



## Association on Aging in New York

272 Broadway  
Albany, NY 12204  
Ph. 518-449-7080  
Fax 518-449-7055  
[www.agingny.org](http://www.agingny.org)

**February 3, 2014**  
**2014-15 Joint Budget Hearing: Health & Medicaid**  
**Senate Finance Committee and Assembly Ways & Means Committee**

*Testimony of*  
**Laura A. Cameron, Executive Director**  
**Association on Aging in New York**

Thank you for the opportunity to provide testimony on the impact of the Executive Budget on senior citizens and aging services programs in New York State. We extend our appreciation to Assembly Member Joan Millman, Chair of the Assembly Aging Committee, and NYSOFA Acting Director Corinda Crossdale, for their leadership and support of programs and services to assist older New Yorkers.

Our Association represents the 59 mostly county-based Area Agencies on Aging (AAAs), also known as Offices for the Aging, throughout New York State. These agencies design, fund, and coordinate programs that maintain seniors in their homes, postponing the need for more medically intensive and costly health care services. The local planning process of AAAs ensures that limited government dollars are utilized effectively and efficiently to deliver the appropriate level of services to seniors.

We are pleased that Governor Cuomo's Executive Budget maintained funding for programs and services provided through the NYS Office for Aging (NYSOFA). At the same time, the ever-expanding senior population coupled with more complex needs of those in the 75+ and 85+ cohorts means that New York's aging services network is straining from the pressure of a growing senior population. Between 2000 and 2010, every county in New York State but one experienced an increase in the 60-plus population.

New York is fourth in the nation in the number of adults 60 and over. The 60-plus cohort (3.7 million people) increased 15% statewide between 2000 and 2010, and that percentage will only increase as the post-war boomer generation continues to age.

The AAAs through NYSOFA administer home and community based non-medical services, such as home delivered meals, in-home care, and case management services to frail elderly persons who are just above Medicaid eligibility guidelines, have multiple health problems, and have lost the ability to perform essential activities of daily living (shopping, bathing, housekeeping) without assistance.

Underfunded AAA programs drive people with long term care needs onto Medicaid sooner because there is so little support for programs and service in non-Medicaid programs like those offered through the New York State Office for Aging and local AAAs. We suggest providing an additional \$26 million in funding for low-cost home and community based services for seniors throughout the state through the Community Services for the Elderly (CSE) program in the budget of the New York State Office for the Aging.

Older New Yorkers want to delay or prevent expensive institutional care, and their independence also benefits New York's economy for two reasons: less is being spent on higher cost institutional care and older New Yorkers are still putting their retirement and savings into New York State's economy.

### **Aid to Localities Budget**

In the Aid to Localities budget, the Executive Budget preserves funding for critical core programs. However, the overall impact of flat funding for even the most flexible of programs coupled with a growing aging population has resulted in reduced services for seniors and longer waiting lists at the local level.

There are nearly 7,000 people on waiting lists for aging services in New York State. It would take at least another \$26 million in Community Services for the Elderly (CSE) funding to meet the current, not to mention the anticipated needs of seniors and caregivers facing eldercare challenges who will soon be contacting their local AAA for assistance.

With an additional \$26 million in CSE funding, local offices for the aging could begin to address the current waiting list and higher priorities within services. In New York State, family and friends contribute 2.68 billion hours of nonmedical care to about 4 million frail low income New Yorkers, care valued at \$32 billion annually. But even with that informal care, thousands of older New Yorkers, who are frail, low income and at risk of spending down to Medicaid, are on a waiting list for aging services that could help them remain independent. We urge the Legislature to provide additional CSE funding.

### **CSE = Flexible Funding for a Wide Range of Services**

#### *Why CSE?*

Community Services for the Elderly (CSE) is flexible funding used by local Area Agencies on Aging and community-based agencies to assess the needs of individuals and address areas of greatest need within communities. The CSE program was designed to improve cooperation and coordination among providers of community services to assist frail people who need help in order to remain in their homes and participate in family and community life. These services help older New Yorkers avoid premature institutionalization in nursing homes.

CSE is the best vehicle to address unmet need due to its flexibility. Some communities may have waiting lists for home delivered meals and social model adult day services, whereas others may need more funding for in-home personal care services and transportation for medical appointments. Yet other areas might have a need for all of the above. CSE enables funding to be targeted to services of greatest need in each community.

The package of services provided through CSE and the cost for these services varies based on the needs of the individual and the geographic areas of the state, but is far less than other forms of care.

### **Intervening Early for At-Risk Individuals**

The New York State Office for the Aging received a Nursing Home Diversion Modernization (NHDM) grant in 2008 and a Community Living Program (CLP) grant in 2009 from the U.S. Administration on Aging. The grants targeted New Yorkers at risk of nursing home placement and the "spend down" to Medicaid and used a consumer directed model of community based care to support seniors so they could maintain their independence and remain in their communities. The State University at Albany evaluated the outcomes of the grant. In both grants, more than 80% of the participants did not enter a nursing home (81% for NHDM and 89% for CLP), demonstrating that lower cost interventions in the community through AAAa can save money and enable individuals to stay at home.

## **Balancing Incentive Program & NY Connects**

The Balancing Incentive Program, or BIP as it's often referred to, was created by the Affordable Care Act of 2010 (Section 10202) and authorizes grants to States to increase access to non-institutional community-based long-term services and supports (LTSS).

BIP enhances the Federal government's matching payments to states that make structural changes to improve access to non-institutional long term services and supports (LTSS) and divert individuals from nursing homes. The enhanced matching payments are tied to a percentage of the state's Medicaid spending, which translates into \$600 million for New York State. The project period is April 1, 2013 to September 30, 2015.

BIP has three primary requirements: a single point of entry/no wrong door for providing objective information and assistance on LTSS, implementing conflict free case management and implementing a core standardized uniform assessment tool.

New York is one of 16 states whose BIP applications have been approved by the Centers for Medicare & Medicaid Services (CMS). Seniors and their caregivers need unbiased information on long term services and supports to help them make decisions on options for care and services

New York State's BIP application was approved by the Centers for Medicare & Medicaid Services (CMS) on March 15, 2013. The application singled out NY Connects as the state's no wrong door/single entry point. The following is an excerpt from the BIP Project Abstract:

*To achieve (the goals of BIP), New York State plans to enhance its existing NY Connects Network, which is operational in 54 counties in the State and acts currently as an information and assistance system for long terms services and supports. Each county has implemented the program adhering to a set of 22 standards while operationalizing based on county determined organizational structure.*

NY Connects is a statewide, locally based point of entry system that provides one stop access to free, objective and comprehensive Information and Assistance on long term care. NY Connects helps consumers identify appropriate levels and types of services to prevent or delay the need for institutional care. In addition it helps to avoid preventable hospitalizations and subsequent costly and unnecessary institutional placements. It is recognized on the federal level as an Aging & Disability Resource Center (ADRC).

The time to invest is *now*. The community-based aging services delivery system must be strengthened to meet the escalating needs of the burgeoning aging population in a manner that is cost effective and maintains independence and dignity. A few dollars spent now can significantly delay, and in some cases prevent, admissions to nursing homes and subsequent Medicaid eligibility.

Area Agencies on Aging are part of the solution. Expanding these programs will make it possible for more New York residents to remain in their homes and communities as they get older. That's good for them – and it's good for New York.