

## What Policymakers Must Know About an Aging America

The 115th Congress and the new Trump Administration will face the steep slope of an unprecedented and long-term shift in the composition of our country’s age demographics ushered in by the maturing of America’s baby boomer generation. In the next four years, nearly 15 million people will turn age 65. By 2030, 73 million—or one in five—people in America will be 65 or older.<sup>1</sup>



**M**ANY PLACES, IN EVERY REGION of the country but especially rural areas, are already grappling with the challenges of this historic population shift, with ratios of older adults far exceeding the current national average, and available services unable to keep pace with the growing need. However, by 2035, all communities must be prepared to address these demographic realities when, for the first time in the nation’s history, the population of adults 60 and over will outnumber children under 20.<sup>2</sup>

Furthermore, a majority of this growing population of older adults—nearly 70 percent or almost 80 million people<sup>3</sup>—will need an average of three to five years of long-term care (LTC; also called Long-Term Services and Supports) as they age.<sup>4</sup>

These demographic milestones are not simply blips on the U.S. Census radar. They are mile markers on a longer road toward a significantly older nation. It is critical that lawmakers at all levels of government recognize that, unlike at any other point in our history, demographics demand, and must drive, a dedicated policy agenda that:

- Supports people’s ability to live in their homes and communities as they age;
- Improves the health and well-being of the fastest-growing demographic cohort in our country while effectively managing expenditures; and

- Preserves the original intent and structural integrity of Medicare, Medicaid, Social Security and other vital aging programs upon which millions of older adults rely.
- In the months and years ahead, we encourage policymakers to pursue significant but achievable strategies to jump-start policy solutions and promote innovative best practices that improve support for older adults and caregivers in their communities.
- As lawmakers develop policy proposals that will affect older adults and caregivers, and their access to services at home and in the community, we hope these efforts will reflect and advance the following principles.

### **People Want to Age Safely in Their Homes and Communities** **Strengthen access to and efficacy of social services that support the cost-effective aging options people most want.**

Preserving the ability of millions of older adults to live at home and in their communities—and forgo more restrictive, expensive and often unwanted institutional care—requires a range of supportive services that include in-home care, homemaker services, transportation, respite care, home-delivered meals and more. These services are provided in nearly every community in the country through local

Area Agencies on Aging (AAAs) and Native American aging programs.

Historically, AAAs and Title VI Native American aging programs have fostered the development and coordination of these critical home and community-based services (HCBS) to older adults and their caregivers. Maximizing public-private partnerships, AAAs work with tens of thousands of local providers and vendors to deliver these critical home and community-based services to millions of older adults and caregivers annually. This collective community is known as the National Aging Network, and the resulting system, which has been functioning efficiently and effectively for over four decades, supports people where they want to age—at home and in the community.

The Aging Network helps individuals avoid unnecessary and more expensive institutional care and/or spending down to Medicaid. Delaying or preventing institutionalization can save federal and state governments between \$45,000 and \$70,000 dollars per individual each year.<sup>5</sup> As the population of older adults grows, it is critical that the Administration and Congress place greater emphasis on federal policies and programs that strengthen HCBS, most particularly discretionary programs like the Older Americans Act (OAA).

In addition to federal investments, AAAs leverage state, local and private funding to build comprehensive systems of HCBS in their communities. The U.S. Administration on Aging (AoA) surveys show that every \$1 in federal funding for the OAA leverages nearly an additional \$3 in both public and private funding.<sup>6</sup> Furthermore, the Aging Network engages hundreds of thousands of volunteers and millions of volunteer hours each year, further leveraging federal, state and local investments.

Therefore, we encourage Congressional leadership to embrace the commitments made in both parties' 2016 platforms to support opportunities for aging “in place.” Specifically, we urge lawmakers to consider critically needed increases for OAA and other AoA programs within the Health and Human Services (HHS) FY 2018 budget. Current funding, and recent Presidential budget requests, for OAA and other discretionary aging programs have lagged behind the growing population, need and cost for these services and supports.

Simply put, AAAs and other community-based service providers are constantly faced with serving more people with fewer resources, and this situation has only gotten worse in the past five years. Congress can make a bold statement about supporting older adults and caregivers and capitalize on a return on investment by boosting the request for OAA and other aging programs to recognize and respond to both the increasing population of older adults and the rising cost of providing aging services.

## **Health Happens in the Home and Community**

### **Recognize and promote the importance of integrating social services with the health care delivery system.**

The vast majority of people's health happens outside of traditional health care settings. Unfortunately, access to aging services and other HCBS that support older adults and caregivers outside of the medical system are often inadequately funded to meet the growing need. These include transportation, nutrition, caregiver support, disease prevention and health promotion programs and person-centered care management approaches. According to the Robert Wood Johnson Foundation, nearly 90 percent of physicians indicated they see their patients' need for social supports, but unfortunately 80 percent of doctors said they don't fully know how to connect them to community options.<sup>7</sup> And, given current funding limitations, if doctors do connect their patients with social services agencies, those agencies may not have the financial capacity to adequately serve the referred clients/patients.

It is essential, therefore, that Congress and a new Administration build upon current efforts and pursue new policy options to ensure that older adults and caregivers have sufficient access to social services/HCBS that can preserve and improve health and prevent costly medical interventions.

It is important that long-standing, successful, efficient and cost-effective systems—such as the Aging Network—are included and championed as key partners for the health care system in implementing any health care reforms. There is still a wide gap to bridge between social services and medical systems. Whereas each system has a value, it is imperative that new intersections, partnerships and coordination processes are created to successfully blend and support care across the continuum rather than medicalizing social services.

In fact, the cost of providing some care is lower outside of the medical facility, especially if care can be appropriately provided by a social worker or other social services provider versus a doctor or nurse. For example, AAA “care transitions coaches” help older adults recently released from the hospital adjust to being at home and better manage their health, which has been shown to significantly reduce hospital readmissions and reduce Medicare costs. It is also important to note that although these services are provided at lower cost in the community than in a medical setting, there is still a cost to providing them and social services agencies must be appropriately compensated for their work.

To this end, it is imperative that top Centers for Medicare and Medicaid Services (CMS) leaders understand the social services systems that already exist for HCBS, and that CMS ensures that AAAs and other community-based organizations

(CBOs) are adequately compensated for their contributions to preserving and improving the health outcomes of older adults. CMS must promote key policy decisions that respect, support and adequately fund these agencies.

## **We Are Only as Strong as Our Caregivers**

**Recognize the critical importance of caregivers by building on current caregiver support programs for this essential informal workforce.**

Every year nearly 40 million unpaid caregivers provide over \$470 billion worth of support to friends and family.<sup>8</sup> The financial value of this unpaid care rivals the entire federal Medicaid budget. Communities, states and the federal government depend on the work of unpaid caregivers to meet the HCBS needs of an aging population. However, due to limited funding, programs such as the Older Americans Act National Family Caregiver Support Program, which support (through training, respite, support groups, etc.) those who are caring for aging loved ones, while essential to many, do not begin to meet the need for these services. We urge Congress to work with the Aging Network to expand federal investment in current caregiver support programs and also to explore policy solutions to ensure that caregivers become a vital and empowered component of state and federal LTSS-delivery reform.

## **Investment in Community Infrastructure**

**Commit to building communities that are livable for people of all ages.**

Ultimately, the ability of older adults to age in place depends on their ability to access their communities—which is largely determined by community infrastructure. Nearly 80 percent of AAAs<sup>9</sup> have been essential partners in local, state and federal government efforts to make communities more livable for people of all ages. Access to community features, such as affordable, accessible and appropriate transportation and housing options, are often lacking for older adults and people with disabilities, which creates barriers to full independence and engagement. We appreciate the clarion campaign promise from President Trump to focus on infrastructure improvements, and as part of this effort, we urge Congress to pursue federal policy solutions and support local efforts that enable communities everywhere to ensure that people of

all ages have access to essential transportation services and housing options that meet their needs over their lifetime.

It must be noted that increasing older adults' transportation options is of particularly acute importance. The Eldercare Locator, a national information and referral resource for older adults and caregivers, reports that transportation requests are consistently either the first or second most common inquiry from the thousands of weekly callers.<sup>10</sup>

Many older adults drive, and we want to ensure their ability to stay safely on the road for as long as possible, yet the functional and health issues that affect many people as they age will inevitably result in the need for many older adults to either restrict, reduce or eliminate driving—leaving them stuck without options. Many older adults find it difficult to access essential transportation services in their communities. This is particularly true for older adults who live in suburban or rural communities where destinations are too far to walk, public transit is non-existent or inadequate, and private transportation is prohibitively expensive.

## **Older Veterans Deserve Options**

**Ensure that aging veterans' needs are met at home and in the community.**

In 2015, nearly 50 percent of veterans were age 65 or older. We encourage lawmakers to prioritize this cohort of veterans,



which has similar, or even more intensive, care needs than the general population of older adults. Current successful programs such as Veterans-Directed Home and Community-Based Services, supported by the Veterans Administration and often administered in communities by local Area Agencies on Aging, can help meet the needs of aging veterans as well as veterans of all ages who need HCBS services. This includes recently returning veterans with traumatic brain injuries. The VDHCB program, as well as the VA Choices program, enable veterans to get the supports they need in the community to help them preserve their independence and dignity. The VDHCB program has received nearly universal endorsement

from beneficiaries who are able to self-direct their own care in their homes and communities. Congress must preserve and build upon the commitment to ensure that the country's older veteran population—as well as younger veterans—are adequately supported as they age where they want to be.

Our annual—and more detailed—set of *Policy Priorities* will be released in April 2017. We look forward to working with policymakers to pursue any specific policy changes necessary to realize these and other important goals to enhance the health, well-being, independence and dignity of the country's growing population of older adults and caregivers.

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## Endnotes

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## About n4a

The National Association of Area Agencies on Aging (n4a) is the membership organization for the 622 Area Agencies on Aging (AAAs) and a voice in the nation's capital for the more than 250 Title VI Native American aging programs in the U.S. The fundamental mission of the AAAs and Title VI aging programs is to provide services that make it possible for older individuals to remain in their homes, thereby preserving their independence and dignity. These agencies coordinate and support a wide range of home and community-based services, including information and referral, meals, in-home care, transportation, employment services, senior centers, adult day care and more.



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