unpaid) and Formal Caregivers:**[2] As demographics change, fewer older adults will be able to rely on informal caregivers such as family members or friends for care and support.[v] Challenges in finding and retaining caregivers limit the availability of HCBS that older adults rely on to live safely in their communities.
- **High Basic Living Costs:** Older adults on fixed incomes often struggle to keep up with the rising cost of housing, food, transportation, health care, and utilities. This is especially true in high-cost states like California, where the cost of living is approximately 145% of the national average.[vi]

2 This report defines formal caregivers as paid, trained professionals who provide care services, while family or informal caregivers are often family or friends who offer support out of personal relationship or obligation, but in some cases may also be reimbursed for their services.

Methods

RESEARCH APPROACH

To identify innovative approaches that enable older adults and people with disabilities to age in the community, ATI Advisory conducted a multiphase research initiative, including desktop research, expert interviews, and a nationwide survey. After an initial environmental scan of the literature and existing programs across the nation, ATI classified and defined 13 distinct "action areas," or broad categories of approaches. Examples include initiatives related to housing, supporting caregivers, and basic living affordability (**Table 1**). From there, the team conducted in-depth research to identify several programs or policies within each action area, **resulting in the identification of more than 200 discrete programs**. Program details – including goals, target population, and funding – are provided in the *Compendium of Opportunities to Suppor t Aging in the Community*. The data sources overview below provides more details about how we conducted our research.

DATA SOURCES INFORMING RESEARCH:

- **Expert Interviews:** ATI conducted in-depth, semi-structured interviews with 12 individuals and organizations with expertise in aging policy, LTSS, gerontology, caregiver support, and program design. These discussions surfaced promising programs and financing models, while providing insights into program implementation considerations and broader trends that impact aging in the community.
- **Community Survey:** ATI designed and disseminated a national survey to gather input from stakeholders and community members on programs that support aging in the community. Distributed through targeted outreach, newsletters, and LinkedIn, the survey collected detailed information on program goals, operations, impact, financing, and other key characteristics.
- **Desktop Research:** ATI completed a structured scan of programs and policies across the country using a top-down framework. The team conducted a broad, systematic search of strategies to enable aging in the community within each core action area described in **Table 1**, highlighting real-world examples of each strategy. The expert interviews and survey responses provided key insights into the desktop research.
- **Case Examples:** Collaboratively, ATI and UMass Boston selected case examples from the programs identified to provide a diverse and illustrative representation of strategies that support aging in the community. The project team evaluated the inclusion of potential case examples based on the strength of their impact on aging in the community, innovation, feasibility, scalability, cost, and level of effort for administration.

  To develop the three featured case examples, ATI interviewed program administrators using tailored interview guides. These conversations explored key aspects of each program including operations, funding, impact, challenges and barriers, and lessons learned. Case examples were verified and approved by program administrators.

Financing and Service Delivery Approaches to Support Aging in the Community

Drawing on findings from interviews with experts, survey responses, and extensive desktop research described in the Methods, ATI developed the *Compendium of Opportunities to Suppor t Aging in the Community*, a comprehensive, practical resource that catalogs a wide array of programs and policies that support older adults and people with disabilities in living in the community setting of their choice. The compendium includes programs and policies from across the country, ranging from well-known, evidence-based models to small, local initiatives. State and local policymakers, health and human service organizations, and community members with LTSS needs can use the compendium as a reference to explore programs that support people’s desire to remain in the community.

This report complements the *Compendium of Opportunities to Support Aging in the Community* by summarizing and characterizing its contents and findings. **Table 1** outlines the 13 action areas ATI developed to organize the 200+ programs in the compendium. For each action area, the table summarizes the overarching strategy of the programs and policies included, describes the impact these types of programs and policies have on people, and provides an illustrative example program from the compendium.

> “Access to specialized resources at the local level remains a significant challenge. While urban areas might have access to specialized services, some rural areas might lack access entirely. It’s important to set up programs that are accessible by people on the ground.”
>
> - Expert interviewee describing how barriers to aging in the community will vary across geography, but localities are well-positioned to meet needs.

Table 1: Action Areas to Impact Aging in the Community

Action Area, Definition	State or Local Strategies	Impact	Example Program
Home and Community-Based Services (HCBS) A broad range of supports provided in the community including personal assistance with daily activities like bathing and dressing, as well as home-delivered meals, adult day programs, home modifications, transportation, and caregiver support.	Some states and local governments offer HCBS on a sliding scale for lower-income residents or provide financial support to make services like assisted living or home care more affordable.	Access to flexible, affordable HCBS allows older adults and people with disabilities to remain in their homes and communities with dignity and support and reduces reliance on nursing homes. For example, among Medicaid beneficiaries who need a nursing home level of care, those who did not receive HCBS were nearly five times more likely to enter a nursing home over two years compared to those who did receive HCBS.[vii]	The Community Aging in Place Advancing Better Living for Elders (CAPABLE) Program is a home-based, person-centered intervention to help older adults live independently and safely. It pairs participants with a nurse, occupational therapist, and handy worker, over the course of 4 to 5 months, to help older adults improve their function and age in their homes.
Supports for Caregivers Programs that train or support unpaid caregivers, enabling them to provide high-quality care sustainably.	Organizations can support caregivers through subsidies, tax credits, respite care, training, and other activities to enable higher quality and more sustainable care.	Informal caregivers are essential to many people's ability to remain in their homes. Yet approximately two-thirds of caregivers experience caregiver burnout, and one-third reported mental health challenges.[viii,ix]	The City of Philadelphia's Backup Care Program for Employees provides up to eight backup care days annually for dependent children or adult loved ones with a $15 co-pay. Employees can choose from various care options, including in-center childcare, community-based programs, in-home care, or utilizing a personal network with partial reimbursement.
Service Navigation Supports that help people better understand, locate, and access services to remain in their homes and communities.	Support navigating systems can come from case management, caregiver education, support groups, senior centers, and more.	Navigating complex medical and LTSS systems can be overwhelming and confusing. Among people and families who received paid assistance with daily activities, over half (51%) reported that finding this kind of help was challenging.[x]	Senior Reach is a community program offering free assistance to residents who are 60 years old or older. Senior Reach trains community members to identify needs in older adults and provides a call line for people to report needs. Services include care management, emotional support, connection to community resources, and more.
Public Health Messaging Public education efforts and interventions that promote LTSS planning and healthy behaviors.	Organizations can offer life planning post-retirement, encourage advanced care planning, and help people prepare for LTSS needs.	Public health messaging initiatives that promote awareness and behavior change among older adults and people with disabilities can serve as a strategy to encourage planning, better health practices, social engagement, and use of available supports.	Minnesota's Own Your Future is a public awareness initiative that aims to help older adults plan ahead for their long-term care needs. It encourages early personal and financial planning and offers practical tools to support the development of personalized care plans.

Action Area, Definition	State or Local Strategies	Impact	Example Program
Basic Living Affordability Programs and policies that address basic living expenses such as housing, healthcare, food, and utilities.	State and local programs can offer direct cash assistance, emergency support, or reduced expenses like utility costs.	Ensuring older adults can afford essential living costs, like housing, food, utilities, and healthcare, promotes long-term stability and reduces their risk of institutionalization. The Elder Index[3] estimates that a single older adult in good health paying rent needed $27,096 in 2021 to cover basic necessities, which is similar to the median older adult income of $29,740. This indicates that many lack the resources they need to cover basic living costs.[xi,xii]	Illinois' Emergency Senior Services program offers small grants (up to $500) to support older adults and people with disabilities with limited resources to handle unexpected expenses. Funds may be used for a range of needs, including home maintenance or medical costs, with larger grants available to those with urgent needs to prevent homelessness or institutionalization.
Transportation Supports that improve access to or provide transportation to essential destinations such as medical appointments, grocery stores, and social activities.	Governments and communities can offer accessible and low-cost transportation directly or support volunteer driving networks. Other related services include relocation assistance and training on how to access public transportation.	Accessible, affordable, and navigable transportation systems reduce isolation and ensure access to essential services (e.g., healthcare). After adjusting for health and demographic variables, older adults who do not drive are approximately four times more likely to enter long-term care than those who do.[xiii]	Minnesota's Autonomous Rural Transit Initiative (goMARTI) leverages accessible autonomous vehicles to provide free transportation to older adults and people with disabilities across 70+ pick-up and drop-off points, with live vehicle operators to aid passengers.
Nutrition Supports that help older adults and people with disabilities by addressing food insecurity or providing medically appropriate meals.	Organizations can directly meet nutritional needs by providing meals, delivering food, or offering a grocery store benefit. Alternatively, organizations can offer services like nutritional education or dentures to help people eat healthier foods.	Eating well is important for maintaining health and independence. One in 11 adults aged 60+ experienced food insecurity in 2022, with higher rates of food insecurity among older adults with disabilities.[xiv] Older adults facing food insecurity are more likely to suffer from diabetes, congestive heart failure, and obesity, conditions associated with substantially higher healthcare costs.[xv]	The Senior Food Mobile Pantry program in Michigan distributes food monthly, including fresh vegetables, fruit, whole grains, and lean protein, to an average of 100 seniors at local senior living communities alongside healthy recipe tastings, nutrition education tips, and SNAP outreach materials.

3 The Elder Index is a tool that shows how much income older adults need to meet their basic needs and age in place with dignity.

Action Area, Definition	State or Local Strategies	Impact	Example Program
Housing Programs that increase the physical or financial accessibility of housing.	State and local governments can offer programs to increase housing affordability, for example, home shares, tax relief, and rental control. Programs that connect people to housing or improve living conditions within current housing (e.g., through home modifications and/or repairs) are also effective.	Affordable, accessible, and safe housing provides a foundation for aging in the community, supporting stability and independence. Fewer than 15% of older adults have the financial means to pay for both housing and long-term care expenses.[xvi]	New York Foundation for Senior Citizens' Home Sharing Program matches "hosts" who have extra private spaces in their houses or apartments to share with responsible, compatible "guests" seeking suitable housing. Professional social work staff comprehensively screen and match host and guest applicants for no charge.
Housing-based Community Interdependence Models where neighbors or residents provide each other with a strong sense of community, mutual aid, and shared resources.	Naturally occurring retirement communities, home-sharing arrangements, and intentional communities are examples of housing-based community interdependence programs.	Community-focused housing models enable residents of a home, housing development, or neighborhood to rely on one another for support, helping older adults and people with disabilities to age in place. Strong social connections are associated with a lower risk of conditions like heart disease, stroke, dementia, and depression.[xvii]	The Illinois Hope Meadows intentional intergenerational community mixes families with foster children and older adults. In exchange for low rent, older adults volunteer six hours per week.
Social Inclusion & Participation Programs that reduce loneliness and isolation by fostering social interaction for older adults and people with disabilities.	Local organizations like Senior Centers and community hubs can promote social inclusion and participation by building community. Volunteer support networks, peer supports, and digital literacy trainings can give people platforms to build connections.	Opportunities to engage socially, build peer networks, and participate in community reduce isolation, improve mental health, and strengthen people's sense of belonging.[xviii] Roughly one in four Americans aged 65+ living in the community are socially isolated, and 43% of adults 60+ report feeling lonely.[xix]	As a nationwide model, the Senior Companion Program provides assistance and companionship to older adults struggling with daily tasks, helping them stay independent longer and offering respite to caregivers. The program also benefits the volunteers who report better health and longevity through their service and, if low-income, receive a stipend.
Technology Tools that enable older adults and people with disabilities to remain safely and independently in their communities.	Technology like telehealth, assistive technology, and personal emergency response systems can help people remain in the setting of their choice safely.	Technology and digital tools can enhance safety, connectedness, and access to services in a way that improves health and long-term care.xx For example, personal emergency response system technology can give older adults who are living alone an important sense of security.[xxi]	MassMATCH REquipment program refurbishes and redistributes donated durable medical equipment and assistive technology at no cost. The program leverages partnerships with local hospitals and community-based organizations.

Action Area, Definition	State or Local Strategies	Impact	Example Program
 **Individual LTSS Savings** Policies and programs that help people prepare financially for future LTSS needs.	Long-term care insurance, matched savings accounts, special needs trusts, and financial education programs are examples of programs that help people prepare for the cost of LTSS.	Empowering people to plan and save for LTSS enhances future stability and reduces reliance on institutional settings when needs increase. In 2022, the average American who turned 65 faced a projected $120,900 in LTSS costs, with families covering over one-third out-of-pocket.[xxii]	WisPact Special Needs Trust in Wisconsin is a nonprofit that allows disabled people to maintain assets (e.g., from a settlement or inheritance) without losing access to Medicaid and SSI benefits. Trust funds can be spent on education, special therapy, transportation, assistive technology, personal care, and home furnishings.
 **Employment Supports** Programs that help older adults and people with disabilities find and maintain employment.	State and local governments can offer job training programs to help older adults and people with disabilities find and maintain employment, supporting their ability to live where they choose and stay meaningfully engaged through employment.	Increased life expectancy, social security retirement age, and the availability of non-physically demanding jobs led to an increase in the number of older adults who work or need to work. However, 90% of people believe age discrimination is common in the workplace, and older adults often face challenges adjusting to evolving labor markets.[xxiii,xxiv]	AARP's Back To Work 50+ (BTW50+) is a free program aimed at supporting older adults transitioning back into the workforce, advancing their careers, and achieving financial security. Local colleges administer the program, providing in-person and online sessions led by trained career coaches, workshops, computer training, and financial capability coaching.

Case Examples: Innovative Approaches to Support Aging in the Community

Many of the most innovative approaches to supporting aging in the community identified in ATI's research and featured in the compendium crosscut the 13 action areas characterized in **Table 1**. To exemplify approaches that cross multiple action areas, ATI profiled three case examples also featured in the compendium. The three case examples – from Massachusetts, Pennsylvania, and Washington – explore program operations, funding, outcomes, barriers, and drivers of program success. They offer practical insights into how creative, cross-cutting approaches can be implemented and scaled to meet the evolving needs of people who are ineligible for Medicaid across HCBS access, affordability, and housing.

Massachusetts' Home Modification Loan Program (HMLP)

ACTION AREAS: HOUSING, BASIC LIVING AFFORDABILITY

HMLP helps older adults and people with disabilities make essential accessibility modifications to their homes, supporting their safety and independence. The program offers 0% interest, deferred-payment loans of up to $50,000 to eligible homeowners and small landlords, with repayment only due upon sale or transfer of the property.

Impact: The program directly addresses accessibility barriers to remaining in the community, such as funding stair lifts. Its benefits are well-established and strongly supported by the Massachusetts Legislature, which has contributed to the program's long-term sustainability since its launch in 2000. Although there has not been a recent formal evaluation, there is continued broad support and funding for this program.

Funding: The State legislature finances the program through a housing bond bill that sets an annual cap for the program, which was $3.8 million in 2025. Additional funds are generated through the repayment of previously issued loans.[xxv]

Services: Loans can be used for a wide range of accessibility improvements. Common uses include bathroom accessibility renovations, ramps, and stair lifts. In recent years, the program has seen increased interest from homeowners using funds to build Accessory Dwelling Units (ADUs) to support multigenerational living and flexible caregiving arrangements.

Eligibility: To qualify, people must demonstrate an accessibility need certified by a medical provider. The program does not require credit or title checks, and the income limit is approximately 200% of the area median income, although most participants are low-income. This inclusive design helps ensure access for those who most need support.

Drivers of Program Success and Barriers: The program's success is driven by its partnership with nonprofit housing organizations that provide hands-on support to applicants, including financial literacy and homeownership counseling. As one program partner noted, "You need to be hands-on in the community. [The nonprofits] provide financial literacy and homeownership education, which is lacking in this country." Nonprofit partners often help by maintaining a list of contractors previously used by program participants

"You need to be hands-on in the community. [The nonprofits] provide financial literacy and homeownership education, which is lacking in this country."

– Home Modification Loan Program Partner and by providing guidance throughout the renovation process. This is especially impactful because engaging cost-effective, quality contractors who meet the licensing requirements is a challenge for many program participants.

Originally, the program offered low-interest amortized loans with monthly payments. However, administrative challenges, such as handling missed payments, have led to a shift toward deferred, 0% interest loans, which have proven easier for both the State and borrowers to manage. Further, the higher loan cap (up to $50,000) allows for meaningful, transformative modifications.

Considerations for California: The State could consider following Massachusetts' example by offering 0% interest, deferred-payment loans and partnering with nonprofit housing organizations to support applications, provide education, and connect residents with contractors. Such a model could be both more accessible to homeowners and easier for the State to administer.

Pennsylvania's Elder Cottage Housing Opportunity (ECHO) Program

ACTION AREAS: HOUSING, BASIC LIVING AFFORDABILITY

ECHO places temporary, accessible cottages, similar in size and design to tiny homes, on the property of a designated caregiver. The cottages are temporary, providing residents with independence, privacy, and proximity to supportive family or friends, while remaining relocatable and reusable as needs change. County Area Agencies on Aging (AAAs) coordinate with a housing partner to site and install the unit. Once in place, AAA and housing partner staff visit monthly to assess the older adult's needs and provide ongoing support.

Launched in 2022, the program placed its first cottage that year and is currently scaling, with nine cottages installed as of early 2025. The program is particularly responsive to helping expand housing options for older Pennsylvanians, especially those living in homes that are no longer safe or able to be repaired.

Impact: While a formal evaluation has not yet been conducted, anecdotal feedback from participants has been overwhelmingly positive. Older adults report feeling more connected and valued, particularly because they can spend time with and support their grandchildren. The ECHO model also alleviates common concerns around housing affordability, social isolation, and uncertainty about the future.

Funding: Funding flows from a grant provided by the housing authority to the State association of AAAs, which then offers subgrants to local AAAs to implement the program. AAAs supplement this funding by braiding in other smaller funding sources. Over the past three years, grant amounts have varied year-to-year, limiting the program's ability to scale predictably. ECHO residents contribute 30% of their annual income in monthly rent, which is used to maintain the cottages.

Eligibility: Eligible participants must be aged 60 or older and have an income at or below 80% of the area median income (AMI). The caregiver host must be able to provide access to utilities on the property.

Drivers of Program Success and Challenges: A key to the program's success is its caregiver model, which helps meet housing needs while also supporting some LTSS needs through family proximity and informal caregivers. This intergenerational housing arrangement supports social connection and aligns with older adults' preferences to have their own home near loved ones.

One of the biggest challenges to expanding the program is the high cost of preparing sites for cottage placement, including tree removal, land grading, and connecting utilities. Administrators recommend prioritizing applicants based on site feasibility to manage costs associated with placing the cottage. Zoning restrictions can be another challenge, especially in urban areas. Program success is more likely if the program is locally based in counties or communities that support the model and allow temporary structures under local zoning codes. Customizing the cottages' exterior design to match neighborhood aesthetics has been a strategy used to help gain community acceptance.

A common critique of the program is that it may be more cost-effective to invest in permanent senior housing. However, ECHO offers a flexible, caregiver-centered alternative that meets more than just housing needs.

Considerations for California: While ECHO cottages offer a temporary solution for supportive housing, California has made significant progress in supporting permanent ADU development. Since 2016, the State has passed several laws to streamline approvals and reduce local barriers. These changes removed requirements like minimum lot sizes and owner occupancy, limited homeowners associations (HOA) restrictions, allowed ADUs and primary homes to be sold separately as condominiums, and permitted up to eight detached ADUs on multifamily lots – provided that the number of ADUs does not exceed existing units on the lot. As a result, annual ADU permits rose from 1,336 in 2016 to 26,924 in 2023.[xxvi] Building on this progress, incorporating temporary, movable cottages like those used in the ECHO program could further expand housing options for older adults – particularly in areas with aging housing stock or where intergenerational living is a cultural norm – expanding the State's ability to support aging in the community.

Washington's Tailored Support for Older Adults (TSOA) Program

ACTION AREAS: HCBS, SUPPORTS FOR CAREGIVERS, TRANSPORTATION, NUTRITION

TSOA increases access to a limited set of key services for people near the Medicaid income threshold to deter or delay people from becoming Medicaid eligible. TSOA uses Medicaid waiver authority to fund a limited set of HCBS services for qualifying people with LTSS needs, or their caregivers to support them in continuing to provide care in the home. TSOA mirrors and complements Washington's Family Caregiver Support Program which provides similar services without financial eligibility criteria, although specific services may have a sliding-fee scale. The State uses state-only and Older American Act (OAA) funding for the Family Caregiver Support Program.

Impact: Since the inception of TSOA, fewer people have applied for and received Medicaid LTSS than projected. Washington attributes this, in part, to TSOA services delaying the need for Medicaid LTSS. Because delayed utilization reduces Medicaid LTSS spending, the State legislature has been supportive of the TSOA.[xxvii] While a formal evaluation has not yet been conducted, the State's similar program, the Family Caregiver Support Program, has demonstrated statistically significant reductions in depression and burdens for caregivers as well as a delay in use of Medicaid LTSS.[xxviii]

Funding: TSOA was approved under a Medicaid Section 1115 waiver in 2017, allowing the federal government to share program costs. The State renewed the program in 2023 and extended it through June 2028.

Services: TSOA offers an expansive array of services, however it has a total monthly cap of $880 as of July 1, 2025, to contain costs (which corresponds to approximately 20 hours of personal care assistance). Services include, but are not limited to, personal care, caregiver respite, personal emergency response systems, and home-delivered meals, which can be provided to both the individual and their unpaid caregiver. The program also covers specialized supports such as medical equipment and supplies, pest eradication, deep cleaning for hoarding situations, non-medical transportation, caregiver counseling, and assistance navigating available community resources. The large array of services ensures people can utilize the right service at the right time, allowing them to successfully remain in the community.

Eligibility: This program serves people aged 55 and older who are not eligible for Medicaid but have less resources than the equivalent of six months' worth of nursing facility costs and incomes under 400% of the Federal Benefit Rate (approximately $46,000 for an individual in 2025).[xxix] People must also have a nursing facility level of care need. To expedite access to services, case managers can make presumptive eligibility determinations, allowing people and their caregivers to receive support while the full application is being processed.

Drivers of Program Success and Challenges: TSOA does not include Medicaid estate recovery or cost sharing, a feature that has made the program more appealing to potential participants. People are connected to the program through a "no wrong door" system, and many people who are financially ineligible for Medicaid are efficiently directed to the program. Presumptive eligibility helps people get connected to the LTSS system quickly before their needs become more extensive.

Challenges include workforce limitations and geographic differences. People report difficulty attracting home care providers for the limited hours available through the benefit, so TSOA offers a $25 incentive payment to home care agency providers if they provide at least one unit of service in the month. Program uptake and service availability also vary across the State. An example of this is with the non-medical transportation benefit which continues to be limited in rural areas.

Considerations for California: California already has the Family Caregiver Support Program (FCSP), which provides support to unpaid family caregivers of older adults, aiming to reduce caregiver burden, support workforce participation, and delay or prevent higher levels of care for care recipients.[xxx] The FCSP offers respite care, information services, caregiver assessments and supports, and supplemental services that provide assistive devices, home adaptations, or emergency cash to assist with caregiving responsibilities.[29] Several services provided by FCSP overlap with services offered by TSOA. However, TSOA offers limited but consistent personal care services, which have been critical for many program participants. As California's older adult population grows, a program like TSOA could be an opportunity to slow the growth in eligibility for full Medicaid LTSS benefits, while serving the needs of more people.

Conclusion

As the number of older adults and people with disabilities needing LTSS continues to grow, so too does the urgency of the advancing policies and programs that enable them to age in the community with safety, dignity, and support. These people often fall into a financial gap, earning too much to qualify for Medicaid but too little to afford the rising costs of LTSS. At the same time, states face increasing pressure to contain Medicaid spending and shift away from costly institutional care. To address the challenges that drive people to institutionalization, policymakers will benefit from an understanding of how other states and communities have approached the issue. This report and the companion compendium highlight a range of innovative community-based strategies that can help bridge this gap for older adults and people with disabilities in the overlooked middle.

Endnotes

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