



## **Association on Aging in New York**

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### **Association on Aging in New York Testimony**

**Human Services Budget Hearing**

**February 8, 2017**

Thank you for the opportunity to provide testimony on the impact of the 2017-18 Executive Budget on senior citizens and aging services programs in New York State. My name is Tim Nichols and I am the Executive Director for the Association on Aging in New York. On behalf of the Association I would like to first thank you Senator Young and Assemblyman Farrell for co-chairing these important public hearings and for your time today. I would also like to extend our sincere gratitude to Senator Sue Serino, Chair of the Senate Aging Committee for her leadership on aging issues in New York State over the last few years. It is deeply appreciated. Please allow me to extend our sincere congratulations to Assemblymember Donna Lupardo upon her appointment as Chair of the Assembly Aging Committee. She has already hit the ground running and we very much look forward to working with Assemblymember Lupardo in her new role.

#### **OVERVIEW**

Our Association represents the 59 mostly county-based Area Agencies on Aging (AAAs), also known as the Offices for the Aging, throughout New York State. These agencies design, fund, and coordinate programs that maintain seniors in their homes to help delay and possibly prevent the need for more medically intensive and costly health care services. The local planning process of AAAs ensures that government dollars are utilized effectively and efficiently to meet the needs of seniors in their communities. For example, the SOFA Community Living Program Grant yielded exceptional results for participants; 89% of participants did not enter a nursing home during the program, and the actual monthly cost for all 114 participants was \$253,764 compared to \$788,538 had these individuals spent down to Medicaid and either entered a nursing home or received home care.

The ever-expanding 60+ population coupled with more complex needs of those in the 75+ and 85+ cohort has put a strain on New York's aging services network. In 2015, 20 percent (3.7 million) of NYS residents were 60+ years old for the first time in history, and due to longer life expectancies and the aging baby boom generation, this "age wave" will accelerate throughout the next three decades. By 2025, 51 counties will have 25% or more

of their population over the age of 60. With more people living longer than ever before, New York State faces both an immense challenge and an opportunity.

The aging services structure in New York has remained relatively unchanged since the Older Americans Act was enacted in 1965. The Older Americans Act provides funds to states primarily for care and services for the 60+ population, but the aging network's portfolio has expanded to assist other populations. Currently, \$207 million in State and Federal funding leverages an additional \$235 million in resources from local government, private fundraising, participant contributions, and cost-sharing for aging services. The NYS Office for the Aging partners with 59 local AAAs that contract with more than 1,200 local organizations to deliver cost-effective aging services (non-clinical long-term services and supports) to at-risk older adults.

Over the last decade, funding has been static for non-Medicaid programs that serve older New Yorkers such as those provided through AAAs. The result: New Yorkers with long-term care needs end up on a waiting list for services such as home delivered meals, social adult day, transportation, and case management from AAAs and their subcontractors. The increase in the older adult population, coupled with health care delivery changes including the expansion of NY Connects into a fully functioning No Wrong Door (NWD) system, requires the aging services network to modernize to meet increasing demand. This network also requires infrastructure investments to ensure that the increasing number of older New Yorkers receive the services they need to remain independent through community-based services such as transportation, personal home care, home delivered meals, case management, and caregiver support. **We again thank the Legislature for your support in adding funding for these vital programs in the 2016-17 Enacted Budget.** Last year, the Association on Aging in New York, along with our colleagues LiveOn NY and Lifespan, developed a \$177 million multi-year plan to modernize long term services and supports for older New Yorkers, such as was done for the health care sector through Medicaid Redesign. The aging network's community-based services allow New Yorkers to preserve their independence, delay nursing home admissions. The plan's major components included proposals to increase funding for NY Connects by \$28 million, increase funding for Community Services for the Elderly including transportation, adult day services, in-home care, personal emergency response systems and other programs and services by \$24 million, and \$25 million for the New York Elderly caregiver support program. Additional funding for address Elder Abuse, Targeted EISEP and proposals for addressing the home care worker services were included in our report's recommendation.

Unfortunately the proposed 2017-18 Executive Budget proposes significant and alarming changes in funding and in program oversight of programs and services for older New Yorkers totaling cuts or cost shifts of \$13 million. This budget proposal makes it very difficult to work toward a more progressive approach to confronting the challenges New York faces in addressing the needs we outlined in the “Modernizing Long Term Care Services and Supports for Older New Yorkers” report that stresses investments in critical programs and services and support for the state agency best suited to ensure that these programs are implemented, which is the State Office for the Aging’s budget.

We therefore urge the Senate and Assembly to make the following changes to the proposed 2017-18 Executive Budget:

**COMMUNITY SERVICES FOR THE ELDERLY (CSE ): We urge the Senate and the Assembly to reinstate the 25 percent county share exemption.** Removal of the 25 percent waiver is a cost shift to local governments who are already constrained under the property tax cap. This could result in the inability to accept the additional CSE dollars that were enacted in over the past few years and result in fewer older New Yorkers receiving vital services.

The Executive also proposes to move the \$1,121,000 from the transportation line to the CSE line which would subject all of that funding to the local (county) match, putting these critical services in jeopardy. We would not object to consolidating this line into CSE if the local match waiver was reinstated. Should that not happen, the transportation line should remain separate.

There are already over 15,000 older adults statewide on waiting lists for critical community based aging services. Because lengthy waiting lists already exist and will grow as a result of demand generated by both an increased aging population and the expansion of NY Connects/NWD, it is egregious that the budget proposes cuts and cost shifts that put funding for vital services that our seniors rely on, in serious jeopardy.

**NY CONNECTS: We urge the Senate and Assembly to reject moving \$3.35 million in NY Connects funding from the State Office for the Aging to the Department of Health.**

This critical program has served millions of New Yorkers all across the State. By providing independent, unbiased information to older New Yorkers and their caregivers. The executive’s budget proposal, shifts support for NY Connects to the Federal Balancing Incentive Program grant and Medicaid Global Cap. This shift removes NY Connects from the State Office for the Aging (SOFA) budget and puts it under the Department of Health (DOH) under the Balance Incentive Program (BIP) and under the Global Medicaid Cap. The \$3.35 million is not actually lined-out or allocated in the Medicaid Global Cap



so nothing in the law requires this funding to go to NY Connects. This is potentially devastating to a 10-year old program that has served tens of thousands of older New Yorkers, their families and caregivers.

**ELDER ABUSE: We urge the Senate and Assembly to reject the proposed \$700,000 cut in funding for Elder Abuse services.**

Elder abuse affects an estimated 260,000 older adults annually, and is an underreported crime, with only 1 out of 24 cases reported to the authorities. It is very encouraging that legislation is included in the Executive Budget proposal to address financial exploitation of vulnerable adults is costing the state of New York upwards of \$1.5 billion annually, an issue that we have been advocating for several years. However, were very discouraged that \$700,000 in funding for elder abuse victims' services and for the expansion of Enhanced Multi-Disciplinary Teams (EMDTs) was cut from the State Office for the Aging budget. We support the Governor's proposal for a new program to combat financial exploitation by assisting banks in identifying signs of financial exploitation; however, proposed \$700,000 in cuts to current Elder Abuse prevention programs need to be restored and we urge the Governor and Legislature to provide funding to ensure new programs addressing financial exploitation be adequately funded with new dollars.

**TITLE XX: We urge the Senate and Assembly to reject removing Title XX Discretionary Funding under the Office of Children and Family Services.**

New York receives \$98 million in annual Federal Title XX funding that is allocated to counties. Of this amount, \$66 million is set aside for adult protective and Domestic Violence Services, \$5 million supports training activities for county and State staff, and \$27 million for all other services, which counties can use at their discretion to fund certain services. The Budget would require \$27 million for all other services to be used for Child Care subsidy costs, enabling the State to maintain the current level of child care subsidies while reducing General Fund costs for the program.

Federal Title XX funds have been used to support senior centers in New York City for many years. Under the Executive Budget proposal, New York City will lose \$17 million in Title XX funds, forcing 65 senior centers to close in virtually every Senate and Assembly district. This represents almost 30% of our Neighborhood Senior Centers. 6,000 senior per day would lose their local senior services center and loss access to vital nutrition, socialization and health promotion activities. An estimated 1.5 million meals per year would be lost and some 24,000 of lost hours of case work assistance for benefits housing and other needs.

**DIRECT CARE WORKERS: We urge the Senate and Assembly to reject the proposed \$7.4 million in cuts for Direct Care Worker COLAs.**

The Executive Budget proposes to cut \$7.4 million in Direct Care worker funding due to the lack of utilization of this cost of living adjustment.

Funding was enacted in 2015 to provide a wage increase targeted to direct care workers and direct service providers. The New York State Department of Health (DOH) and Office for the Aging (SOFA) providers have not adopted this COLA as anticipated, citing complexity of identifying the targeted workers. The complexity of the requirements made this funding very difficult to use; however, we strongly disagree that it should be cut and instead reallocated so that agencies can utilize this funding to support their workers. Further, the state must evaluate how much of the funding from the \$7.4 million was actually utilized before instituting a blanket cut.

**AFFORDABLE SENIOR HOUSING:**

We applaud Governor Cuomo's proposal to invest \$125 million in capital funding over five years for affordable housing for seniors.

**HEALTH CARE REGULATION MODERNIZATION TEAM: Support with changes**

The Executive Budget proposes to establish a multi-stakeholder work group and process for the purpose of recommending ways to modernize the health care regulatory framework. However, this proposal does not include the Office for the Aging (SOFA) and urge it be included in this workgroup.

**Conclusion**

The needs of older New Yorkers is not going away but in fact are ever increasing.

Unfortunately, the 2017-18 Executive Budget proposals include many cuts to essential programs, cost shifting to county governments and moving vital program oversight to other agencies without the expertise in providing targeted programs and services to older New Yorkers. New York State can no longer ignore the rapidly growing numbers of older New Yorkers. The Association on Aging in New York remains committed to working with the Governor and the Legislature to find ways to meet this crucial challenge in addressing the needs of our aging population. Thank you.

