Area Agencies on Aging: Advancing Health and Long-Term Services and Supports

2010 Survey of Area Agencies on Aging

July 2011
ACKNOWLEDGEMENTS

The 2010 survey of Area Agencies on Aging was conducted by the National Association of Area Agencies on Aging (n4a) and Scripps Gerontology Center at Miami University under a grant from the U.S. Administration on Aging focused on assessing and building the capacity of the National Aging Network to meet the challenges and opportunities posed by our nation’s rapidly aging population. Lead project staff for this effort from n4a include Sandy Markwood, Jo Reed and Helen Eltzeroth. A special thanks to Theresa Lambert for the preparation of this report. The lead staff from Scripps responsible for survey design, analysis and development of key findings, and charts include: Suzanne Kunkel, Elizabeth Carpio, Jane Straker, Kimberly Linde and Emily Robbins.

The project staff from n4a and Scripps would like to thank and acknowledge the role of the n4a Project Advisory Committee whose members provided critical input to ensure the relevance of the survey and report to the field; the n4a Board, which contributed countless hours contacting their colleagues to complete the survey; and our project officer at the U.S. Administration on Aging, Greg Case, who provided important guidance and support to this effort.

This report is available on n4a’s website at: www.n4a.org/programs/annual-survey/

The research record is on the Scripps Gerontology Center’s website at: www.scripps.muohio.edu/content/AAA-2010-researchrecord

Development of this document was made possible, in part, by funding from the U.S. Administration on Aging under grant number 90PG0003. The views expressed in this material do not necessarily reflect the official policies of the U.S. Department of Health and Human Services or represent official U.S. Administration on Aging policy.
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Overview

In recent years, three powerful phenomena have converged with a dramatic impact on the Aging Network across the country—anticipated demographic shifts, an unexpected and lingering recession, and the advent of new approaches for reducing costs and reforming health care delivery.

The first wave of the baby boomers began crossing the 60 year old threshold in 2006 and is advancing into the 65+ age group in 2011. While long anticipated, the sheer numbers are staggering, with 57 million Americans now age 60 and over (18.5% of the population) and 40.2 million age 65+, according to the recently released data from the 2010 Decennial Census. These groups are expected to reach 75.8 million and 54.8 million, respectively, by the end of the decade. The older population is also becoming more diverse with minorities expected to comprise nearly 24% of the older population by 2020. Further, the age 85+ population, most likely to need health and long-term services, continued to grow, reaching nearly 5.5 million in the 2010 census and expected to be 6.6 million by 2020.

Another phenomenon impacting the Aging Network is the lingering recession that officially began in December 2007. The collapse of the financial sector has had a devastating effect on the financial well-being of many older persons—bringing reduced retirement investments, job loss and chronic unemployment, and widespread foreclosures. The recession has also reduced revenues for federal, state and local governments, leaving the Aging Network with shrinking budgets at a time of increasing need among the older population.

Simultaneously, the passage of the Affordable Care Act is providing the Aging Network with new opportunities to leverage its long-term care service delivery systems and expertise in consumer-centered approaches to collaborate with the health care industry for a more comprehensive and integrated system of care for older persons. Development of such a partnership is vital to maximize the health of older persons and reduce costs but requires time and resources. With diminished budgets and staffing, it is a challenge for Area Agencies on Aging (AAAs) to keep pace.
With a grant from the U.S. Administration on Aging (AoA), the National Association of Area Agencies on Aging (n4a) partnered with Scripps Gerontology Center to conduct the 2010 survey of the nation’s 629 AAAs—agencies that plan and coordinate the frontline services in the Aging Network. The purpose of the survey was to gauge the impact of these phenomena, and assess the capacity and readiness of AAAs to address the needs of America’s rapidly increasing aging population. All AAAs received the survey in September 2010. Data collection concluded in February 2011 with over 71% percent of the AAAs responding.

This report provides key findings from the survey as related to the role and current status of services provided by AAAs, how AAAs are addressing the budget crisis, advances made in the service delivery system, and how AAAs are making it happen—that is, carrying out their mission despite the challenges. Where useful, data from the 2008 and 2007 surveys are included for comparison.

Area Agencies on Aging: Who They Are and What They Do

Area Agencies on Aging were established under the Older Americans Act (OAA) in 1973 to serve as the “on-the-ground” organizations charged with assisting older persons to live with independence and dignity in their homes and communities. The Congressional authors viewed the role of AAAs to include identifying the priority service needs of the age 60+ population in the community, developing plans of action to address those needs, and serving as visible advocates with and on behalf of older Americans.

Today, there are 629 AAAs serving older adults in every community in the nation. Each AAA has evolved in the context of a unique social, economic and political environment. Further, AAAs are flexible and take advantage of emerging opportunities and “climates for success” to mount new initiatives or expand services that support the health and independence of those 60+, especially the most frail and vulnerable, and their caregivers. Consequently, no two AAAs are alike. Yet, the OAA provides the umbrella uniting them in a common mission with a common set of roles and responsibilities.
Advocacy. The OAA views the advocacy role of the Aging Network in the broadest context and calls for AAAs to serve as public advocates for the development or enhancement of a comprehensive and coordinated community-based system of service for older Americans. Consequently, AAAs across the country engage in a variety of activities to achieve this goal as briefly described below.

- Represent the interests of older persons with local elected officials, executive branch leadership, other public agencies and private organizations.
- Monitor hearings and comment on proposed policies and programs, and other community actions that affect older persons.
- Conduct studies to document the need for new initiatives, programs or funding.
- Partner with other organizations/agencies and participate in coalitions to enhance programs and services.
- Facilitate coordination across agencies and private organizations to promote new or expanded programs, benefits and opportunities for older persons.
- Assume a leadership role to assist communities to target resources from all appropriate sources to meet the needs of older persons with greatest economic or social need.
- Foster the capacity of older persons to organize and have a voice on public policy issues that affect their interests through activities such as educational opportunities, maintaining advisory councils and supporting senior advocacy organizations.

Operation of the Aging Service Delivery System. While the mission has not changed, over time the OAA has broadened the scope of core services provided by all AAAs. Gradually, these have been augmented by a range of other services financed by various sources. Today, AAAs operate a complex service delivery system that provides access, community-based, in-home and elder rights services. As custodians of the public interest, AAAs demonstrate responsible fiscal stewardship by maximizing use of public and private funding to serve as many older persons as possible.
Some services are provided directly by AAAs while others result from contracts with provider organizations. According to the 2010 survey, the core OAA-funded services most likely to be provided directly by AAAs are identified below.

- **Information and Referral/Assistance (90.4%)** offering one-to-one help to older persons and caregivers in determining needs and service options, and—drawing from comprehensive resource databases—linking them to the most appropriate provider.
- **Outreach (81.5%)** to identify potential clients and encourage them to use existing services or benefits to address their needs.
- **Family Caregiver Support (66.9%)** providing information, decision support and problem-solving assistance, as well as caregiving training, respite, and help with securing other services.
- **Ombudsman Services (58.7%)** that investigate and resolve complaints by residents of long-term care facilities and, in some cases, recipients of home care services.

In addition to the services specified in the OAA, AAAs offer a range of other assistance. According to the survey, the most common non-core services provided directly by AAAs are as follows.

- **Benefits/ Health Insurance Counseling (79.1%)** to help older persons apply for benefits for which they are eligible and to provide assistance in addressing health and long-term care insurance issues.
- **Case Management (78.7%)** for frail older clients and others, including assessment for services, care plans and coordination of service delivery across providers.
- **Assessment for Care Planning (77.3%)** to assist older persons and their families determine the health and supportive services needed for independent living.
- **Senior Medicare Patrol (69.1%)** to educate and empower older consumers to identify, prevent and report health care fraud.
- **Assessment for Long-Term Care Service Eligibility (67%)** based on level of physical/mental functioning, as well as financial or other requirements of the various funding sources.
AAAs also contract for the provision of a range of other aging supportive services. The OAA-funded services most likely to be contracted with provider organizations are: congregate meals (74.9% of AAAs), home delivered meals (76.9%), medical (67.5%) and non-medical (77.8%) transportation, and legal assistance (87.7%). Additional services provided through AAA contracts include:

- Homemaker (77.7%)
- Respite care (76.3%)
- Personal care/assistance (74.9%)
- Chore services (71.3%)
- Adult Day services (60.9%)

### TABLE 1  | 2010 Older American’s Act (OAA) Service Provision Structure

<table>
<thead>
<tr>
<th>Services</th>
<th>Provided Directly by AAA</th>
<th>AAA Contracts with Providers</th>
<th>Provided with Funding in Addition to OAA funds</th>
</tr>
</thead>
<tbody>
<tr>
<td>Information and referral/assistance</td>
<td>90.4%</td>
<td>28.5%</td>
<td>44.1%</td>
</tr>
<tr>
<td>Outreach</td>
<td>81.5%</td>
<td>37.6%</td>
<td>32%</td>
</tr>
<tr>
<td>Family Caregiver Support Program</td>
<td>66.9%</td>
<td>59.1%</td>
<td>36.8%</td>
</tr>
<tr>
<td>Ombudsman</td>
<td>58.7%</td>
<td>27.3%</td>
<td>37.7%</td>
</tr>
<tr>
<td>Congregate meals</td>
<td>35.5%</td>
<td>74.9%</td>
<td>50.3%</td>
</tr>
<tr>
<td>Home delivered-meals</td>
<td>34.9%</td>
<td>76.9%</td>
<td>55.6%</td>
</tr>
<tr>
<td>Transportation (medical)</td>
<td>19.4%</td>
<td>67.5%</td>
<td>44.2%</td>
</tr>
<tr>
<td>Transportation (non-medical)</td>
<td>18.8%</td>
<td>77.8%</td>
<td>44.1%</td>
</tr>
<tr>
<td>Legal assistance</td>
<td>11.6%</td>
<td>87.7%</td>
<td>25.5%</td>
</tr>
</tbody>
</table>
Addressing the Realities of the Recession

The current economic reality has further stressed an aging service system that was already feeling the pressure of an increasing older population, years of stagnant public funding and rising costs for supportive health services. As a result of the recession, public resources for aging services are shrinking—at precisely the time they are needed most, both to serve growing numbers of current older Americans and to prepare systems and communities for the arrival of over 73 million baby boomers as senior citizens.

To address reductions in funding, AAAs are employing the dual strategies of revenue enhancement and expenditure reduction. Among survey respondents, over three-fifths (61.4%) explored new funding opportunities available from federal, state, and local governments, foundations and private businesses; and over half focused on new partnerships to maintain, enhance or expand services.

As in previous periods of fiscal constraints, AAAs are trying to maximize services for older persons and caregivers by first absorbing substantial reductions through strategic reorganizational measures and streamlined agency operations. Three-fifths (60.5%) of the AAAs cut budgets in all or some departments and 39% reorganized the agency. These administrative expenditure reductions resulted in:

- increased caseloads (52.7%),
- cut or eliminated business travel (44.1%), and
- cut or eliminated staff training (39.3%).

AAA staffing was also hard hit as a result of the budget crisis:

- over half (50.2%) of the AAAs eliminated or reduced salary increases;
- nearly half (49.3%) reduced staff through attrition, not replacing personnel who left the agency;
- nearly a quarter reduced the total staff hours through conversion from full to part-time status (24.2%) or lay-offs (23.3%); and
- over one-fifth (22.8%) reduced staff benefits.
Clearly, these difficult measures have had an impact, which is reflected in some of the responses to open-end questions at the end of the survey. One AAA respondent stated: *Staff has not received a raise in six years due to reduced funding. God bless them for staying.*

Cost-cutting measures could well be responsible for decreased resources available for the Aging Network’s technology infrastructure, subsequently discussed in the section on single points of entry. Prior to 2008, the AAAs had made significant financial investments to strengthen the technology infrastructure for consumer information and service access and for streamlined operations. It appears that reduced budgets may have resulted in setbacks in this arena with a decrease in the proportion of AAAs actively involved in developing and maintaining electronic systems aimed at supporting consumers, providers and cross-agency activities.

When reductions in consumer services are unavoidable, AAAs seek approaches to maximize support and minimize disruption to currently served older persons.

- Nearly three-fifths (58.7%) instituted waiting lists for new clients.
- 37.4% restricted the number of clients served based on budget levels.

While it is not clear from the data, it is likely that some AAAs had to eliminate programs or services to accommodate these resource limitations.
All is not bleak, however. In spite of these financially-driven changes, this report describes the significant strides made by AAAs in advancing health, long-term services and supports, and consumer access for older persons—progress that clearly attests to the commitment and dynamic capability of the Aging Network.

### TABLE 2 | Proportion of AAAs That Made Specific Changes in Response to the Economic Downturn

<table>
<thead>
<tr>
<th>Expenditure Reduction Strategies</th>
<th>Proportion of AAAs</th>
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</thead>
<tbody>
<tr>
<td><strong>STRATEGIC REORGANIZATION MEASURES</strong></td>
<td></td>
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<tr>
<td>Cut budgets of at least some departments</td>
<td>47.7%</td>
</tr>
<tr>
<td>Cut budgets of all departments</td>
<td>12.8%</td>
</tr>
<tr>
<td>Reorganized the agency</td>
<td>39.0%</td>
</tr>
<tr>
<td>Increased program evaluations to determine where resources can best be allocated</td>
<td>25.3%</td>
</tr>
<tr>
<td>Renegotiated contracts with providers</td>
<td>26.7%</td>
</tr>
<tr>
<td><strong>CHANGES TO OPERATIONS</strong></td>
<td></td>
</tr>
<tr>
<td>Increased caseloads</td>
<td>52.7%</td>
</tr>
<tr>
<td>Cut or eliminated business travel</td>
<td>44.1%</td>
</tr>
<tr>
<td>Cut or eliminated staff training</td>
<td>39.3%</td>
</tr>
<tr>
<td>Expanded consumer-directed options</td>
<td>12.6%</td>
</tr>
<tr>
<td><strong>CHANGES DIRECTLY AFFECTING STAFF</strong></td>
<td></td>
</tr>
<tr>
<td>Eliminated or reduced salary increases</td>
<td>50.2%</td>
</tr>
<tr>
<td>Reduced staff by not replacing those who leave</td>
<td>49.3%</td>
</tr>
<tr>
<td>Reduced total staff hours by converting some positions from full-time to part-time</td>
<td>24.2%</td>
</tr>
<tr>
<td>Reduced total number of staff through layoffs</td>
<td>23.3%</td>
</tr>
<tr>
<td>Reduced staff benefits</td>
<td>22.8%</td>
</tr>
<tr>
<td><strong>CHANGES DIRECTLY AFFECTING CLIENTS</strong></td>
<td></td>
</tr>
<tr>
<td>Instituted waiting lists for at least some services</td>
<td>58.7%</td>
</tr>
<tr>
<td>Eliminated programs (temporarily or permanently)</td>
<td>18.7%</td>
</tr>
<tr>
<td>Eliminated services</td>
<td>14.6%</td>
</tr>
<tr>
<td>Redefined service eligibility</td>
<td>13.0%</td>
</tr>
</tbody>
</table>
Advancing the Service System

Evidence-Based Health Promotion

The Aging Network has a long history of involvement in promoting the health of older Americans, including the provision of nutritious meals, health and nutrition education, a broad array of exercise and fitness programs, and prevention activities such as screenings and vaccinations. The increasing older population, rising costs of health care, scientific advances for measuring health results, and a growing national health consciousness have all converged to set the stage for evidence-based approaches to improve health and promote wellness.

Daily, AAAs witness the effect of chronic health problems and loss of function on the lives and well-being of older persons. Consequently, they have been in the forefront of developing and/or adopting and expanding evidence-based health promotion and disease prevention programs endorsed by the Centers for Disease Control and Prevention and the Administration on Aging. By providing critical tools to improve health, reduce the risk of disease and disability, and manage chronic disease, these programs have been proven to have both an immediate impact on the life of the older person, as well as the potential for significant reductions in health care costs.

- Currently, over four-fifths (82%) of AAAs are involved in implementation of evidence-based programs, an increase of 26.4 percentage points since the prior survey.

- The most frequent, formally recognized, evidence-based programs are:
  - Chronic Disease Self-Management, focusing on health conditions such as diabetes, arthritis and heart conditions, with 82% of AAAs involved, a 13 percentage point increase over the 2008 survey; and
  - A Matter of Balance, a falls prevention program, with 52.1% of AAAs involved, a 15.5 percentage point increase since 2008.

- Other evidence-based programs employed by AAAs include Enhanced Fitness (20.2%), Healthy Eating for Successful Living (11.8%), Enhanced Wellness (9.5%), Healthy Changes (9.2%) and Healthy Moves for Aging Well (9.2%).
In addition to the critical resources available through the OAA for health and prevention services, AAAs also utilize funds from competitive AoA evidence-based disease prevention grants (43.2%), state general revenue (42.5%) and local funding (41.9%), as well as other state resources, charitable donations, and grants from foundations and other federal programs such as Medicare, Medicaid and Veterans Affairs.

To help compensate for limited budgets, 69.4% of AAAs indicated progress made (43.5%) or completed (25.9%) in implementing partnerships to expand such programs, an increase of 11.9 percentage points since the prior survey. To ensure ongoing quality and/or to assess the impact on consumers of evidence-based programs, over half the AAAs (50.6%) made progress or completed an evaluation of their health and wellness programs.

Areas for future development identified by AAAs include: participation in patient-centered medical homes, expanding external resources to support evidence-based programs, and partnering with research organizations to evaluate health programs and/or develop new evidence-based models.
Streamlined, Consumer-Centered Access

Over the last three decades, the Aging Network has been involved in the design, development and expansion of a service delivery system to support the long-term care needs of older Americans and their caregivers. The system, including its public financing options, reflects the complexity that often results from incremental public policy change.

To assist consumers to successfully navigate the maze of options and funding streams, the Aging Network continues to enhance the infrastructure for streamlined, consumer-centered access to information and long-term care services and supports. By establishing on-site and/or virtual single points of entry, AAAs are instrumental in long-term care reform in locations across the country. Through these efforts, AAAs play a pivotal role in helping consumers make informed health and long-term care decisions, and in connecting them to needed services to maintain their independence in their homes and communities.

Models

- Deployment of the Aging and Disability Resource Center (ADRC) as the single point of entry model dramatically increased to 46% of AAAs reporting involvement, up from 8.7% in 2008, a 37.3 percentage point gain. ADRCs are designed to provide “one-stop-shopping” by bringing together an array of information sources, decision-supports, long-term services, and public funding resources for older persons, persons with physical or mental disabilities, and/or other consumer groups.

- Nine and one-half percent (9.5%) of AAAs employ the Aging Resource Center model, which operates similarly to ADRCs but only targets older persons.

- Forty-three percent (43%) of the AAA single point of entry systems coordinate with off-site partners for some eligibility determination and access-related functions, while 6.6% provide them on-site.

- Forty-four percent (44%) of AAAs report use of the “no wrong door” model, which includes a network of partners that serve as consumer access points.
Target Audiences

- The recent survey data show that AAAs increased their involvement in serving as the single point of entry for a range of populations beyond older persons; most notably, all age groups, which increased by 7.7 percentage points, and children 0-17 years, which increased slightly since the prior survey.
- Simultaneously, AAAs report a 12.9 percentage point decline in serving as the point of entry for private pay clients, likely related to constraints on the resources necessary to develop, maintain, or expand such a system.
Streamlined Access Functions

- Nearly three quarters (74.4%) of AAAs have in place or are actively working on providing a seamless intake, assessment and eligibility determination process for consumers, clearly reflecting their priority during a period of budget limitations.
- Unfortunately, the 2010 survey shows that the percent of AAAs that made progress or completed electronic information systems declined in almost every category, ranging from 11.5 to over 22 percentage points, including electronic billing systems, consumer service information, provider information, consumer functional information and cross-agency data consumer systems. Limited resources likely explains the decline, substantiated by the marked increase in the portion of AAAs that would like to, but cannot or do not plan to work on these resource-intensive activities.

**FIGURE 5 | Person-Centered Access to Information (Proportion of AAAs That Have Made Progress or Have These Items in Place)**

<table>
<thead>
<tr>
<th>Service</th>
<th>2008</th>
<th>2010</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providing seamless, assessment, and eligibility determination process</td>
<td>67.0</td>
<td>74.4</td>
</tr>
<tr>
<td>Maintaining electronic billing system</td>
<td>47.7</td>
<td>59.2</td>
</tr>
<tr>
<td>Maintaining an electronic consumer services information system</td>
<td>75.3</td>
<td>91.0</td>
</tr>
<tr>
<td>Maintaining an electronic consumer functional information system (ADLs)</td>
<td>69.1</td>
<td>89.9</td>
</tr>
<tr>
<td>Maintaining an electronic provider information system</td>
<td>67.8</td>
<td>89.9</td>
</tr>
<tr>
<td>Developing a cross-agency data system to share provider information</td>
<td>47.0</td>
<td>55.2</td>
</tr>
<tr>
<td>Developing a cross-agency data system to share consumer information</td>
<td>37.5</td>
<td>51.7</td>
</tr>
<tr>
<td>Developing innovative technology to improve consumer access</td>
<td>38.7</td>
<td>49.7</td>
</tr>
</tbody>
</table>
Enhanced Community Living Options

AAAs assume a broad range of responsibilities to enhance options for successful community living. They may serve, alternately, as educators, catalysts, brokers or advocates to encourage the adoption of policies across the many dimensions of community life that support individuals as they age in place—especially during their most advanced years. AAAs also operate systems that provide essential long-term care services and supports that allow vulnerable populations to live in their residence of choice, most often their own home and community.

Livable Communities

AAAs continue to take steps to develop livable communities for all ages. This complex concept requires extensive collaboration and planning across a broad range of public agencies, private sector organizations and non-profit community groups. Among their many aspects, livable communities call for safe, accessible housing; a range of transportation options for linking individuals to services and the community; opportunities for engagement in civic and volunteer activities; and infrastructure improvements that accommodate an aging population.

The four key areas in which AAAs report progress or having the activity in place include:

- Meeting with public entities to address housing or transportation needs (78%);
- Establishing coalitions with other entities to promote coordination across service sectors and planning departments (66.1%);
- Meeting with private entities to address housing and transportation needs (63.9%); and
- Developing projects to promote aging-in-place (56.1%).
Diversion and Transition Programs

AAAs provide a number of critical services and supports to assist “at risk” older persons to remain in their homes and communities and avoid or delay unnecessary institutionalization. Conversely, AAAs help vulnerable individuals transition back to the community when nursing home placement is no longer needed or desired.

- Nearly 60% of AAAs currently have a program to divert consumers from institutional care—an increase of 32 percentage points since the 2008 survey.
- Nearly 55% of AAAs facilitate transitions from institutional placement to community living.
- It is common for AAAs to operate both types of programs. Over seventy percent of AAAs with diversion programs also facilitate transitions from institutional placement.
### Community Living Program (Formerly Nursing Home Diversion)

- Key AAA institutional diversion strategies include options counseling (80.4% of AAAs); development of partnerships with health care facilities—hospitals, rehabilitation facilities, etc. (71%); and providing supportive decision-making (69.8%).
- Over forty-three percent (43%) of AAAs assess consumers at risk of Medicaid spend-down. The most common actions taken to assist consumers include the provision of options counseling, referral to other publicly-funded services, decision support and referral to other agencies for services.

### Transition Programs

- Common strategies used by AAAs to facilitate transition back to the community are working with the care recipient’s family (87.3%) and reaching out to nursing homes, assisted living facilities and other facilities for referrals (71.2%).
- Over 60% of AAAs also provide additional services, home modification, environmental assessments of homes and intensive case management services.
Consumer/Self-Directed Services

A consumer-directed approach to services moves control and decision-making closer to consumers, offering them more discretion in determining what services are provided, by whom and when. Persons with functional limitations due to disability or chronic illness direct and manage their own services, including hiring and supervising the care provider who could be a family member or friend.

AAAs are instrumental in assessing service needs, determining levels of funding support, and providing regular consultation to facilitate consumer management of the services. AAAs may also have a role in selecting fiscal intermediaries to assist older persons with provider payments, submission of taxes, and other financial issues.

The rapid increase in consumer-directed options indicates that the Aging Network has fully embraced the person-centered concept that builds on its philosophy of promoting independence and empowerment of older persons. Further, AAAs recognize that consumer-directed services often compensate for workforce shortages, especially in rural areas, by engaging family and friends to provide the needed care.

- Over half (51%) of the AAAs offer some consumer-directed options in one or more service programs, whereby consumers can hire and manage their own care worker, develop their own service plan and manage the service budget.

- Among AAAs that offer one or more consumer-directed services, progress was made toward enhancing the various program components.
  - Two of the key elements remained stable or grew slightly: ability to directly hire workers: 86.5%, and ability to hire relatives: 78.6%.
  - Nearly three-quarters (74.2%) of AAAs allow the use of a family member/friend to help manage services, a 12.9 percentage point increase since the prior survey.
  - Sixty-nine percent (69%) of AAAs provide the option for consumers to develop their own service plans.
  - Over three-fifths (61%) of AAAs indicate that consumers have the ability to purchase goods and/or services directly, an 8.6 percentage point increase since the 2008 survey.
In response to the needs of older consumers who often want help managing their care and/or financial payments, AAAs have moved vigorously to offer them such assistance.

- Over three-quarters (77.3%) of AAAs offer the option of utilizing a case manager or care coordinator to assist in planning or managing services, an increase of 29 percentage points since the prior survey.
- Over half (52%) of the AAAs offer consumers access to financial management/fiscal intermediary services, an increase of 18 percentage points since the previous survey.
Among AAAs that offer consumer direction, the services most likely to be offered with that option are the Family Caregiver Support Program (85%—a striking 32 percentage point increase over the earlier survey), personal care (60.1%), respite care (58.1%), and homemaker services (51.7%).

Most (53.8%) consumer-directed programs are small, enrolling between one and 50 consumers, with another 28% having between 51 and 250. Significantly, in the next year, over 45 percent of AAAs expect to increase both the number of services offered and the number of participants in consumer-directed programs.

Even where formal consumer-directed options are not a part of the service program, AAAs are involved in participant-directed activities that offer consumers a voice, choice and control over the services they receive. There are clear gains in nearly every area of involvement since the previous survey.

**FIGURE 9 | Involvement in Self-Direction**
*(Proportion of AAAs that Have Made Progress or Have These Items in Place)*
Making It Happen

Area Agencies on Aging use their basic infrastructure and core funding not only to serve older persons, but also to leverage other resources, create new partnerships, and develop new business opportunities to achieve the vision for older Americans as articulated in the preamble of the OAA.

**AAA Organizational Infrastructure**

The governance structure, budgets, size of staff and populations served by AAAs vary across the country. According to the survey, AAAs indicated the following organizational structures:

- Independent, Non-Profit—42%
- Part of County Government—28.4%
- Part of a Council of Government or Regional Planning & Development Agency—23.4%
- Part of City Government—2%
- Other—4.1%

**TABLE 3 | Organizational Infrastructure**

<table>
<thead>
<tr>
<th></th>
<th>AVERAGE (MEAN)</th>
<th>50TH PERCENT (MEDIAN)</th>
<th>RANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Budget (in millions)</td>
<td>$9.10</td>
<td>$8.90</td>
<td>$4.00</td>
</tr>
<tr>
<td>$167 million</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proportion of budget from OAA</td>
<td>40.2</td>
<td>40.7</td>
<td>35</td>
</tr>
<tr>
<td>Proportion of budget from Medicaid*</td>
<td>21.2</td>
<td>24.5</td>
<td>12</td>
</tr>
<tr>
<td>Proportion of budget for</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contracted Services</td>
<td>50.4</td>
<td>50</td>
<td>50</td>
</tr>
<tr>
<td>Clients served</td>
<td>12,512</td>
<td>9,206</td>
<td>5,248</td>
</tr>
<tr>
<td>Full-time Staff</td>
<td>41</td>
<td>38</td>
<td>22</td>
</tr>
<tr>
<td>Part-time Staff</td>
<td>23</td>
<td>20</td>
<td>6</td>
</tr>
<tr>
<td>Volunteers</td>
<td>187</td>
<td>158</td>
<td>60</td>
</tr>
</tbody>
</table>

*These numbers reflect only those agencies which get at least some portion of their budget from Medicaid.
While all AAAs serve older people, many also serve other target populations. According to the 2010 survey, nearly 60% of AAAs provide support to younger consumers with a disability and more than one-quarter serve Veterans of all ages.

**Leveraging Multiple Funding Sources**

As their scope of responsibilities has evolved, AAAs have leveraged multiple funding sources to meet the health and long-term needs of older persons in their communities. Virtually all AAAs secured funds from sources in addition to the Older Americans Act—with an average of seven sources.

- Over 70% of AAAs received funding from all the following sources: participant contributions, local funding, state general revenue and the State Health Insurance Program (SHIP).
- Other grant funds were secured by over 60% of AAAs, an eight percentage point increase since 2008.
- Of note, over 13% of AAAs received funds from the Department of Housing and Urban Development (HUD) and the Department of Veteran Affairs (VA). While this figure represents only a small percentage of AAAs, there is the opportunity for more to benefit from this support in the future.
Cultivating New Partnerships and Maintaining Community Connections

Since their inception, AAAs have viewed the development and maintenance of community partnerships as fundamental to fulfilling their mission of advocating for and serving older persons. Recent years have witnessed a more systematic approach by AAAs to align relationships squarely with strategic plans and the delivery of health and long-term service and supports. With Federal initiatives emphasizing health and long-term care access, integration and options, AAAs are applying their expertise as catalysts and collaborators to strengthen and expand services to older persons and other groups.

- On average, AAAs have 11 informal and five formal partnerships with other agencies or organizations that serve the older population.
- Over 80% of AAAs have partnerships with transportation agencies, state health insurance assistance programs, advocacy organizations, adult protective services, Medicaid, and various federal programs.
- Over 70% of AAAs have partnerships with emergency preparedness agencies, departments of health and/or behavioral health, public housing, disability service groups and hospitals.
Business Planning: Challenges and Emerging Opportunities

The Aging Network is advancing its role in long-term care and health care systems under challenging economic conditions and unique demographic circumstances with the first wave of the boomers turning 65 in 2011. AAAs are in the precarious situation in which budget cuts are coupled with unprecedented demand for services. Adequate staffing is fundamental for implementing key business strategies. Yet, only 41% of AAAs said they made progress toward or had in place adequate staff to move forward with new initiatives—a decline of 15 percentage points since the 2008 survey and 22 percentage points since 2007 survey.
The figure above shows the proportions of AAAs who have made progress or have in place specific business strategies.

**Private Pay**

An area for significant potential growth for AAAs in business and strategic planning, as well as marketing and outreach, is developing a health and long-term support system for private pay clients. It appears, however, that current financial constraints are influencing the network’s ability to move expeditiously in this arena.

- About one fourth (23.8%) of AAAs indicate they have made progress or have in place some services for private pay clients, a decline of four percentage points since 2008.
Simultaneously, the proportion that indicate that they plan to build a system and provide service to the private pay market increased by 5.4%.

When asked the reasons why the organization is not involved in private pay markets, the AAAs cited most frequently, in the following order:

- inadequate resources (staff, database or system) to work with private pay customers;
- not in line with the organization’s mission, vision and philosophy; and
- lack of knowledge about a private pay system.

**Veteran-Directed Home and Community Based Service Program**

Through a partnership between AoA and Department of Veterans Affairs (VA), an increasing number of AAAs are becoming involved in the Veteran-Directed Home and Community Based Service Program (VDHCBS). In the 2010 survey, 13.1% of AAAs cited the VA as a source of funding and 26.9% indicated that, in addition to older adults, Veterans were served in at least one service.

In the VDHCBS program, the VA purchases a package of consumer-directed services from AAAs to assist eligible Veterans of all ages, who are at risk of nursing home placement, to continue to live independently at home. Applying their expertise in
consumer-directed programs, AAAs provide facilitated assessment and care/service planning, arrange fiscal management services, and provide ongoing options counseling and support to Veterans.

**Patient-Centered Medical Home and Accountable Care Organizations**

The Patient-Centered Medical Home is a model in which individuals maintain an ongoing relationship with a personal physician to provide consumer-centered, comprehensive care. The physician coordinates and arranges care across all elements of the broader health care system, including specialty care, hospitals, home health care, and community services and supports. Such coordination is particularly critical during transitions between sites of care, such as when patients are discharged from the hospital.

According to the 2010 survey 11.1% of AAAs made progress or completed efforts to participate in medical homes with an additional 20.2% planning to get involved. The Aging Network’s experience in diversion and transitions, expertise in client-centered education and decision support, access to home and community-based services and supports, and the availability of evidence-based health and preventive programs, clearly position AAAs as critical partners for local medical home groups and accountable care organizations.

**Training & Technical Assistance Priorities**

The top priority areas identified by AAAs for training and technical assistance reflect the challenges they face—both the current economic conditions and opportunities for future development. The priority topics and percentage of AAAs indicating a need for assistance are:

- Resource Development: 48.8%
- Strategic Planning: 48.8%
- Developing Private Pay Practices: 44%
- Strategic Alliances with Local Healthcare System: 43.3%
- Developing Outcome Measures: 40.2%
Summary

The ever-increasing number of older people, coupled with the impact of the lingering recession on their economic well-being, is resulting in a growing need for assistance among the older population. All the while, AAAs are facing shrinking budgets following years of stagnant funding and increasing demand for services. Simultaneously, health care reform efforts are providing AAAs with new opportunities—requiring time and resources—to partner with the health care industry to realize the vision of a comprehensive and integrated system of care for older persons.

To address funding reductions, AAAs are employing the dual strategies of revenue enhancement and expenditure reduction by exploring new funding opportunities on one hand, while implementing strategic reorganizational measures, streamlined operations and lower staffing costs on the other. Despite the financial challenges, AAAs are making significant strides in advancing evidence-based health promotion and disease prevention programs, long-term services and supports, and consumer-centered access to information and services for older persons—progress that clearly attests to the commitment and dynamic capability of the Aging Network.

True to their mission, AAAs continue to look for new opportunities to expand programs, leverage additional resources, incorporate business and strategic planning practices, and work collaboratively with community partners to broaden and strengthen the nation’s system of home and community-based services, so that every older American can age in place with independence and dignity.
The National Association of Area Agencies on Aging (n4a) is a national membership organization that serves as the leading voice for Area Agencies on Aging and a champion for Title VI Native American aging programs. Through advocacy, training and technical assistance, n4a supports the national network of 629 AAAs and 246 Title VI programs.

Scripps Gerontology Center has as its mission to provide research, education, and services that make a positive difference in the lives of older people, their families, and their communities. It is a national leader in research designed to inform policy and improve practice. As a multi-disciplinary, cross-divisional organization at Miami University, Scripps researchers and affiliated faculty have backgrounds in gerontology, demography, social welfare policy, sociology, economics, human development, psychology, anthropology, and business.