



advocacy | action | answers on aging

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**National Association of
Area Agencies on Aging**

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Nancy Potok
Chief Statistician
Office of Management and Budget
9257 New Executive Office Building
725 17th St. NW, Washington, DC 20006

via electronic submission to www.regulations.gov

Re: Directive No. 14 Consumer Inflation Measures Produced by
Federal Statistical Agencies (OMB-2019-0002)

Dear Ms. Potok:

Thank you for the opportunity to respond to the Office of Management and Budget's (OMB) Request for Comment on the Consumer Inflation Measures Produced by Federal Statistical Agencies and their potential use in the annual adjustment of income measures such as the Official Poverty Measure (OPM). On behalf of the National Association of Area Agencies on Aging (n4a), which represents the country's 622 Area Agencies on Aging (AAAs) and serves as a voice in Washington, DC for the more than 250 Title VI Native American aging programs, n4a strongly urges OMB to reconsider its proposed changes to the inflation measure used to calculate annual adjustments to the OPM.

n4a's members develop, coordinate and deliver local aging programs to help millions of older Americans and their caregivers get the support they need to age successfully at home and in their communities, and these programs and services are often targeted toward the most economically and medically vulnerable older adults in the country. Furthermore, the population that n4a's members serve is growing at an historic rate. Every day, 10,000 boomers turn age 65, or nearly 10 million in the next three years. By 2030, 73 million—or one in five—people in America will be age 65 or older.

Existing estimates under the arguably more accurate Supplemental Poverty Measure demonstrate that the OPM is currently undercounting the number of older adults who are experiencing poverty. According to the SPM, in 2017 more than 14 percent of people age 65 and older were really living in poverty, compared to about 9 percent under the OPM. There may be valid arguments for reassessing the OPM, but because of the potentially out-sized effects

that changes to the OPM could have on the growing population of older adults, we believe the OPM should not be changed without extensive research on the impacts on low-income older adults and their caregivers.

The OMB proposal to change the OPM would reduce year-over-year calculation of total inflation, thereby ensuring that fewer individuals each year fall under the OPM. We believe this would inaccurately categorize even more older adults and caregivers as having incomes above the poverty threshold, even if the reality is that they are living on the economic margins. Over time, this readjusted calculation of the OPM will create significant hardship for millions of older adults who would no longer qualify for the assistance that helps them meet their basic needs and age with health, independence and dignity.

Specifically, n4a urges OMB to evaluate the implications of an OPM change on the people who are currently eligible for programs that follow the poverty guidelines, including low-and middle-income individuals and households requiring the services and supports provided by these programs and whether the resulting changes would accurately identify the populations targeted for, and in need of, these programs.

Numerous federal programs support the basic living standards of millions of older adults and caregivers—as well as the direct-care workforce that provides supports to older adults. The changes to the federal OPM would erode access for economically and medically vulnerable older adults to critical programs including, but not limited to, Medicaid, which currently provides the only guaranteed access to critical long-term services and supports both in the community and in institutions; the Medicare Part D low-income subsidy (“Extra Help”); subsidies for health coverage through the Affordable Care Act Marketplace; the Supplemental Nutrition Assistance Program (SNAP), which serves nearly 4 million low-income seniors; the Low Income Home Energy Assistance Program (LIHEAP); Legal Services; the Senior Community Service Employment Program; and the Foster Grandparent and Senior Companion Programs.

Additionally, we urge OMB to further study the implications that a change to the OPM would have for federal programs that are not means tested. For example, Older Americans Act services and supports are not strictly income-based but could be further strained if fewer older adults receive supports through Medicaid, SNAP or other federal programs.

For these reasons, we urge OMB not to move forward with any of the proposed changes to the inflation measure used to calculate annual adjustments to the OPM.

Sincerely,

A handwritten signature in black ink that reads "Sandy Markwood". The signature is written in a cursive, flowing style.

Sandy Markwood
Chief Executive Officer