March 6, 2017

The Honorable Roy Blunt, Chair
The Honorable Patty Murray, Ranking Member
Senate Appropriations Subcommittee on Labor/HHS/Education
Washington, DC  20510

The Honorable Tom Cole, Chair
The Honorable Rosa DeLauro, Ranking Member
House Appropriations Subcommittee on Labor/HHS/Education
Washington, DC  20515

Dear Chairman Blunt, Ranking Member Murray, Chairman Cole and Ranking Member DeLauro:

As your Subcommittees consider the FY 2018 Labor/HHS/Education appropriations in the coming months, the National Association of Area Agencies on Aging (n4a), which represents the country’s 622 Area Agencies on Aging (AAAs) and more than 250 Title VI Native American aging programs, urges you to prioritize Older Americans Act (OAA) and other aging programs that help older Americans get the support they need to age successfully at home and in their communities.

The choices about where to direct limited federal resources will determine whether we, as a country, are sufficiently prepared to support older adults and caregivers in their homes and communities where they want to be—or whether we allow current home and community-based services (HCBS) resources to erode, putting older adults at risk of much more expensive medical and long-term care services paid for by Medicare and Medicaid.

During this period of federal leadership transition, national budget and health policies are being re-evaluated, which will have deep and long-lasting implications for tens of millions of older adults and their caregivers. Therefore, it is essential that policymakers and leaders understand the powerful demographic shift underway, as it will affect every aspect of our collective national experience.

We face a 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 alone, nearly 15 million people will turn age 65. By 2030, 73 million—or
one in five—people in America will be 65 or older.

This historic demographic shift is already evident in many U.S. regions, including rural areas, where ratios of older adults far exceed the current national average and available services are unable to keep pace with the growing need. 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 youth under 20.

The dramatic growth in the number of older individuals in the U.S. means that we must adequately fund services that keep seniors in their homes and communities where they want to be and where care is much less expensive than Medicaid nursing homes and can help drive down Medicare costs. To this end, we urge you to:

- **Reject further cuts to non-defense discretionary (NDD) programs** and **protect Older Americans Act (OAA)** and other critical aging services from further funding erosion.
- **Support funding for OAA programs** that, at a minimum, meets the levels that received bipartisan support in the 2016 reauthorization. In particular, we urge you to focus on the following two titles, which have had little to no relief from sequestration cuts despite recent budget deals:
  - OAA Title III B Supportive Services
  - OAA Title III E National Family Caregiver Support Program
- **Continue to build on the recent investment in Title VI Grants for Native American Aging Programs** with increased funding, a little of which can go a long way in serving these vulnerable and disadvantaged elders.
- **Protect funding for the State Health Insurance Assistance Programs (SHIPs)**, which provides direct support to Medicare beneficiaries struggling to make cost-effective choices in their Medicare coverage.

**Reject Additional Cuts to NDD Programs and Protect OAA**

n4a fully understands the economic realities facing governments and families and we support sound federal budget decision-making that values key domestic programs. Furthermore, we believe it is unnecessary and unfair to target NDD programs for cuts to offset defense increases and fiscally reckless to burden critical discretionary programs with the bulk of deficit reduction strategies. Savings recouped from deep cuts to critical discretionary programs that support our growing aging population pale in comparison to the added costs of premature nursing home placement for seniors who can longer stay in their homes and communities because Older Americans Act (OAA) and other aging services are inadequately funded to meet the need.

To date, the balance of deficit reduction has come almost solely from discretionary programs, which comprise only 35 percent of the federal budget (16 percent for non-defense discretionary alone) and are not the driving force behind deficit spending. This is not balanced or rational budgeting, and we urge appropriators to soundly reject these strategies.
Instead, we urge lawmakers to embrace investments in OAA that are in the best interests of a rapidly aging population and the financial health of the nation as a whole.

n4a recognizes that since the Budget Control Act of 2011 appropriators have faced difficult federal funding decisions with little room for growth, but given the cost-saving and health-promoting potential of the following OAA and other discretionary programs, we endorse, at a minimum, the following appropriation levels for fiscal year (FY) 2018 to support older Americans and their caregivers.

**Older Americans Act (OAA)**

The OAA is the cornerstone of the nation’s non-Medicaid home and community-based services (HCBS) system, providing older adults with much-needed supports, including in-home care, congregate and home-delivered meals, adult day care, information and referral assistance, case management, transportation, legal services and caregiver support/respite. These services are in high demand in every community, but have very limited federal resources.

For years, OAA funding has not kept pace with inflation or the growing population eligible for services, which has made it increasingly difficult for the Aging Network to even maintain existing services, let alone meet escalating need. As a result, waiting lists are long and growing longer—in some cases seniors must wait as long as six months or more just for home-delivered meal services. This dire situation only intensifies the need for federal investment, both in the short and long term, especially considering that vital discretionary programs help offset future mandatory spending—when seniors are healthier, Medicare saves money; when frail older adults receive in-home services that prevent or delay nursing home admission, Medicaid saves money.

n4a supports funding all OAA programs to at least the levels approved in the 2016 bipartisan OAA reauthorization and encourages appropriators to give special attention to three OAA programs: Title III B Supportive Services, Title VI Grants for Native Americans and Title III E National Family Caregiver Support Program.

**Title III B Supportive Services** provides flexible funding to states and local agencies to deliver a wide range of needed supportive services to older Americans. Title III B dollars, for example, support in-home services for frail older adults, senior transportation programs, information and referral/assistance services, case management services, home modification and other housing help, chore services, and emergency/disaster response efforts targeted to older adults. The flexibility of this funding stream gives AAAs greater means to meet the needs of older adults, as identified at the community level, and often is vital to keeping near-low-income seniors from impoverishment and subsequent Medicaid eligibility.

Yet III B remains funded at FY 2004 levels—there has been no restoration to III B of the FY 2013 sequester cuts or other cuts in recent years, even as other OAA programs have seen
modest gains. This oversight causes tremendous strain on local agencies and providers struggling to keep these services, and the seniors they help, afloat. This type of imbalance between programs can erode the strength, efficiency and effectiveness of the OAA service delivery network, compromising the seamless, person-centered approach and putting seniors at risk. Furthermore, with inadequate III B funding, access to other OAA programs and services is jeopardized. For example, without sufficient funds to provide transportation services, funded through OAA Title III B, seniors may be left without rides to congregate meal sites, resulting in poorer nutrition and increased isolation.

For more information about the programs that OAA Title III B funds, and examples of how important it is to individuals, please see n4a’s issue brief about Title III B: http://www.n4a.org/files/OAA%20IIIB%20One-Pager_final.pdf

We appreciate that in FY 2017, House appropriators made a modest, but important, $5 million (1.5 percent) increase to III B funding. We encourage appropriators to continue promoting a long-overdue increase for III B programs by building upon this important first step as FY 18 appropriations packages are considered.

Accordingly, n4a requests Congress approve funding for III B Supportive Services that, at a minimum, meets $364 million established in the 2016 OAA reauthorization and begins to restore the erosion from sequester cuts

The increases provided in FY 2016 for the Title VI Grants to Indians (Native American aging programs), Parts A (meals, supportive services) and C (caregivers), were very much appreciated and much needed. OAA provides the primary authority for funding services to elders in Indian country and older American Indians are the most economically disadvantaged elders in the nation. But even with the recent increases, Title VI funding levels remain woefully inadequate to meet the needs of Indian elders, as decades of underinvestment in these programs has created large gaps in service capacity. Without continued investment, tribes cannot hope to remedy the many challenges faced by their vulnerable elder population.

n4a urges increases for Title VI Part A and C in FY 2018, recognizing the incredible need among Indian elders and the ability of Congress to make a sizeable change in the capacity of these programs with just a few million dollars.

The National Family Caregiver Support Program (NFCSP) funds consumer programs offered at the community level through the Aging Network and its partners. The programs assist family members caring for older loved ones who are ill or who have disabilities. The NFCSP offers a range of supports to family caregivers, including information about services; assistance in gaining access to services; counseling, support groups, and caregiver training; respite care; and supplemental services as funding allows. These services are in high demand in every community.
We appreciate the modest increase of $5 million (3.4 percent) for the National Family Caregiver Support Program in FY 2016, and encourage lawmakers in FY 2018 to, at a minimum, fund Title III E at $158 million, reflecting the level approved in the recent OAA reauthorization.

n4a also believes the following appropriation actions for FY 2018 are critical to building and maintaining a comprehensive HCBS system that can meet the needs of the growing older adult population. All of the following programs are administered by the Administration for Community Living (ACL), HHS.

**State Health Insurance Assistance Programs (SHIPs)**

n4a requests that Congress proposes FY 2018 funding for SHIPs that rejects previous Senate-proposed cuts to meet the ever-growing need to provide one-on-one assistance and counseling on Medicare to beneficiaries at the community level. Administered by ACL, SHIPs rely heavily on highly-trained volunteers and play a critical role in ensuring that older adults and people with disabilities make informed decisions about their Medicare coverage and navigate the complicated and shifting landscape of Medicare choices. SHIP counseling assistance can save individual Medicare beneficiaries hundreds, or even thousands, of dollars every year.

*In FY 2016, the SHIP program received $52.1 million, With 10,000 boomers becoming eligible for Medicare every day, n4a urges lawmakers to adequately fund SHIPs to reflect the increasing number of clients and complexity of Medicare.*

**Aging and Disability Resource Centers (ADRCs)**

An initiative that began under the George W. Bush Administration, the ADRC effort began with the vision to facilitate and streamline access to the most appropriate and cost-effective public and private LTSS options for older adults, people with disabilities and caregivers across the country. This ambitious goal to build an integrated, robust network of information, referral and enrollment assistance in every state remains critically important. We look forward to working with lawmakers to find policy and funding solutions to restore and augment federal investments in the Administration for Community Living (ACL) to continue building ADRCs’ “no wrong door” networks of access to LTSS information and assistance.

**Elder Justice Act**

Financial exploitation and elder abuse costs taxpayers and victims over $35 billion each year. The bipartisan Elder Justice Act (EJA), passed in 2010, was the first legislative accomplishment that would implement a comprehensive national strategy to address elder abuse, neglect and exploitation.
n4a appreciates that Congress doubled funding to $8 million for this crucial work in FY 2016 and supports continuing these increases for EJA implementation in FY 18.

While we understand the difficult fiscal constraints under which you are operating, we hope you will make every effort in FY 2018 to prevent the erosion of, and reinforce commitment to, innovative, efficient and cost-effective programs that enable older Americans to live at home and in their communities for as long as possible. Thank you.

Sincerely,

Sandy Markwood  
Chief Executive Officer

cc:  
Chairman Thad Cochran, Senate Appropriations Committee  
Ranking Member Patrick Leahy, Senate Appropriations Committee  
Chairman Rodney Frelinghuysen, House Appropriations Committee  
Ranking Minority Member Nita Lowey, House Appropriations Committee  
Members of the House and Senate Labor/HHS/Education Subcommittees