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Association on Aging in New York

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2015-16 Joint Budget Hearing: Human Services
Senate Finance Committee and Assembly Ways & Means Committee

Testimony of
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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 NYSOFA Director Corinda Crossdale for her leadership in the support of programs and services designed to help New Yorkers age in place. We congratulate Senator Sue Serino for her appointment as Chair of the Senate Aging Committee.

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, postponing 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.

We are pleased Governor Cuomo's 2015-16 Executive Budget increases funding for programs and services provided through the NYS Office for Aging (NYSOFA). The Executive Budget also includes last year's \$5 million Legislative add for the Community Services for the Elderly (CSE) program and increases the COLA Cost of Living Adjustment for three aging programs: Community Services for the Elderly (CSE), Expanded In-home Services for the Elderly (EISEP) and Wellness In Nutrition (WIN). The budget provides \$7.4 million for a Cost of Living Adjustment.

The ever-expanding senior population coupled with more complex needs of those in the 75+ and 85+ cohorts has put a strain on New York's aging services network, so all the increased funding is a welcome development for our aging offices as well as for other community-based organizations that help provide long term services and supports alongside local aging offices.

The 2010 U.S Census indicated 3.7 million New Yorkers over the age of 60, and that number is only expected to grow and put even more strain on the network.

Over the last decade, funding has been static for pre-Medicaid programs like those provided through offices for the aging. The result is: New Yorkers with long term care needs end up on a waiting list for aging services from AAAs and their subcontractors. And the spend down to Medicaid accelerates.

Positive Developments in the Executive Budget

There are several positive developments in the Governor's Budget, as follows.

New York State Office for the Aging

The Governor has acknowledged the value of our Community Services for the Elderly (CSE) program including the \$5 million that the Legislature added in last year's SFY 2014-15 Budget.

The Governor provided \$7.4 million for a Cost of Living Adjustment (COLA) for three aging programs: CSE, EISEP and WIN. This is a very positive development because flat funding for many aging programs coupled with a growing aging population has had a negative impact on the ability of our offices for aging to meet demand.

Department of Health

In the Department of Health Budget, the Governor provided \$8.2 million in sustainability funding for NY Connects, New York's federally designated No Wrong Door for information on long term services and supports. The Executive Budget also recommends \$18.1 million for SFY 2016-17. This is a strong commitment to maintain ongoing operational support for the NY Connects program when the BIP federal grant ends on September 30, 2015.

Additional CSE Funding Needed for Unmet Demand

The Executive Budget is a positive step in addressing the unmet demand for services. To continue to address the demand for non-Medicaid aging services, we ask the Legislature to provide an additional \$21 million for Community Services for the Elderly.

The additional \$21 million would go a long way toward helping offices for the aging address the current waiting list and higher priorities within programs. A Fall of 2014 survey conducted by the Association on Aging in New York reflected 7,600 New Yorkers on waiting lists for aging services provided by local offices for the aging. 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. Even with 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.

Why CSE? Answer: flexible funding for a wide range of services

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.

Social Determinants

As we move from a fee-for-service system of health care to an outcomes-based system of health care, we're discovering the role social determinants play in health outcomes. Social determinants of health are the circumstances in which people are born, grow up, live, work, and age, as well as the systems put in place to deal with illness.

Social determinants impact functional status, health care utilization and costs and long-term care costs. Community Services for the Elderly (CSE) provides access to good nutrition, assisted transportation, in-home personal care, socialization, case management, all of which address social factors.

Older New Yorkers want to delay or prevent expensive institutional care, as does New York State. Senior independence 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.

At last count more than 7,600 frail and at-risk older New Yorkers were waiting for services due to limited funding. That number will surely grow with the State's plan to promote access through NY Connects, the State's No Wrong Door for information on long term services and supports.

Expanding office for the aging programs, especially by investing \$21 million more in Community Services for the Elderly, will make it possible for more New York residents to remain in their homes and communities as they grow older.

NY Connects: New York's No Wrong Door (NWD) for Long Term Services and Supports

NY Connects is New York's no wrong door/single point of entry system that provides one stop access to free objective and comprehensive information and assistance on accessing long term care services and supports. NY Connects is mostly operated by offices for the aging.

In 2013, the State was awarded a federal grant from CMS. As part of the Balancing Incentive Program (BIP), NY Connects was designated as the "No Wrong Door (NWD)" for providing information and assistance for long term services and supports. As part of the BIP grant, NY Connects will receive approximately \$28 million statewide to add infrastructure to comply with revised operating standards to meet the requirements of NWD. The grant funds end on September 30 of this year, hence the need for funds to sustain the program beyond that date. The Executive Budget provides additional funding through the Medicaid program in the Department of Health to maintain ongoing operational support to the NY Connects program and the "No Wrong Door" initiative. The Budget includes funding of \$8.2 million in 2015-16 and \$18.1 million in 2016-17. Including sustainability funds is essential to the future visibility of the program.

Background on the Balancing Incentive Program (BIP)

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 identified NY Connects as the state's no wrong door/single entry point.

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 also recognized by the U.S. Administration for Community Living as an Aging & Disability Resource Center (ADRC).

Education & Technical Assistance

Our Association appreciates the Governor's investment in the Aging Network with the inclusion of \$250,000 in his Executive Budget again this year for education. Funds designated for training, education, and technical assistance to the area agencies on aging and aging service contractors staff for professional development is invaluable, especially as we move toward a health care delivery system that looks to integrate community based care with managed care. Providing consistent in-depth education and technical assistance for the AAAs and aging service contractors is essential for new Directors and Commissioners and the network as a whole.

Intervening Early for Frail Seniors

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 AAAs can save money and enable individuals to stay at home.

Invest in Community Services for the Elderly (CSE)

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 the "spend-down" to Medicaid.

Area Agencies on Aging are part of the solution. Enhancing long term services and supports through an additional \$21 million in the CSE program 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.