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**Assembly Public Hearing:  
Examination of Programs that Support Seniors in the Community**

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Imagine you're 83 years old living on Social Security and you have multiple chronic health conditions. Getting to the grocery store is virtually impossible and your only daughter lives 200 miles away in Albany.

What do you do? Well, if you're like many older New York State residents living on a fixed income, you don't get the nutrition you need, your health conditions deteriorate and you have a stroke. Now you have to go into a nursing home, which you can't afford, so you end up on Medicaid.

As the Executive Director of the New York State Association of Area Agencies on Aging, I represent New York State's 59 Area Agencies on Aging. These agencies design, fund, and coordinate programs that allow seniors to stay in their homes and postpone the need for more medically intensive and costly health care services, including Medicaid.

As you explore the ways non-medical services and programs provide cost-effective supports to seniors in non-institutional settings, I would like to share what's already being done by the Area Agencies on Aging to keep our oldest New York State residents at home and off Medicaid.

As the state continues its efforts to redesign Medicaid and move into managed care, Area Agencies on Aging and community-based providers can be resources for managed care organizations to provide long term services and supports to maintain people in the community. These services include home delivered meals, nutrition counseling, and adult day services.

Area Agencies on Aging administer home and community based non-medical services that are critical to those who live just above Medicaid eligibility guidelines, have multiple health

problems, and have lost the ability to perform essential activities of daily living without assistance.

Area Agencies on Aging administer programs through a local planning process that's already in place. A planning process that ensures limited government dollars are utilized effectively and efficiently to deliver the appropriate level of services to some of our most vulnerable citizens.

So, as you explore the possibilities, remember we must invest in the programs that already exist through New York's Area Agencies on Aging.

First, **NY Connects**.

When our oldest and most vulnerable citizens need additional care to remain home, NY Connects is often the first place where families turn to for help.

NY Connects is recognized by the federal Administration on Aging and the Centers for Medicare and Medicaid Services as a partner in the national movement to redesign long term care.

It's also recognized by the federal government as the Aging & Disability Resource Center in New York State.

What is NY Connects? It is a community based and provides one stop access to free, objective and comprehensive information and assistance on long term care. There are currently over 50 NY Connects programs in New York state.

NY Connects helps consumers identify appropriate levels and types of services to prevent or delay the need for institutional care.

NY Connects helps avoid preventable hospitalizations and subsequent costly and unnecessary institutional placements.

The value of the program is underscored by a letter received by one of the NY Connects offices "It was a relief to find a knowledgeable, friendly person who could help me find information regarding services for my aging mom and dad. I do not live nearby.....I was at a loss as to how to get them help."

The Area Agencies on Aging have been the lead agencies at the local level to establish NY Connects. And they've been operating and supporting this system of care for over five years.

And, as you know, maintaining a program that has been in existence for over five years makes New York State eligible for additional financial supports from the Federal government. The New York State Office for the Aging has, to date, received over \$10 million in grants that were predicated on having an Aging and Disability Resource Center (NY Connects in New York) in place. That's an excellent return on investment.

One of the competitive grants is instructive to highlight briefly. NYSOFA received a **Community Living Program (CLP) grant** from the U.S. Administration on Aging, which was implemented in three counties— Oneida, Broome, and Onondaga – over the course of two years, from September 2008 to September 2010. All of these counties have a strong and innovative AAA as

well as a well-developed NY Connects. The grant included an evaluation component, which was provided by the Center for Excellence in Aging & Community Wellness at the University at Albany. The evaluation was instrumental in capturing the cost effectiveness of the program, which speaks to the core purpose of this hearing. The evaluation provided extensive data, and I will highlight a few key points excerpted from the final report:

*Outcomes Data.* There were two outcomes established for the project, divert persons from nursing home placement and divert from Medicaid spend-down. It's important to note that all 93 of the program participants were at high risk for nursing home placement and of spending down their income and assets to the Medicaid level.

*Nursing Home Placement:* 86% of the 93 participants in the program did NOT enter a nursing home during the program period.

*Medicaid Spend-Down:* 83.5% of 93 participants did NOT spend down to Medicaid.

This analysis shows that a significant portion of the low-income, nursing home eligible people were able to remain at home, where they want to be.

*Cost analysis.* The costs of care for the 93 participants under the CLP grant were compared to nursing home care, revealing an annual cost savings of just under \$5 million! (\$7.7 million for nursing home care versus \$2.79 million for CLP.)

Other opportunities are possible. Under the Affordable Care Act's Balancing Incentive Payments Program (BIPP), states operating successful home and community based programs could receive an additional 2% of federal funding for non-institutional based services and supports.

There are three structural changes that states must make within six months of application:

- 1) a statewide no wrong door-single entry point system;
- 2) conflict-free case management services; and
- 3) core standardized assessment instruments.

The NY Connects program is integral to maintaining low-cost community based care to NY residents and opens the door to federal funds and competitive grants that require Aging and Disability Resource Centers to be in place.

New York State's Agencies on Aging also have a number of core services that help delay Medicaid eligibility.

The **Expanded In-Home Services for the Elderly Program** (EISEP) provides case management and home care services that enable the most vulnerable non-Medicaid seniors to remain safely at home. Seniors receiving personal care services have multiple needs; more than sixty percent receive three to five services, and an additional ten percent receive six or more services.

State funding for the current fiscal year is just over \$46 million, which is \$2 million *less than* the \$48 million provided two years ago for state fiscal year 2009-10. The state funds are augmented by \$20 million in local share from the counties as well as \$2.5 million in cost sharing and

contributions from EISEP recipients. Reductions in program funding coupled with increasing demand has resulted in waiting lists throughout the state. Without these cost-efficient services, many seniors will spend down to Medicaid, costing the state far more.

The **Supplemental Nutrition Assistance Program** (SNAP) provides nutritious meals and related services provided to frail, homebound seniors, help them stay healthy and at home.

Funding for this program has also been reduced by \$2 million for the current fiscal year, at \$21 million compared to \$23 million in state fiscal year 2009-10.

Through a combination of State tax dollars and Federal grants, AAAs and their subcontractors annually provide over 25 million congregate and home-delivered meals, as well as other nutritional services primarily to non-institutionalized, frail, older adults. These older adults are at risk of malnutrition because they are no longer able to obtain an adequate diet without assistance.

Increasing SNAP would have an immediate positive impact on seniors. Data shows that in general seniors receiving meals through SNAP are poor or near poor. Nearly half have incomes less than one-and-a-half times the poverty rate.

Nearly 75% of chronic diseases are nutrition or diet related. And almost 80 percent of meal program participants average two chronic health conditions.

Economic conditions have caused an increased demand for meals. What does that mean? More waiting lists.

The **Community Services for the Elderly** (CSE) program provides non-medical community-based services to frail, low-income seniors, also helping them stay in their homes. Services include personal care, home delivered meals, group meals, and adult day services. The program offers flexible service options to meet the unique needs of senior citizens.

CSE also experienced a reduction in funding of \$1 million less for this year as compared to two years ago: \$15,312,000 compared to \$16,312,000.

It's a dangerous trend -- the number of seniors needing services to keep them out of nursing homes and off the Medicaid rolls goes up and the funding for the home care programs goes down. Specifically, the 2010 Census reflects an increase in the 60-plus population from 3.2 million to approximately 3.7 million.

Meanwhile, the State Budget for the current fiscal year 2011-12 deferred the 1.2% **Human Services Cost of Living Adjustment** for one year. We understand that the fiscal climate was behind this cost-cutting decision. But remember: by deferring the Cost of Living adjustment, we contribute to longer waiting lists for cost-effective services that delay or prevent seniors from becoming Medicaid eligible. All of which costs New York State taxpayers more in the long run.

We continue to support the intent of the Human Services Cost of Living Adjustment and hope it can be fully realized in the future for the Community Services for Elderly Program, Expanded In-Home Services for the Elderly Program, and Supplemental Nutrition Assistance Program.

The **Health Insurance Information, Counseling and Assistance Program** (HIICAP), also an Agency on Aging service, provides assistance with health insurance issues. The program will need additional resources to address the increased demand from seniors seeking information on federal programs and changes in the Elderly Pharmaceutical Assistance Program (EPIC) included in the state budget.

Without these programs, older New York State residents on fixed incomes will spend down their resources and go onto Medicaid or will be admitted to skilled nursing facilities sooner and at an even higher rate.

While my comments are focused on core services, our Association also supports maintaining flexibility in the use of **Title XX discretionary funding** for reimbursement of all eligible Title XX services. As stated in the November 21<sup>st</sup> letter to the Governor from Assembly Aging Committee Chair Joan Millman and Assembly Committee on Children & Families Chair Amy Paulin, these funds are an important funding source for 105 senior centers in New York City. Our Association supports continued flexibility under the Social Services Block Grant for New York City and other areas in New York such as Nassau County and Erie County that receive discretionary Title XX funds for senior services.

The purpose of this hearing is to evaluate existing programs and explore the availability of other support services that are cost efficient and result in more seniors receiving care in their homes and communities.

In many ways that's already being done by New York State's Area Agencies on Aging. Investing state funds to maintain and expand Area Agency on Aging services is a cost-effective alternative to more medically intensive and costly health care services that take away independence for older New Yorkers.

Family members and other informal caregivers provide an estimated 80 percent of long-term care for older New Yorkers; sustaining this cost-effective, individualized support system for seniors is a key objective of the aging service system.

Just last Friday, December 3<sup>rd</sup>, the New York Times featured an article titled, "Older People are a Larger Portion of U.S. Population."

The opening line crystallizes the aging demographic: "Elderly people are now a greater portion of the population than at any time since the government began keeping track, with those age 65 and older rising to 13 percent of the population over the past decade, the Census Bureau said."

The article continues with an observation of the aging population in comparison to the rest of the population: "According to the 2010 Census, there were 40.3 million people age 65 and older as of April 2010, a rise of about 15 percent from 2000. In contrast, the nation as a whole grew by 9.7 percent." This national trend is also reflected in New York State.

Peering into the future, a Census Bureau brief indicates that the older population will more than double between now and the year 2050, to 80 million. By that year, as many as 1 in 5 will be older Americans. Most of this growth should occur between 2010 and 2030, when the "baby boom" generation enters their older years. During that period, the number of older persons will grow by an average of 2.8 percent annually.

The time to invest is *now*. The infrastructure to provide the services must be strengthened to meet the escalating needs of the burgeoning aging population in a manner that is cost effective and maintains independence and dignity.

Area Agency on Aging services are part of the solution. Expanding these programs will make it possible for more New York residents to remain in their homes and communities as they get older. That's good for them – and it's good for New York.