



AARP New York

**Testimony before the
Joint Legislative Budget Committee**
Senate Finance and Assembly Ways and Means

Human Services
February 9, 2016

Legislative Office Building
Albany, New York

Introduction

Good afternoon Senator Young, Assemblyman Farrell, and members of the Committee. My name is Laura Palmer and I am the Associate State Director for AARP in New York. AARP is a membership organization with over 2.6 million members in New York State. I would like to submit the following testimony regarding the Human Services portion of the Executive Budget.

My statement will focus on two basic areas of import to our membership: State Office for the Aging (SOFA)-funded programs and hunger related programs.

New York State Office for the Aging (SOFA)

The Governor's FY 2016-2017 Executive Budget essentially provides level funding for SOFA's non-Medicaid funded home-and-community-based programs for older persons and their family caregivers. These programs are vital for keeping older persons out of taxpayer-funded institutions and are a great value to the millions of caregivers in our state.

Caregivers are the backbone of the long-term care system. According to the New York State Office for the Aging (SOFA), there are approximately 3 million caregivers in New York who provide more than 2.6 billion hours of care to loved ones each year. The annual economic value of this care is \$32 billion dollars.

The proposed flat funding is unfortunate. According to the Association on Aging in New York, which represents county offices for the aging, there is a statewide waiting list of close to 10,000 people seeking non-Medicaid-funded home-and-community-based services through programs such as the Expanded In-home Services for the Elderly Program (EISEP), Senior Transportation Services, and home delivered meals. Many counties do not keep waiting lists, and there are an unknown number of eligible people who are not even aware of these programs.

The number of New Yorkers who would benefit from these services and programs that allow them to stay in their homes and communities, and which can delay or eliminate the need for spending on more expensive Medicaid-funded programs and services, is much greater.

New York State should make an additional investment in non-Medicaid home-and-community-based care that not only assists older persons but their family caregivers as well. New York State's lack of commitment to older residents and their caregivers comes at the wrong time; as our population ages, leaving fewer caregivers to care for more frail elderly.

A recent survey conducted by AARP shows that the majority of New York State voters aged 50 and over would prefer to receive long-term care services at home rather than in a long-term care facility. We believe the poll shows strong support for New York to make an investment in home-and-community-based services that not only help seniors to age in place, but keep them out of expensive Medicaid-funded nursing homes.

- 1) AARP Recommendation: The budget should include a \$25 million investment for SOFA to eliminate these waiting lists through the Community Services for the Elderly program line.**

- 2) AARP Recommendation: The budget should include a \$30 million investment in the SOFA Respite program line to provide services to caregivers in need and in crisis situations while trying to help their loved ones to age in place and in the community.**

NORCS

The Governor's 2016-2017 Executive Budget provides level funding for NORCs (Naturally Occurring Retirement Communities) and Neighborhood NORCs (NNORCs) to the SFY 2015-2016 budget, each at \$2,027,500. While we are grateful that this funding stream has been maintained, we are very concerned with new language that intends to recapture \$951,000 from program funding for the state.

The new language specifies that the existing, successful NORCs and NNORCs that are out of compliance with outdated demographic and density requirements in the current elder law (subdivision 1, section 209) will have contracts terminated at their next renewal date (July 1, 2016 or January 1, 2017). This is estimated to affect nearly half of the 33 state-funded NORC and NNORC programs throughout New York.

AARP agrees that state funds should only be provided to successful and effective NORC and NNORC programs. However, the compliance issues in this case are dictated by residency requirements in the current elder law, which have not been re-examined in the last 20 years. Instead of taking funds from existing NORC and NNORC services, there should be a focus on meeting the needs of an ever-growing and aging population.

As New Yorkers age, an increasing number of residents will require the special health and social services facilitated by NORCs and NNORCs. These vital programs and resources allow New Yorkers to age in place, thrive in their communities, and avoid unnecessary hospitalization or nursing home placement.

3) AARP Recommendation

The new language in the Executive Budget terminating contracts with effective programs should be excluded from a final budget. However, there should be a review of the NORC statute including a review of program demographic and

density requirements. In addition, AARP recommends a \$9 million appropriation to better serve this vulnerable population.

Hunger Programs

Of the 50 million Americans who face the threat of hunger, nearly nine million are over the age of 50. According to the AARP Foundation, more than 7% of these older Americans who are at risk of hunger reside in New York State. Many low-income older adults have to make the difficult choice between paying for medications and housing costs or putting nutritious food on the table. Research from the Food Bank for New York City finds that more than 15% of New York City residents aged 50 and over paid for rent instead of food, and more than 15% also reported paying for medications and health care costs instead of food.

It is estimated that three out of every five seniors facing hunger are women, and African Americans and Hispanics are twice as likely to face hunger threats than Caucasians are. In 2011, food insecurity rates for African Americans and Hispanics in the US were 25.1% and 26.2%, respectively, compared with the national average of 14.7%. A State Profile of Food Insecurity for Seniors revealed similar disparities among older New Yorkers: food insecurity rates for older African American New Yorkers and older Hispanic adults were 12.7% and 14.3%, respectively, while the food insecurity rate for the general population of older New York adults was 3.7%.

Many older adults in New York are on fixed incomes and rely on Social Security benefits as the main source of their monthly income. The typical older adult receives just over \$1,200 per month in Social Security benefits. In New York State, 22.6% of Social Security recipients rely on Social Security for 90% or more of their income, and 47.6% rely on Social Security for 50% or more of their income. Seniors use their limited dollars to pay for housing expenses, health care, utility bills, groceries, and other daily needs.

A report issued by Assembly Hispanic Task Force last May found some alarming statistics that showed the Latino elderly have the highest poverty rates of all elderly ethnic/racial groups in our state, and they join Latino children who have the unenviable distinction of having the highest poverty rates of all our residents. AARP recommends that the Legislature take a close look at this report and its findings as the budget process continues and decisions on resources are made to combat hunger. This trend must be stopped as well as all hunger in our state.

The Governor is calling for \$25 million in new funding to expand his anti-poverty initiative begun in 2015. It is our understanding the planning grants totaling \$5 million will be available in ten communities with high concentrations of poverty. In addition, \$20 million will be available for grants to match private sector and foundation funding. The Governor also is recommending \$22.5 million for emergency food to maintain last year's funding increase through 2020 and an additional \$250,000 in funding for the Child and Adult Care Food Program to maximize federal funds that subsidize healthy meals served in child care programs and adult day centers.

The Governor is also recommending raising the Gross Income Test level to 150 percent of poverty for all households with earned income—a move the Governor states will extend eligibility to an estimated 750,000 households currently not participating in SNAP. In addition, the Governor will also drive SNAP enrollment by building on the state's Nutrition Outreach and Education Program, through coordinated efforts with local State Offices for the Aging and the Office for New Americans, agencies that work most closely with groups that have particularly low rates of participation in federal nutrition programs.

4) AARP Recommendation

AARP supports the Governor's hunger initiatives that include new funding and extending eligibility to access SNAP. Additionally, we recommend the Legislature take a close look at the Assembly Hispanic Task Force report and its findings as the budget process continues and decisions on resources are made to combat hunger. This trend must be stopped as well as all hunger in our state.

Conclusion

Thank you again for allowing AARP to testify regarding the Human Services Budget in New York State. The programs I have highlighted will not only help thousands of New Yorkers and their families, but will undoubtedly save taxpayer money, now and in the future.

