

NYTimes.com Search		
	= Past 30 Days	no to Membe Welcome, nys

---

This page is print-ready, and this article will remain available for 90 days. [Instructions for Saving](#) | [About this Service](#) | [Purchase History](#)

---

November 4, 2003, Tuesday

METROPOLITAN DESK

## As Population Grows Older, Upstate Towns Face a Crisis

By LYDIA POLGREEN (NYT) 1639 words

MAYVILLE, N.Y. -- In 1998, when Mark Thomas took office as county executive of Chautauqua County, the southwesternmost county in New York State, the county spent \$13 million on health care for its poorest residents. Next year the bill is expected to reach \$29 million, and the vast majority of that sum, which represents more than half the property taxes the county collects, will pay for medical care for Chautauqua's growing elderly population.

Like much of rural America, upstate New York is aging rapidly, and that aging comes with its own economic and social problems. But the consequences have been particularly tough for upstate New York, because of the state's extensive programs under Medicaid and its unusual requirement that local governments pay a quarter of the cost of most of them. Medicaid, a federal and state program, helps pay for health care for poor, elderly, blind and disabled patients and for poor families with children.

People 65 and older make up an ever-larger portion of the population of upstate New York, according to an analysis of 2000 census data completed this fall by the Brookings Institution, a Washington research organization. It found that on average, 14 percent of people living in upstate counties were 65 or older, two percentage points higher than the national average. In western New York, in places like Chautauqua County, the figure rises to 16 percent, and in some counties, like Hamilton, with about 5,000 people in the Adirondack Forest Preserve, 20 percent of residents are 65 or older.

The bill for caring for the poorest of the state's elderly is strangling upstate communities, according to county officials statewide. County governments, the primary conduit for social services, must meet this expense despite an ever-shrinking tax base.

A report on the fiscal health of New York counties issued in September by Moody's Investors Service painted a grim portrait of counties across the state struggling with the ballooning cost of Medicaid, much of which goes for nursing home care and prescription drugs for the elderly. In 2000, the latest year for which specific data are available, New York spent nearly \$3 billion on Medicaid for people 65 and older living outside New York City. More than two-thirds of that went for nursing home care. Counties pay 10 percent of the cost of institutional long-term care and 25 percent of the cost of other Medicaid services. Most states do not force local governments to pay anything, but of the 20 states

that do, New York's local share is the highest.

Compounding this problem is New York State's extensive Medicaid package, including many optional programs like prescription drugs, home health care aides and dental care. New York State spends \$9,365 a year, on average, on its 3 million Medicaid beneficiaries. California, with twice as many recipients, spends \$2,862 on average. Some of New York's spending goes toward covering poor children and families, but upstate, where the tax base is often smaller, the population older and the economy shriveled, the greatest burden is the elderly. In 2000, elderly Medicaid users cost \$22,138 on average, more than anyone else in the program, including people with disabilities, according to a report issued in September by the Center for Government Research, a nonprofit, nonpartisan research institution in Rochester. Children covered under Medicaid cost only \$2,142 a year, and healthy adults cost just \$4,059, according to the report.

The problem will only worsen as the baby boom generation begins retiring, setting up a crisis that could bankrupt local governments statewide, according to officials at the New York State Association of Counties. Nowhere is this clearer than in places like Chautauqua County, 1,062 square miles of rolling farmland. The county's population in the 2000 census was about 140,000, including more than 22,000 people 65 or older.

"We are dealing with seniors burning through their financial resources and having to go on Medicaid," County Executive Thomas, a Democrat, said in an interview at his office in Mayville, the county seat. "And because of the way the system is financed in New York, their overwhelming health care needs become a burden to the rest of us. These expenses dwarf everything else and make it very difficult for us to provide the minimum of other services county governments perform."

Last year, facing a \$12 million budget gap created in part by a \$7.4 million increase in Medicaid costs, Chautauqua shed 80 jobs from the county payroll, consolidated departments and increased property taxes by more than 22 percent. This year Mr. Thomas has requested a 9 percent increase in taxes and more job cuts, which, along with last year's cuts, will pare about 20 percent of the county's work force.

"We try to make the cuts in places where residents won't feel them so much," Mr. Thomas said. "But you can only cut so much on the margin until there is no margin left anymore."

And so Katie Smith, the director of the county's Office for the Aging, said she tried to do more with less. Meeting with a group of lay ministers at the First Presbyterian Church in Jamestown, the county's only city, she explained why spending local tax dollars to help older people stay in their homes was important.

"We get state money to help people with housekeeping," Ms. Smith said. "At budget time the County Legislature gets tempted to cut the \$95,000 it costs us to keep the program. But if having someone help a 90-year-old with her chores means that 90-year-old can stay in her house and keep paying property taxes rather than us spending \$60,000 a year in taxpayers' money on long-term residential care, it is money well spent."

Helen Grover, 89, gets help with housekeeping and from Meals on Wheels, and hence is able to stay in her two-story blue wood-shingle house.

"They help me, and it is a blessing," she said as Barrie Yochim, the director of the local Meals on

Wheels program, dropped off a shrink-wrapped luncheon tray of chicken cordon bleu, peas and whipped potatoes. She said county programs helped her stay independent.

But for local officials who approved a 22 percent tax increase last year, asking taxpayers to cough up an additional 9 percent in an election year is a tough sell, and the urge to cut programs is strong.

"We are a rural economy that depends heavily on a lot of farming, especially dairy and grapes," said Jim Caflisch, leader of the Republican minority in the County Legislature. "Those industries have been hit hard with price downturns, and weather this year has been so wet, so a lot of grape crop was lost. We can't place any more of a burden on those people who are paying."

He said that raising property taxes just added to the county's financial problems because high taxes made it harder to attract new businesses that could provide jobs and increase the tax base, and made it less likely that elderly people would be able to keep their houses.

Still, cutting programs for the elderly can have unintended consequences that will simply cost the county more in the future, county officials said. Thousands of elderly people live in Chautauqua County, often left behind by younger relatives who have left the area in pursuit of better jobs. Their needs are often overwhelming: the county helps many people pay their heating bills, build wheelchair ramps outside houses, clean up after themselves, get to doctors' appointments and get food.

The county has a budget of about \$3 million to pay for these things, the majority of which comes from the state and federal governments, but \$600,000 of which comes from local taxes. And because the federal and state money is often contingent on local governments chipping in, reducing local spending can mean losing a program.

But pulling together the \$600,000 that the local government must raise from property and sales taxes has been a yearly struggle for officials.

"Every year we fight for every penny, but it is always a fight," Ms. Smith said. The money her department receives has remained flat over the past few years, and she said she had managed to keep up with increasing demand by cutting administrative costs and had tried to avoid limiting services but had had to begin waiting lists for some services, like housekeeping.

Dorothy Akin, a 92-year-old widow, moved into a small subsidized apartment 12 years ago, after she realized that she could no longer maintain her mobile home. She gets about \$600 a month in Social Security and depends on the county and state's help to survive, she said.

"I have a lady who comes to help me twice a week, which is a blessing," she said, leaning heavily on her cane. "And these folks come check on me every day, make sure I am breathing," she added, gesturing to Mr. Yochim, who dropped off her Meals on Wheels lunch and dinner.

"I can't pay for my prescriptions, so I get help with that too," she said. "They help me live. Without them, I don't know what I would do."

**CAPTIONS:** Photos: Helen Grover, 89, at home in Frewsburg, N.Y., with Barrie Yochim of Meals on Wheels. She said county programs helped her stay independent. (Photo by Mark Mulville for The New York Times)(pg. B8); Dorothy Akin, 92, of Frewsburg, N.Y., greeting Barrie Yochim as he arrived with a delivery from Meals on Wheels. (Photo by Mark Mulville for The New York Times)

(pg. B1)

---

**Copyright 2003 The New York Times Company**