



Advocacy. Action. Answers on Aging.

National Association of Area Agencies on Aging

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Prepared Statement of n4a
to the
**Senate Committee on Health, Education,
Labor, and Pensions**
for a
**Roundtable on Reauthorization of the
Older Americans Act**

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About n4a

n4a is the leading voice on aging issues for Area Agencies on Aging across the country and a champion for Title VI Native American aging programs in our nation's capital. n4a advocates on behalf of its member agencies for enhanced services and resources for older adults and persons with disabilities in local communities nationwide. With independence, dignity and choice strongly held American values, n4a has long promoted the development of a service system that provides older consumers with access to the most appropriate services in the least restrictive environment. In addition to advocacy, n4a also provides training, technical assistance and support to the national network of 650 AAAs and 240 Title VI agencies to assist them in achieving our collective mission of building a society that values and supports people as they age.

Meeting the Needs of Our Nation's Older Adults

Since it was enacted in 1965, the Older Americans Act (OAA) has served as the legislative vehicle and guiding force behind efforts to help older Americans age in their homes and communities safely and with maximum dignity and independence for as long as possible. As the baby boom generation ages, ensuring that the necessary supports are in place to promote healthy and productive aging has never been more important.

According to the Centers for Disease Control and Prevention (CDC), roughly 26 million older adults over the age of 65 have physical limitations or need assistance with activities of daily life, such as eating, bathing, dressing or getting around (2003). Among adults over age 80, almost three-quarters (73.6 percent) report at least one disability.

The most preferred form of long-term care is provided through home and community-based services, such as home-delivered meals, homemaker services, and respite care. Community-based supports and services allow older adults with physical limitations to remain independent and live where they choose, saving the federal government and the nation's taxpayers the cost of expensive institutional care.

Recent data from the Administration on Aging (AoA) show how successful OAA programs and services have been in assisting older adults and their caregivers. AoA reports that 86 percent of family caregivers of OAA clients said the services "allowed them to care longer for the elderly than they could have without the services." Additionally, OAA-provided meals and services have allowed the nearly one-third of elderly home-delivered meals clients who have health conditions that make them nursing home-eligible remain in the community.

The OAA offers an extensive range of options for older adults, including, but not limited to homecare services, transportation, ombudsman, case management, advocacy and assistance. The breadth and depth of OAA programs and services provide essential support to older adults who wish to age in place.

One of the reasons the OAA is so successful is that it is based on an effective and efficient system — the national Aging Network — which serves as the infrastructure for aging service delivery at the federal, state and local level. The OAA binds together all 650 AAAs and 240 Title VI Native American aging programs across the country, providing a support structure for planning, service coordination, oversight, and advocacy on programs and services that reach more than eight million older Americans every year. AAAs serve as the focal point at the community level to link seniors and their family caregivers to a myriad of services.

AAAs serve as a single point of entry for the complex and fragmented range of home and community-based services for older adults and their caregivers, including congregate and home-delivered meals, other in-home services for the vulnerable seniors (such as personal care and chore services), elder abuse prevention and protections, the nursing home ombudsman program, senior centers, transportation, consumer information, education and counseling and senior employment.

AAAs and Title VI agencies leverage federal dollars with other federal, state, local and private funds to meet the needs and provide a better quality of life for millions of older adults. According to AoA: "In FY 2003 ...state and local communities leveraged approximately \$2 from other sources for every \$1 of federal funding; for intensive in-home services, the ratio was closer to \$3 to \$1."

Many AAAs manage or receive funding from a variety of sources in addition to the OAA, including Medicaid waivers for home and community-based care, social service block grants, transportation funds, and state-funded in-home service programs. AAAs have demonstrated an extraordinary record of achievement in stretching limited federal resources to help hundreds of thousands of older people avoid costly nursing home placement and remain independent. OAA funds make it possible for AAAs to leverage millions of non-federal dollars from local governments, foundations, the private sector, and participant and volunteer contributions.

The Next Evolution: Reauthorization 2006

Since its inception, the OAA has evolved to meet the changing needs of older adults and those who care for them. The creation of the AAA network in 1973 developed the community-level infrastructure that, to this day, serves to coordinate the core services that older adults have come to depend on, including nutrition programs, senior centers, community service employment, and a range of supportive services such as home care, transportation, elder abuse prevention, and legal assistance. In 2000, the OAA again evolved to directly address the needs of family caregivers — the backbone of our nation’s long-term care system — through the National Family Caregiver Support Program.

n4a is pleased that the Senate HELP Committee is examining how the Older Americans Act needs to evolve again to meet the current and future challenges of older adults and their caregivers.

Our challenge in 2006 and beyond is largely one of demographics. It is projected that the 65 years and older population, which numbered 35 million in 2000, will more than double in size to about 70 million in the next 26 years. By 2030, one out of every five people in the U.S. will be age 65 and older. People 85 and older are currently the fastest growing segment of the population, increasing at a rate four times faster than any other age group.

This year, the first baby boomers are turning 60, the age of eligibility for OAA services. Over the course of the next three decades, the aging of the baby boomers will have a direct and dramatic impact on national, state and local policies, programs and services. With the first of the 77 million baby boomers approaching retirement age, and the current senior population experiencing a “longevity boom” of unprecedented proportions, now is the time for individuals, families, communities and the nation as a whole to plan and prepare for this coming demographic explosion.

To balance the current and future needs of the older adult population, n4a believes that legislative changes are needed to improve the accessibility and quality of OAA programs, while meeting rising demand.

As such, we make the following recommendations:

1. Help Communities Prepare to Meet Demographic Challenges

The increase in the numbers of aging citizens will impact the social, physical and fiscal fabric of our nation's cities and counties, directly and dramatically affecting local aging, health, human services, land use, housing, transportation, public safety, workforce development, economic development, recreation, education/lifelong learning, and volunteerism/civic engagement policies and services.

Given their mandated role under the OAA to create multi-year plans for the development of comprehensive, community-based services which meet the needs of older adults, AAAs and Title VI Native American aging programs are in a unique position to help communities prepare to address the challenges and opportunities posed by the growing numbers of older adults.

n4a recommends that new language be included in the OAA to authorize State Units on Aging, Area Agencies on Aging and Title VI Native American aging programs to help communities prepare for the aging of the baby boomers.

New funds will be needed to support this expanded role, which would support a full or part-time planning staff position in every AAA. This professional planner would offer the Aging Network's expertise to help state agencies, local city and county elected officials, local government agencies, tribal councils, and private and nonprofit organizations to develop policies, programs and services to foster livable communities for all ages. In addition we recommend that:

- Funding be non-formula based, with a minimum level of funding and additional formula-based funding to increase resources to more heavily populated service areas, and have a 25 percent non-federal match requirement.
- It includes non-formula based funding to State Units on Aging to coordinate state-level preparedness planning.
- A national resource center on aging in place be established to provide the necessary guidance, training and technical assistance to SUAs, AAAs and Title VI Native American aging programs in their efforts to help communities become livable communities for all ages.
- The new provision be evaluated and sunsetted in 10 years.

2. Strengthen the Aging Network as a Single Point of Entry

n4a urges that the OAA reauthorization permanently establish authorized Aging and Disability Resource Center (ADRCs) within every service area in the nation, with AAAs given the right of first refusal to be designated as the ADRC within their service areas. The ADRC program, part of the President's New Freedom Initiative, and spearheaded by the U.S. Administration on Aging and Centers for Medicare and Medicaid Services, has helped 43 states integrate their long-term support programs for the elderly and people with disabilities into a single coordinated system.

The OAA and the Aging Network comprise the nation's non-Medicaid long-term care system, and many also AAAs manage Medicaid home and community-based long-term care services. In order to structure a system that is easily accessible to all who need long-term care, AAAs and Title VI Native American aging programs should be the single point of entry for both Medicaid and non-Medicaid long-term care services.

Many individuals with disabilities, whether age-onset or life-long, need information on and access to basic supportive services that will enable them to become or remain active and contributing members of the community. Over the last 30 years, AAAs and Title VI Native American aging programs have developed the infrastructure that coordinates a host of programs that provide information on, access to and choices for individuals who seek such services.

AAAs have become the first and most trusted source for older Americans and their caregivers who are seeking information on home and community based services, both public and private, anywhere in the nation. The rising numbers of aging baby boomers will bring a corresponding

increase in the need and demand for a "one stop" source of information as well as a single point of entry into the aging services system.

3. Enhance the Aging Network's Role in Health Promotion and Disease Prevention

To enhance the ability of AAAs to carry out health promotion and disease prevention efforts, n4a seeks an authorization level of \$50 million for the Title III-D program and proposes that \$10 million of the appropriation be set aside to pilot, through the AAAs, a community-based collaborative between local aging and healthcare providers to promote disease prevention services.

Although only funded at \$21 million in prior years and targeted for elimination in the President's FY 2007 budget, Title III-D of the OAA has played a pivotal role in disease prevention and health promotion services for seniors in communities across America. This program has become increasingly invaluable as recent evidence-based research continues to prove that health promotion and disease prevention not only contribute significantly to an individual's quality of life, but also are a cost-effective means of reducing, or in some cases eliminating, acute or chronic care costs.

As the coordinators and providers of home and community-based services at the local level, AAAs and Title VI agencies have long recognized the critical importance of health promotion and disease prevention. With limited Title III-D funding, these agencies have developed innovative programs that improve the physical and mental well-being of older adults, while reducing the need for more intensive chronic and acute care services. To enable older adults to remain in their homes and communities for as long as possible, one critical element is engaging in activities that promote healthy living.

4. Increase Authorization Levels to Enhance Home and Community-Based Services

AAAs, as part of the larger Aging Network, have the ideal structure, the established reputation, and the expertise to engage in community planning, to serve as the ADRC, and to manage health promotion and disease prevention programs. What they lack are adequate financial resources.

The OAA has provided vital community-based supports to millions of older adults for forty years. Since 1980, however, there has been a substantial loss in the OAA's capacity to provide services to older Americans due to rising costs, an increasing number of older adults in need of services in general, and the need to provide more extensive services to larger numbers of vulnerable older persons living into their 80s, 90s and beyond.

To illustrate how the cost of providing services has risen over the last five years, we'd like to share examples of a few situations in the state of Ohio.

In many areas of Ohio, especially the more rural areas, a pattern that holds up across the country, transportation is one of the most requested services by older adults. It is also one of the most under-funded and suffers from the most rapidly rising costs. Lack of funding has forced the Toledo-based AAA to provide 40 percent fewer trips in 2005 than it did in 2002. Its AAA neighbor to the southeast, Ohio District 5 out of Mansfield, reports it could offer transportation services to 21.5 percent fewer consumers between 2000 and 2005. Besides the oft-recognized increases in fuel costs, vehicle maintenance and insurance costs have also risen dramatically.

Food prices have also risen in recent years, driving up the cost of home-delivered and congregate meal programs that are funded under OAA Title III. The Central Ohio AAA paid \$4.60 for each home-delivered meal served in 2000; that same meal is \$5.05 today. In Southeastern Ohio, the cost of a home-delivered meal has reached \$6.53, up from \$5.81 five years ago.

Unfortunately, appropriations for OAA programs over the past five years have not reflected these and other increased costs. As a result, they have not kept up with demand. A senior center in Perry County reports that they keep waiting lists for home-delivered meals and homemaker services, but that “many of the clients are deceased before we can serve them.” In Lucas County, the number of seniors enrolled in programs has increased by 42 percent since 2000.

Another factor also needs consideration. In Ohio and nationwide this year, the roll-out of the new Medicare Part D prescription drug plan has placed additional responsibilities on AAAs, largely without additional funding. Older adults and their families have turned to AAAs and Title VI programs en masse during the 2005-2006 enrollment campaign. Yet only a small number of local aging programs received new resources from states or national pilot projects to support their one-on-one counseling and enrollment assistance efforts.

To respond to the overwhelming demand for Medicare Rx assistance, AAA staff were often shifted from other responsibilities to help with Medicare Part D enrollment, making this level of effort unsustainable. Even when the initial enrollment period ends, the public will continue to turn to AAAs and Title VI aging programs. Millions of seniors will continue to need counseling and enrollment assistance *every year*, as they become newly eligible for Medicare or seek to change their prescription drug plans.

In order for AAAs and Title VI Native American aging programs to continue the tremendous amount of work that Medicare Rx enrollment assistance has generated, they will need new funding to support and sustain their efforts.

In conclusion, to compensate for inflation and the rising costs of providing services, n4a seeks to raise the authorized funding levels of all the titles of the OAA by at least 25 percent above the FY 2006 appropriated funding level, except for Title III-E which should be authorized at \$250 million. The increased authorization levels will ensure the Aging Network has the necessary resources to adequately serve the projected growth in the numbers of older adults, particularly the growing ranks of the 85 and older population who are the most vulnerable and in the greatest need for aging supportive services.

Conclusion

n4a appreciates the opportunity to present our suggestions for modernizing and strengthening the Older Americans Act. We look forward to working with Congress to reauthorize the OAA in a way that *respects* the needs of today’s older adults and their caregivers, *recognizes and rewards* the cost-effectiveness of home and community-based care vs. institutional care, and *prepares* adequately and responsibly for the aging boom.