



**Association on Aging in New York**

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**Written Testimony of Rebecca Preve  
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**Budget Hearing on Human Services  
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## Association on Aging in New York

Good morning Chairpersons Krueger and Weinstein, Chairs May and Bronson and all the distinguished members of the Senate and Assembly standing committees, my name is Rebecca Preve and I am the Executive Director for the Association on Aging in NY. I appreciate the opportunity to submit written testimony on the topic of aging services in New York State.

The Association on Aging NY is a not for profit membership organization that is tasked with supporting, and enhancing the capacity of New York's county-based Area Agencies on Aging, and works in collaboration with a network of almost 1,200 aging service providers to promote independence, preserve dignity, and advocate on the behalf of aging New Yorkers and their families. In New York State there are 59 county-based Area Agencies on Aging, whom work daily to provide services and supports to older residents and their families.

The mission of the Area Agencies on Aging is shared with New York State Office for the Aging: to assist older New Yorkers and their families to live autonomous and fulfilling lives. We provide a myriad of programs, services and supports to individuals 60 years of age and older, their families, friends, and natural supports to achieve this mission. These include home delivered and congregate meals, case management, personal care services to assist with bathing, toileting, dressing, shopping, meal preparation, legal services, personal emergency response systems, health insurance information and counseling, respite, social adult day services, information and assistance services, nutrition education and counseling, health promotion and wellness, evidenced based interventions, home modifications, transportation, caregiver supports, benefits and application assistance and access to long term services and supports through the NY Connects no wrong door systems reforms.

The older population is the basis for a strong economy in New York State, and in the country. Older residents have a tremendous amount of capital, and contribute significant income to the state. According to the 50+ Longevity Economy, the overall contribution of the 50 plus population economic and unpaid activities was worth more than \$9 trillion in 2018, and will triple to \$28.2 trillion by 2050. In New York, the over 60 population will rise from 3.6 million in 2015 to 5.6 million in 2040, and keeping these individuals in NYS is paramount to our economic success. Individuals over the age of 45 currently generate \$379 billion per year, 63% of all income in the state. The value of the volunteer contribution is over \$13 billion, and the 4.1 million unpaid caregivers are worth \$32 billion dollars per year. This data makes it abundantly clear that NYS must make it a priority to make NY a place where individuals remain as they age. The return on investment, by ensuring we provide appropriate care and support, makes sense from an economic standpoint, and our network provides that assistance.

The structure of the network of aging professionals via the Older Americans Act and NYS statute is structurally designed to assure strong community connections with community based organizations from a variety of systems, county governments, health and long term care systems, law enforcement, the courts and others to represent and advocate for older adults holistically. Our strengths as a network are helping individuals and families first and foremost, but we are also an important part of meeting state goals and priorities including becoming the healthiest state in the country, delivering on the Triple Aim, meeting the *Olmstead* Plan priorities, reducing future Medicaid costs, reducing preventable hospital readmissions and improving the overall well-being of our older population. Our network strengths include:

- Having an established infrastructure/network with experience serving vulnerable populations
- Knowledge of community based provider networks and the ability to access them
- Experience with hospital transitions and evidence based programs
- Cultural and linguistic competence
- Knowledge of community they serve and their varied needs
- Established relationships and trust
- Being nimble and ability to provide services and supports in the home
- Serving clients for life, not episode focused
- Having a holistic approach to support individuals in their homes
- Serving individuals across all care settings
- Acting as the eyes and ears of medical professionals in the home
- Provide one door for many services to support individuals in their homes
- Able to improve the health of the community/people at an incredible value
- Not insurance or product driven

The services and supports that are provided through the Office's for the Aging and their network of almost 1,200 community partners improve overall health and save the state money by reducing higher cost services. The type of customer that is served through the aging networks coordinated array of core services and supports serve high need individuals who are at risk of Medicaid spend-down and nursing home placement. The typical customer who

receive core services are women in their early 80's, who are low-income and live alone, have substantial functional limitations and 4 or more chronic conditions. These are individuals who need a little support to remain independent. One of the primary supports provided to this population helps them with their personal hygiene, bathing, dressing, eating, toileting, transferring, shopping and preparing meals, house cleaning, transportation, doing laundry, self-administering medication and handling personal business. Most of these individuals (60-70%) have four or more chronic conditions such as arthritis, diabetes, high blood pressure, heart disease, osteoporosis and visual impairments.

Our network is able to serve them at a fraction of the cost of Medicaid funded services because we are able to intervene earlier, we do not require a physician's note to access services using a high cost medical model, and because we provide holistic care in a person centered way by coordinated services that we oversee and work with other systems if additional supports are needed. Further, the services we provide don't require an individual to impoverish themselves and spend all their assets, effectively diminishing their positive impact on the local and state economy. Our offices engage four general areas, including

1. Healthy and active older adults who provide a tremendous amount of service through volunteerism. Our programs could not serve nearly the level of people we do without these individual's commitment to those who are more in need.
2. Older adults with small needs or information and assistance needs who can benefit from knowing what benefits they are able to access, what Medicare and insurance plans are best for them, managing their chronic conditions through our evidenced based program offerings, or other programming through our senior/adult centers which help to keep them active and engaged in their community.
3. At risk frail older adults that have extensive chronic conditions and functional impairments whom with a little support are able to avoid Medicaid spend-down and nursing home placement via a coordinates array of supports and case management, thereby maintaining their autonomy and reducing reliance on Medicaid funded care, and
4. Caregiver supports and respite.

This engagement of healthy older adults, down to those most at risk are what the aging network in New York is all about. Clients that are served via our more intensive programs are comprehensively screened across numerous categories to identify any and all needs that they may have, and focus on their strengths and assets and how to leverage those strengths, as well as community partnerships, to provide services in a person centered approach, all while ensuring individuals are able to remain in the least restrictive setting, also providing savings to a costly health care system. Our network is one of the few that can, and does address the social determinates of health, preventing inappropriate utilization of skilled nursing facilities and emergency departments, and preventing spend down to Medicaid. Social determinates of

## Association on Aging in New York

health (individual behaviors and social and environmental factors) are responsible for 60% or more of all health care expenditures, yet interventions to address them comprise only 3% of national health expenditures, with 97% going to medical services. While health care will always be important, the heavy lift to assure that care plans and post-discharge services and supports are in place are the responsibility of our network. We are a central part of the success, or failure of the health care industry and the personal success of individuals and families.

I would like to thank you Assemblyman Bronson, and all members of this committee and the legislature as a whole for supporting the Governors \$15 million proposed investment last year to address the waitlist for services provided by each local office for the aging. Our network, through each AAA, reports waitlist data each year to New York State Office for the Aging and the Association on Aging, in order to identify new and emerging needs and existing needs. As a result of the \$15 million provided in the Enacted 2019-20 budget, Area Agencies on Aging (AAAs) expect to serve 8,400 older New Yorkers -200 hundred more individuals than anticipated. The services being provided include but are not limited to personal care levels I & II, home delivered meals, case management, nutrition counseling, transportation, legal assistance, personal emergency response systems, and home modifications. Services are provided based on the identified needs of each county and have flexibility in how services are delivered. We are thrilled that the \$15 million investment is maintained in this year's Executive Budget Proposal.

While Aging NY recognizes the structural deficit that the state is facing, the 59 AAA's have reported an additional 9,000 individuals who are waiting for services based on SFY 19-20 data. This is due to several factors. First – the relationship between the counties, hospitals, health plans and PPS's is strengthening and as the state is focusing attention on addressing the social determinants of health and developing value based payment arrangements, additional attention to what our network offers and subsequent referrals are increasing. Second, the New York Connects Systems reforms continue to strengthen with more people understanding what it is, and what it offers, thereby increasing the ability of individuals in need to access services. Finally, the population is growing older and both through increased work around supporting caregivers and a growing older adult population means that those who need some assistance are more easily finding their way to our network.

Investing in aging services is a sound investment that has unequivocally proven to reduce future Medicaid costs by reducing unnecessary nursing home admissions and spend-down to community Medicaid/MLTC.

After reviewing more than 2,000 individual case files in the Fall of 2019 of those older adults who were awaiting services but were not receiving them from 2017-2019, 10% of those waiting but not receiving services went directly to a skilled nursing facility and 6% went to community Medicaid/MLTC. Because these individuals are low-income, have a myriad of functional limitations and multiple chronic conditions, they would spend-down to Medicaid almost immediately, costing the state hundreds of millions of dollars. For example, if there were 8,400 individuals on a waiting list and 10% went directly to a nursing home while awaiting services, 840 people would have gone to a facility. Taking the statewide average cost of \$150,000 annually, that would have cost \$126 million in total, or \$63 million in state share. The typical

client we serve can be maintained in their homes and communities at a statewide average of about \$6,300 annually.

While we recognize the tight fiscal environment, we know that not investing in addressing the newer waiting lists will result in additional stress on families and caregivers and clearly on Medicaid. There is other important data that have demonstrated a return on investment through previous BIP innovations pilots.

For example:

1. In Erie County, the Ready, Set, Home pilot embedded NY Connects staff at the local hospital and nursing facilities to provide office for the aging services temporarily as well as care transitions and warm hand offs to MLTC, waiver, and PACE services while awaiting Medicaid authorization. The pilot saved \$3.41 for every \$1.00 invested into the system.
2. In Monroe County, Lifespan of Greater Rochester developed the Community Care Connections Innovation to integrate community based aging services through physicians' offices, with linkage to community services, nursing services, and evidenced based programing. Hospitalizations were decreased by 50% for the first 90 days and 65% over 180 days. The return on investment saved \$4.58 for each \$1.00 invested. The most important services linked to preventable hospital readmissions are from the following services – case management, benefits counseling, health insurance counseling, personal emergency response systems, housekeeping (PCI) and home modifications. All services the aging network provides daily and at the lowest cost.
3. The Selfhelp Active Services for Aging Model in Queens provided benefit and entitlement assistance, wellness programs, health screening, care transitions, and referral to partner agencies showed a 68% reduction in hospitalizations, 53% reduction in emergency department visits, and a 76% reduction in the emergency department for DOPD, CHF, and bacterial pneumonia. The typical cost for a Selfhelp customer was \$1,178.00, while the cost for Medicaid customers was \$5,715.00.

I would like to highlight not only the importance of the work that our network provides, but also some of the areas that need to be addressed in order to ensure New York State can continue to allow older residents to safely age in place.

As highlighted, services provided by the aging network are vitally important to the health and wellbeing of the rapidly aging population, and our ability to serve them is only hindered by our budgets. Funding for many of our core services, in real terms, has remained virtually stagnant for years. Our personal care program specifically impacts individuals that qualify for nursing

home placement and wish to remain in the community. This is a huge savings to the Medicaid system, and these individuals receive limited services due to our funding levels. Looking at data that is collected via our network, it is easy to see why an increase results in a cost savings to the state. For example, the highest risk factors for nursing home placement include having 3 ADL, and 3 IADL deficits, and 3 or more chronic conditions. The network is only able to provide slightly over one hour of case management per month, and less than 5 hours of hands on care per week. An increase in our ability to provide a higher level of service to these customers will absolutely result in more individuals being maintained in the community, and off Medicaid covered services. We ask that you consider the following recommendations for this year's aging budget:

- PROVIDE \$19.5 MILLION TO ADDRESS 2019 REPORTED WAITING LISTS IDENTIFIED BY AREA AGENCIES ON AGING AND THEIR COMMUNITY BASED PARTNERS
- INCREASE FUNDING FOR COMMUNITY SERVICES FOR THE ELDERLY (CSE) by \$53.6 MILLION ANNUALLY WITHOUT THE LOCAL MATCH ON THE ADDITIONAL APPROPRIATION
  - \$10.6 million to provide enhance case management services to individuals meeting skilled nursing facility standards, this would allow us to double the hours monthly, from 1 -2 hours per month, for those with very high needs,
  - \$43 Million to increase the number of personal care assistance hours for bathing, toileting, dressing, feeding etc. from the current average of 4.6 hours per week to 10 hours per week
- INCREASE FUNDING FOR THE HEALTH INSURANCE INFORMATION AND COUNSELING AND ASSISTANCE PROGRAM (HIICAP) - \$3 MILLION
  - \$2.5 MILLION FOR ENHANCED GRANTS TO THE AAA'S TO MEET GROWING DEMAND, AND
  - \$500,000 FOR STIPEND TO INCREASE THE NUMBER AND RETAIN THE CERTIFIED VOLUNTEER CORPS THAT MAKES UP THE BULK OF THE CERTIFIED COUNSELORS
- RESTORE FUNDING FOR LIFESPAN for statewide elder abuse services -\$250,000
- CREATE A HOME CARE INNOVATION FUND - \$3 MILLION

## Association on Aging in New York

- Home care direct care professionals are at a crisis in NYS. The ability to pilot projects aimed to recruit and retain aides could be facilitated through the aging network. Potential work plans could include retention incentives, car rentals, child care assistance etc.

I cannot stress enough how aging service providers are providing a significant cost savings to the Medicaid system but do not receive the attention or stature that they deserve. The clients being serviced via aging services are complex, and at high risk. The local Offices for the Aging and their partners are able to provide quality services and supports to older individuals and their network of caregivers, at a much lower cost than the medical model and it does so looking at the entire person. Investments in aging services are vitally important to the economic security of the state, and they need to be a priority rather than an afterthought. On behalf of the 59 AAAs and our more than 1,200 community based partners, we ask that the Legislature continue to invest in our network and incentivize the network through proactive policy and statutory changes. I thank you for your time and support, and I look forward to working with you on these issues.