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Seniors Stranded: *Escalating Costs Leave Aging Services Programs Struggling*

**Results of a National Survey Conducted by
the National Association of Area Agencies
on Aging (n4a)**

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Purpose of n4a Survey

n4a recently conducted a national survey of Area Agencies on Aging (AAAs) and Title VI Native American aging programs (Title VI programs) to ascertain if current economic conditions were influencing the agencies ability to provide critical home and community-based services to older adults and their caregivers.

This is the first comprehensive survey to look at the impact of rising fuel, food and other costs on a wide array of aging programs coordinated by AAAs and Title VI programs, and its findings reinforce earlier evidence that particular aging services are immediately and particularly vulnerable to rising costs.

The recent economic downturn affects all Americans, but older adults being served by AAAs and Title VI programs are particularly vulnerable to any reduction in programs and services, as they face fixed income, limited mobility and challenging health conditions that complicate their ability to live independently even in the best of economic times.

The survey clearly shows that the approximately eight million older adults who are helped annually by Older Americans Act programs will suffer in 2009 if the costs borne by aging services programs continue to escalate while funding remains static.

Older adults, and their family caregivers, may soon suffer from reduced access to local aging services that they currently rely upon, such as rides to the doctor, home-delivered meals, home health care, adult day care to offer caregivers respite, or other in-home and community supports that keep them healthy and living independently. If these critical and cost-effective supports are not in place, the result will be increased nursing home placements and other expensive health care usage that cost taxpayers and the government more. Failure to support aging services is a lose-lose proposition for older consumers, their caregivers and for governments.

Key Findings

If economic conditions and stagnant funding continue, the most vulnerable seniors *will* be stranded. Current funding levels were already unsustainable — given the aging of the population and annual inflation — even before the recent economic downturn. Unless things change, older adults and caregivers reliant upon Older Americans Act and other key aging services will pay the price.

→ MASSIVE CUTBACKS EXPECTED: 90% of AAAs and 100% of Title VI programs expect to make cutbacks in 2009 due to rising operating costs. If funding is not increased for Fiscal Year (FY) 2009, the agencies will be forced to make massive cutbacks in order to keep up with rising fuel costs that are impacting the organizations' ability to serve elders in their community. [See chart 3]

→ MAJORITY ALREADY CUTTING BACK: Over half of all AAAs (56%) and Title VI programs (59%) have already been forced to make cutbacks in 2008. [See chart 2]

→ SENIORS FORCED TO WAIT: More than half of AAAs report an increase in the number of seniors on their waiting lists for services, as compared to last year. Services most hard-hit encompass the most in demand:

- transportation (e.g., rides to the doctor or senior center);
- respite care (occasional care for elders to offer family caregiver a needed break);
- home-delivered meals (“Meals on Wheels” programs bringing critically needed nutrition to the homebound elderly);
- homemaker services (chore and cleaning assistance for frail elders); and
- homecare (health aides...).

→ ECONOMIC IMPACT ON OPERATING COSTS SPIKES: 86% of AAAs and 94% of Title VI programs report that operating costs have increased since the beginning of calendar year 2008. Most of the increase in operating costs was clustered in the 6-15% range (55% of total for both AAAs and Title VIs are in this range). [See chart 1 and table 1]

→ FUEL COSTS DIRECTLY IMPACT VOLUNTEERS: Over 73% of agencies reported it is more difficult to retain volunteers and over 74% said it is more difficult to recruit volunteers. [See tables 2 and 3]

→ FUEL COSTS DIRECTLY AFFECT SERVICES: 53% of AAAs and Title VI programs have had to either somewhat or significantly decrease the number of weekly scheduled trips for the agency.

Tables and Charts

Chart 1. Change in Surveyed AAAs Operating Costs Since January 2008

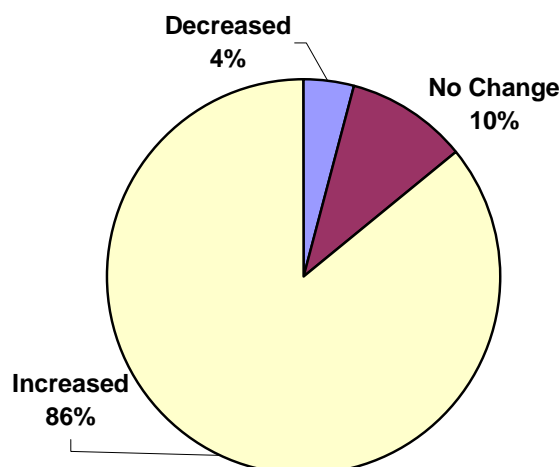


Table 1. Approximate Increase in Operating Costs of Agencies Reporting 2008 Increases

	AAA %	Title VI%
No Increase	7.6	5.9
0-5%	19.0	11.8
6-10%	35.4	5.9
11-15%	22.8	17.6
16-20%	10.8	11.8
21-25%	2.5	11.8
26-30%	0.6	5.9
31-35%	0.6	5.9
36-40%	0.0	17.6
Over 40%	0.6	5.9
Total	100.0	100.0

Table 2. Effect of Fuel Costs on Agencies' Ability to Retain Volunteers

	AAA %	Title VI %
Significantly More Difficult	23.5	23.5
Somewhat More Difficult	50.0	29.4
Had No Change	24.7	47.1
Somewhat Less Difficult	0.0	0.0
Significantly Less Difficult	0.0	0.0
n/a	1.8	0.0
Total	100.0	100.0

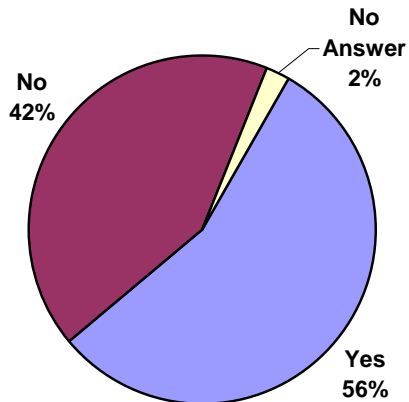
Table 3. Effect of Fuel Costs on Agencies' Ability to Recruit Volunteers

	AAA %	Title VI %
Significantly More Difficult	27.7	31.3
Somewhat More Difficult	45.2	37.5
Had No Change	25.9	31.3
Somewhat Less Difficult	0.6	0.0
Significantly Less Difficult	0.0	0.0
n/a	0.6	0.0
Total	100.0	100.0

Chart 2. Prevalence of Cutbacks Due to Rising Operating Costs

Question: Under your current FY 2008 OAA funding levels, have you had to make cutbacks in the services you provide due to rising food, fuel or other operating costs?

Area Agencies on Aging



Title VI Native American

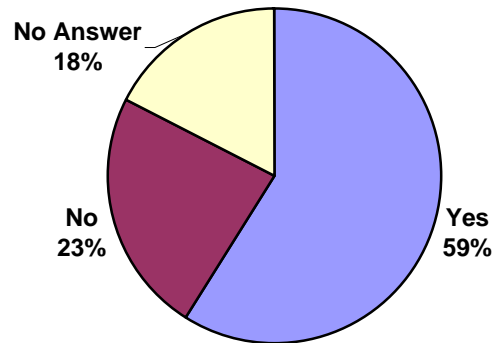
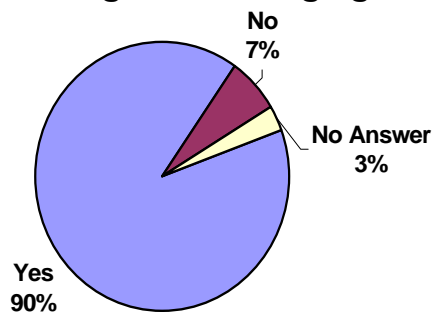


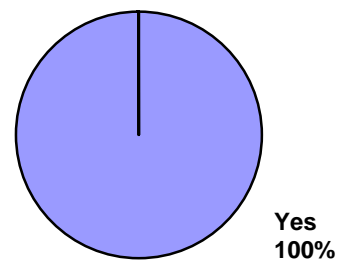
Chart 3. Projected Necessity for Cutbacks in 2009

Question: If your Older Americans Act (OAA) funding does not increase for FY 2009 do you expect to have to make cutbacks/additional cutbacks in services?

Area Agencies on Aging



Title VI



Perspectives from the Field

“Staff and volunteers who in the past would not dream of requesting/needing the \$0.30 that we offer as a reimbursement per mile traveled, must request it to make ends meet within their personal budgets. Unfortunately this means fewer clients are served, waiting

lists grow longer, original funding does not serve as many clients as projected and more of our time is spent figuring out how to survive and not planning how to serve.”

Diana Giles, CFO
Bay Aging
Urbanna, VA

“We are at the breaking point. Have already made all the cutbacks/efficiencies in the last five years; we are now down to the bone with no other place to look for reducing expenses; local funds and state general revenue funds drying up—the ‘perfect storm’ of increased costs, no place else to reduce costs, increased demand, and little hope for increased local/state funds are all coming together to create a nightmare future for our programs...”

Jean Leonatti, Director
Central Missouri Area Agency on Aging
Columbia, MO

“We increased volunteer meal delivered mileage by \$.02 per mile to retain volunteers, adding another \$12,000 to expenses. Despite great effort, we CANNOT continue to raise local donations to keep up with this level of price increase. Services will be cut; less than daily meals delivery, waiting lists for [Meals on Wheels] (for the first time in our 35 year history!), closing of congregate meal sites, no home visits, etc.”

Laurence Gross, Executive Director
Southern Maine Agency on Aging
Scarborough, ME

“Without increase [in] OAA [funds] and our state of Kentucky cutting budgets 6%, we are looking at having to cut home-delivered meals, respite, homecare and transportation ...to older adults and those with disabilities in our region. This is a crime! At a time when they most need our help we have to cut services.”

Peggy Roll, Director Human Services
Kentucky River Area Agency on Aging
and Independent Living
Hazard, KY

“Several counties report cutbacks in services. One kitchen has been closed. Several counties have limited hot meal delivery to 3 days a week and deliver frozen meals (with the hot) for the other 2 days.”

Elaine Eubank, President & CEO
Care Link, Central Arkansas Area
Agency on Aging
North Little Rock, AR

“[Home Health] Companies are having a very difficult time retaining home aides. The cost of travel in a rural county and the low pay for home aides means that home aide workers regularly leave for other employment. We are seeing situations where we have the money to pay for aides but no aides are available.”

Laurence Schmidt, Administrator
Oswego County Office for the Aging
Oswego, NY

“To date actual service reductions have been limited to our transportation services. We are estimating that nutrition services will need to be capped at current levels of service or reduced within the next year, if funding does not increase. Our agency will likely implement waiting lists for in-home service minimums due to increasing transportation costs and agencies implementing 3 hour service minimums due to increasing transportation costs and worker shortages.”

Lee Girard, Community Services Mgr.
Multnomah County Aging & Disability
Services Division
Portland, OR

About n4a:

The National Association of Area Agencies on Aging (n4a) advocates on behalf of Area Agencies on Aging (AAAs) and Title VI Native American aging programs to build their capacity to support independent living and long-term care for an aging America.

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About AAAs/Title VI Native American programs:

Established under the Older Americans Act (OAA) in 1973, Area Agencies on Aging (AAAs) offer a host of options to help older adults stay in their homes and communities for as long as possible.

Following leadership at the federal level from the U.S. Administration on Aging and the state level from the State Units on Aging, AAAs leverage public and private funds to offer older adults a wide range of services that fall into five broad categories: information and access services, community-based services, in-home services, housing and elder rights. Some AAAs provide direct services and some contract with local providers, but they all customize what they offer to reflect local needs and resources.

The OAA also helps fund Native American aging programs, known as “Title VI,” to meet the unique needs of older American Indians, Alaska Natives, and Native Hawaiians. There are 650 AAAs and 240 Title VI programs that serve older adults in every community in the nation.

Appendix 1: Methodology

On June 10, n4a distributed surveys via e-mail or fax to every AAA (650) and Title VI program (240) in the country. The closing date for completed surveys was June 17. One-hundred seventy-one (171) AAAs and 17 Title VI programs returned surveys, which represents 26% of all possible AAA respondents and 7% of possible Title VI respondents.

Copy of Survey Questions

Operating Costs

1. Since the beginning of the calendar year 2008, have your agency's program operating costs
 Decreased?
 Had No Change?
 Increased?

If costs have increased, what is the *overall approximate* increase in program operating costs compared to last year?

- No Increase
- 0%-5%
- 6%-10%
- 11%-15%
- 16%-20%
- 21%-25%
- 26%-30%
- 31%-35%
- 36%-40%
- Over 40%

Waiting Lists

2. During this time, has the number of individuals on waiting lists for services...
 Significantly Decreased?
 Somewhat Decreased?
 Had No Change?
 Somewhat Increased?
 Significantly Increased?

If you have experienced an increase in waiting lists, please specify which types of programs (up to 4) have experienced the most change and the *approximate* level of increase (i.e. respite care, home delivered meals, transportation, home care, volunteer programs, etc).

	<u>Program</u>	<u>Percentage</u>			
1.	_____	<input type="checkbox"/> 0%-5%	<input type="checkbox"/> 6%-10%	<input type="checkbox"/> 11%-15%	<input type="checkbox"/> Over 15%
2.	_____	<input type="checkbox"/> 0%-5%	<input type="checkbox"/> 6%-10%	<input type="checkbox"/> 11%-15%	<input type="checkbox"/> Over 15%
3.	_____	<input type="checkbox"/> 0%-5%	<input type="checkbox"/> 6%-10%	<input type="checkbox"/> 11%-15%	<input type="checkbox"/> Over 15%

4. _____ ___ 0%-5% ___ 6%-10% ___ 11%-15% ___ Over 15%

Fuel Costs

3. Due to the change in fuel costs, has the number of trips your agency is providing...
- Significantly Decreased?
 - Somewhat Decreased?
 - Had No Change?
 - Somewhat Increased?
 - Significantly Increased?

If you have decreased the number of trips your agency is providing, have you had to limit requests to only essential medical transportation?

- Yes
- No

4. Has the change in fuel costs made your agency's ability to **retain** program volunteers...
- Significantly More Difficult?
 - Somewhat More Difficult?
 - Had No Change?
 - Somewhat Less Difficult?
 - Significantly Less Difficult?

Has the change in fuel costs made your agency's ability to **recruit** program volunteers...

- Significantly More Difficult to *Recruit* Volunteers
- Somewhat More Difficult to *Recruit* Volunteers
- No Change in *Recruiting* Volunteers
- Somewhat Less Difficult to *Recruit* Volunteers
- Significantly Less Difficult to *Recruit* Volunteers

5. Under your current FY 2008 OAA funding levels (Oct. 1, 2007 – Sept. 30, 2008), have you had to make cutbacks in the services you provide due to rising food, fuel, or other operating costs?
- Yes
 - No

If your OAA funding does not increase for FY 2009 do you expect to have to make cutbacks/additional cutbacks in services?

- Yes
- No

Optional: If your answer is yes, please explain.

Appendix 2: Examples of Aging Network Services

Adult Day Care – A protective setting offered for those who cannot be left alone due to health care and social needs.

Caregiver Programs – Support for caregivers of older adults and some services for grandparents raising grandchildren.

Case Management – Assistance for families in assessing the needs of older adults and making arrangements for services to help them remain independent.

Elder Abuse Prevention Programs – Investigation into allegations of abuse, neglect and exploitation, and interventions in substantiated cases.

Emergency Response Systems – In-home 24-hour electronic alarm systems, which enable homebound persons to summon emergency help.

Employment Services – Opportunities for older adults to explore employment options.

Financial Assistance – Counseling on financial management, prescription drugs' programs, Social Security benefits, food stamps, energy assistance. and more.

Home Health Services – Help with activities such as skilled nursing visits, medication management, light housekeeping, and assistance with meal preparation.

Home Repair – Programs that help keep housing in good repair, such as roofing, plumbing and insulation, in order to avoid major problems.

Home Modification – Renovations to increase the ease of use, safety, security, and independence in the home.

Information and Referral/Assistance Information Services (I&R/A) – Specialists provide assistance and linkage to available services and resources.

Legal Assistance – Advice and representation for certain legal matters such as government program benefits, tenant rights, and consumer problems.

Nutrition Services – Home-delivered meals (Meals on Wheels) for the homebound and congregate meals in a senior center or other site where older adults can enjoy a meal and socialize with others.

Personal Care – Assistance for individuals who need help with bathing, dressing, walking, eating, running errands, and housekeeping.

Respite Care – A break for caregivers who provide ongoing supervision and care of a person with a functional impairment.

Senior Housing Options – Assisted living, retirement communities, nursing facilities, government assisted housing, and shared housing.

Senior Center Programs – A variety of recreational and educational programs for older adults.

Telephone Reassurance – Regular contact and safety checks to homebound seniors and disabled persons by trained volunteers.

Transportation – Services for older adults or persons with disabilities who lack private transportation or who are unable to utilize public transportation.

Volunteer Services – Opportunities to provide telephone reassurance, friendly visits, insurance counseling, and more.