There may be only one near-universal opinion among the nation’s 48 million adults over age 65: an estimated 90 percent of them want to age well in their own homes and communities, and not in institutions such as nursing homes. This goal is shared by the baby boomers, of whom 10,000 turn 65 every single day, and it is a commitment that both Republicans and Democrats have espoused as an important goal. And the good news is that this approach is the most cost-effective for consumers and taxpayers!

To help millions of aging Americans meet this goal, state and local aging agencies develop and provide older adults with the local services and supports necessary to age with health, independence and dignity in their homes and communities. A nationwide Aging Network—made up of states, 622 Area Agencies on Aging (AAAs), 256 Title VI Native American aging programs, and tens of thousands of local service providers—was founded on the principle of giving states and local governments the flexibility to determine, coordinate and deliver the supports and services that most effectively and efficiently serve older adults and caregivers in their communities.

AAAs foster the development and coordination of these critical home and community-based services (HCBS) to older adults and their caregivers, then work with local providers and vendors to deliver them. Examples of these vital services include in-home care, homemaker services, transportation, caregiver support, home-delivered meals and much more.

The Aging Network helps individuals avoid unnecessary and more expensive institutional nursing home care and/or spending down their resources to become eligible for Medicaid benefits. Delaying or preventing institutionalization saves federal and state governments tens of thousands of dollars per person each year. 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 the following vital programs and services.

Enable Aging at Home and in the Community

**Strengthen community options that make it possible for older adults to age well and safely in the community.**

Since its inception in 1965, the Older Americans Act (OAA) has been the cornerstone of the nation’s non-Medicaid home and community-based services system. The OAA provides funding to states for a range of community-based home and long-term care services.
of community planning and service programs for older adults age 60 and older who are at risk of losing their independence. Since its enactment, the OAA has been amended 16 times, most recently in 2016 when modest updates were made to this long-standing, successful Act.

Created by Congress the same summer as Medicare and Medicaid, the OAA has remained a much smaller program that depends on discretionary funding streams (and funding leveraged at state and local levels) rather than mandatory spending. This makes OAA especially important to millions of older adults whose incomes are not low enough to be eligible for Medicaid assistance, but who do not have sufficient financial resources to fully pay for the in-home and community supports they need to remain independent. OAA not only fills those gaps but, we would argue, helps reduce Medicaid expenditures in the long-run by delaying or preventing individuals from spending down their resources to become eligible for Medicaid.

Through the Aging Network, each year more than 11 million older Americans receive critical support such as meals, in-home personal care, transportation, disease prevention/health promotion, legal services, elder abuse prevention, senior employment and other social supports essential to maintaining their independence. Additionally, OAA funds vital assistance for caregivers of older people under the National Family Caregiver Support Program (NFCSP, Title III E), which provides grants to AAAs/Title VI aging programs to help family members caring for their ill or disabled loved ones.

Together, these services save taxpayer dollars by enabling seniors to remain independent and healthy in their own homes, where they prefer to be and where they are less likely to need more costly care paid for by Medicare and Medicaid. By supporting older adults’ health with evidence-based wellness programs, nutrition services, medication management and many more in-home and in-community options, OAA programs and services save Medicare money. Local OAA programs delay or even prevent the need for higher-level or more expensive (i.e., nursing home) care in Medicaid, postponing individual impoverishment and eligibility for the means-tested Medicaid program. Further, when older adults do live in assisted living or nursing home facilities in our communities, the OAA’s long-term care ombudsman program works to protect their rights and well-being.

The wide range of OAA services enables Aging Network entities to direct consumers to service choices that best meet their individual needs. In particular, AAAs/Title VI aging programs play a pivotal role in assessing community needs and developing responsive programs. They often serve as portals to care, assessing multiple service needs, determining eligibility, authorizing or purchasing services, and monitoring the appropriateness and cost-effectiveness of services.

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 state, local and private funding. Furthermore, the Aging Network engages hundreds of thousands of volunteers and millions of volunteer hours each year, further leveraging public and private investments.

We encourage Congressional leadership to embrace the commitments made in both parties’ 2016 platforms to support opportunities for aging at home and in the community. Specifically, we urge lawmakers to consider critically needed increases for OAA and other Administration for Community Living (ACL) 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 costs for these services and supports. (For details, see page 9.)

**Medicaid Home and Community-Based Services**

The OAA philosophy of providing the services and supports needed to maintain the independence of older adults also drives the federal-state Medicaid Home and Community-Based Services (HCBS) waiver programs. Historically, two-thirds of AAAs play a key role in their state’s Medicaid HCBS waiver programs, often performing assessments, leading case management and/or coordinating services.

**Rebalancing to Save Money**

As the largest public funding source for long-term services and supports (LTSS), Medicaid will be indisputably affected by a rapidly aging population. Rebalancing efforts—designed to correct for Medicaid’s inherent bias toward more expensive, less desired institutional care—must be supported and expanded, whether in ACA replacement efforts and/or in new administrative and legislative initiatives.

Giving consumers access to the most appropriate services in the least restrictive setting should be the priority. That’s not only what consumers want and need, but also what makes the most financial sense for taxpayers. Studies have shown that HCBS is more affordable and thus more cost-effective than institutional care.²

n4a recommends reauthorizing the following rebalancing efforts: Money Follows the Person (MFP);
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the Balancing Incentive Payment Program (BIP); and Community First Choice (CFC).

- **MFP is the longest-running effort** to support people transitioning from a nursing home back to the community; it expired in fall 2016 and should be reauthorized swiftly in 2017.

- **BIP, part of the ACA's rebalancing efforts**, provided take-up states with enhanced flexibility and new funding to reform and rebalance their LTSS systems. BIP expired in 2016 but a few states are still spending their remaining funds.

- **CFC offers states a financial incentive** to rebalance and an option to reinvest the match into augmenting HCBS for the highest-need consumers, while giving consumers more control over their care. Any ACA replacement legislation should include a continuation of CFC.

**Reform Must Not Leave Seniors Stranded**

As the 115th Congress and new Administration consider short or long-term policy changes to Medicaid, n4a urges caution. Frequently mentioned proposals to block grant or cap spending raise concerns, given the vulnerable older adults and people with disabilities who rely upon Medicaid HCBS to retain their independence.

Undermining or draining Medicaid of resources will put some of our nation’s most vulnerable older adults in harm’s way. We urge Congress to oppose proposals that would merely shift costs to consumers and states, thus reducing access to care.

Therefore, we urge policymakers to ensure that any changes to Medicaid:

- **Acknowledge the importance** of this federal-state partnership to our nation’s LTSS system and the 4.4 million people over age 65 who rely upon Medicaid HCBS/LTSS programs.

- **Encourage continued rebalancing** of LTSS expenditures from institutions to HCBS, supporting current efforts and considering additional measures to ensure that consumer choice and taxpayer savings are both maximized.

- **Reflect the realities** of older adults and people with disabilities who depend on Medicaid HCBS to live safety at home and in the community.

- **Increase coordination** within Medicaid and with other health and social services systems to reduce duplication, expense and consumer frustration. Care coordination and care transitions work piloted by the Aging Network and health systems and plans (largely in Medicare) should be expanded to the Medicaid population as well.

- **Respect the role** that the Aging Network has played in developing and providing Medicaid HCBS, both in traditional waiver programs and now in managed care initiatives. Innovation must not inadvertently drive duplication or reinvention of existing systems.

- **Encourage consumer access** to services and assistance with planning and decision-making. One model that should receive enhanced federal support is the Aging and Disability Resource Center (ADRC) approach, which was first piloted in the George W. Bush Administration. ADRCs streamline information about public and private LTSS resources by using technology to better connect consumers to public and private aging and disability resources.

**Managed Care Considerations**

As a majority of states have moved, or are soon moving, from Medicaid fee-for-service to managed care models, it is critical that the Aging Network be the bridge to integrate acute health care and HCBS so that the quality of LTSS for older adults is not compromised.

With private and federal encouragement and support, n4a is driving change within the Aging Network by equipping trusted local providers with cutting-edge business acumen skills to better work with Managed Care Organizations (MCOs) and other health payers to support person-centered, coordinated and cost-effective care for older adults and people with disabilities.

There is no “one size fits all consumers” approach to Medicaid LTSS and, as such, mandatory managed care initiatives need to be closely monitored to ensure access and quality of care remains at or exceeds current standards. There are important steps that the new Administration must take to 1) ensure that the Aging Network can continue to provide services to enable older adults to age at home...
and in the community; 2) make critical infrastructure investments to support the systems that promote independence as people age; and 3) be a key partner in enabling MCOs to meet their patient care goals.

**Promote the Importance of the Aging Network:** n4a appreciates recent recognition from the Centers for Medicare & Medicaid Services (CMS) of the value and importance of community-based organizations—in particular, AAAs—in achieving positive patient health outcomes. However, we urge the new Administration (specifically CMS) and Congress to more effectively ensure that the AAAs and other aging services organizations (and their disability counterparts) are not only included as the long-standing, trusted community sources to bridge the gap between acute and community-based care settings, but also appropriately and adequately compensated for their roles in ensuring that health care providers meet patient care goals. Without fully recognizing and supporting the value provided by existing cost-efficient systems—such as AAAs managing Medicaid HCBS waivers or serving as the link between Medicaid and the nation’s non-Medicaid LTSS system—the result will fail beneficiaries, unnecessarily undermine existing successful systems and potentially reduce the quality of care for vulnerable populations.

**Prevent Disruption of Integrated, Efficient, Patient-Centered Care:** AAAs have a long history of providing consumers with independent, conflict-free options counseling. For over 40 years, AAAs have been a trusted resource for older adults and their caregivers and have created well-defined, person-centered, user-friendly systems to develop, coordinate and deliver a wide range of HCBS. In order to ensure that any potential conflict of interest is prevented, AAAs have established sophisticated and transparent firewalls between programs where it is necessary to ensure proper administration of programs and appropriate protection of beneficiaries’ interests.

However, there has been a recent push by CMS to review and reinforce a regulatory patchwork of conflict-of-interest requirements and subsequent changes in state efforts to ensure that systems are fully compliant. While we certainly appreciate and understand the importance of ensuring that patient assessment and access to care is free of conflicts, and realize the need to reexamine some systems where conflicts of interest exist, we are greatly concerned that well-functioning, appropriately firewalled, efficient systems will be undermined and dismantled, and that patient care will become ultimately more fragmented—unless CMS provides clarification and guidance to states about current conflict-of-interest requirements.

**Supporting Consumers and Families**

In addition to OAA and Medicaid HCBS, other programs and efforts ensure that seniors—and their families—have what they need to age at home and in the community.

**Veteran-Directed HCBS**

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 (VDHCBS), supported by the Veterans Administration and often administered in communities by local AAAs, can help meet the needs of aging veterans while preserving their independence and dignity. The VDHCBS program has received nearly universal endorsement from beneficiaries who are able to self-direct their own care in their homes and communities. The newer Veterans Choice Program also has the potential to also help connect veterans to AAA services.
Congress must preserve and build upon the commitment to ensure that the country’s older veterans are adequately supported as they age where they want to be, in their homes and communities.

**Shoring Up Caregivers**

n4a believes our country must recognize the critical importance of caregivers by building on current caregiver support programs dedicated to helping this essential informal workforce continue their role. Every year nearly 40 million unpaid caregivers provide over $470 billion worth of support to friends and family. 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.

More than five million older Americans are living with Alzheimer’s or other dementias today, and experts project that number will triple by 2050 without significant medical breakthroughs. Caregivers of people with dementia face particularly difficult financial, physical and emotional challenges. In addition to their time and/or lost wages, caregivers spend an average of $5,000 annually caring for someone with Alzheimer’s disease.

However, caregiver programs—such as the OAA’s National Family Caregiver Support Program—that support (through training, respite, support groups, etc.) those who are caring for aging friends and family, do not begin to meet the need for these services due to limited funding. We urge Congress to expand federal support for 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.

Specifically, we ask:

- **That FY 2018 appropriations** for the Older Americans Act (Title III E) National Family Caregiver Support Program are increased to reflect growing demand in communities across the country. (See page 10 for more details.)
- **Congress to advance legislation** to develop a national caregiving strategy to better coordinate federal leadership, policies and resources to support family and informal caregivers. n4a supported the RAISE Family Caregivers Act (S. 1719) in the 114th Congress, which advanced a national caregiving strategy and unanimously passed the Senate in 2016. We encourage the 115th Congress to again consider and pass this legislation.

**Preventing Elder Abuse and Exploitation**

Elder abuse, neglect and exploitation are significant and under-recognized public health and human rights issues, and the incidence of abuse is rising as the population rapidly ages. According to the Elder Justice Coordinating Council, research demonstrates that elder abuse has significant consequences for the health, well-being and independence of older Americans, and an estimated 10 percent of older adults (5 million) are subjected to abuse, neglect, and/or exploitation annually. The Coordinating Council has indicated that this tragic and costly problem is further exacerbated by the lack of standardized practice, public awareness and public policy guidelines at the national level.

The bipartisan Elder Justice Act (EJA) was passed in 2010 to provide federal resources to prevent, detect, treat, understand, intervene in and, where appropriate, prosecute elder abuse, neglect and exploitation. Before the Act was enacted, federal funding for programs and justice regulations was not available. If adequately funded, EJA would enhance training, recruitment and staffing in LTSS facilities and enhance state adult protective services (APS) systems, long-term care ombudsman programs and law enforcement practices.

Current funding of $8 million for APS data collection doesn’t begin to address the incredible need that exists in APS alone—not to mention the many other elder abuse prevention efforts that were envisioned in EJA, which has an authorization level of $777 million. (For our appropriations request for FY 2018, please see page 10.)

EJA, which expired in 2014, must also be reauthorized by Congress swiftly, to ensure that the rising problem of elder abuse is met with appropriate federal leadership and response.