



**Association on Aging in New York**

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Written Testimony of Rebecca Preve  
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2023 Human Services Budget Hearing

Hello distinguished members of the Senate and Assembly, my name is Rebecca Preve and I am the Executive Director for the AgingNY. I appreciate the opportunity to submit written testimony related to the proposed Executive Budget for Aging Services.

AgingNY 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. As you are aware, the population of older residents in NYS is rapidly growing, as is the demand for services. The COVID-19 pandemic severely impacted the older population, and the need for aging services has substantially increased, without an adequate revenue or resources to support the over 4.6 million individuals over the age of 60.

On behalf of the 59 Area Agencies on Aging, we are shocked that the proposed budget does not include any investments to the New York State Office for the Aging (NYSOFA). In fact, the budget continues to harm aging services providers, specifically regarding home care services. Our network contracts with the same licensed home care agencies as Medicaid and pay for the service with funding from NYSOFA. However, unlike Medicaid, the network did not receive any funding to support the increase, and therefore are forced to cut our home care service hours, meaning thousands of older adults are left without home care creating a tremendous burden on family caregivers. Additionally, home care services via the network serve individuals that qualify for nursing home placement, and we keep them in homes and communities for less than \$10,000 per year. We know from our own data that 10% of older individuals on our waiting lists go directly to a skilled nursing facility, while another 7% impoverish themselves to receive Medicaid covered services. We currently have almost 10,000 older New Yorkers on waiting lists for services. The cost to the Medicaid system on the 10% that will be forced into a facility is over \$70 million. The state has identified the need to control Medicaid costs yet fails to invest in a system that is proven to do so.

Additionally, the proposed Executive Budget completely disregards the rising cost of inflation that has severely impacted the largest nutrition program in the country, ours. Data from a 2021 OAA survey of home delivered meal participants indicated that 89% of participants in the home delivered meal program self-reported home delivered meals allowed them to remain in their own home. However, the cost of raw food, transportation, and workforce has substantially increased, along with an increase in the older population. Inflation, coupled with the loss of the federal disaster relief funding, has put older adults in New York at high risk of losing access to food, transportation, home care and other vital services. The fact that in this proposed budget, funding was doubled for the Master Plan on Aging, which is a planning committee, yet funding for basic needs of older adults was not increased, is extremely disappointing. Without an increase in funding, we will continue to be forced to cut services and place individuals on waiting lists as our funding cannot support the needs of the population. These issues impact every area of New York State, with thousands of vulnerable individuals left unserved.

We are extremely concerned and confused by the DOH proposal to spend \$2.1 million to send care teams to the homes of older adults. The local offices for the aging and their 1,200 subcontractors know the older adults in their communities and are already addressing these issues. Instead of creating a new program that is potentially duplicative, that \$2.1 million should be invested in the NYSOFA budget for direct services and supports provided by the aging network.

With respect to increasing the minimum wage, this increase will continue to decimate an already fractured home care service infrastructure. Home care workers are worth far more than minimum wage, and without full funding for Fair Pay for Home Care, this crisis will continue. The \$3 rate increase has worsened the aide crisis, as funding in Medicaid for the increase was distributed to MLTC plans, that have not passed the funding to providers. Now many licensed home care agencies are facing closure, further restricting access to care. The proposed budget does not include funding for the mandated additional \$1 rate increase for October 1, 2023, and therefore home care services will be drastically reduced, as this is an unfunded mandate for aging services.

We respectfully request the following adjustments to the proposed budget:

### **Community Services for the Elderly**

\$38.6 million - \$29.1 million to continue to provide for those currently receiving aging services; \$9.5 million to address the unmet needs of older adults currently waiting to receive services such as home delivered meals (M-F), transportation, legal services, case management, home modifications, and respite.

### **Home Care**

\$37 million for home care services - \$7 million to address the mandated rate increase for home care workers that was not covered by the State as was done for MLTC plans for Medicaid providers; \$30 million for non-Medicaid personal care services. This funding would allow the network to increase home care hours to mirror Medicaid covered authorizations and provide the mandated rate increase for direct care workers.

Fully Fund Fair Pay for Home Care to ensure a robust home care workforce

### **Elder Abuse funding**

\$375,000 to restore the cut to Lifespan's Elder Abuse program

### **Citymeals**

\$2 million to continue to provide meals to homebound older adults on weekends, holidays and during emergencies

**Long Term Care Ombudsmen**

\$15 million (Executive Budget- DOH \$2.5m for LTCOP can be moved to SOFA)

**NORC program**

\$2.5 million

**Increase the Human Services COLA from 2.5% to 8.5%**

**Health Care Worker Bonus**

In last year's budget, the worker bonus program included the State Office for the Aging in the statute, however, when the state guidance came out, NYSOFA programs were not permitted to participate. We request the guidance be changed to follow the statute.

**Recalibrate Executive Budget Proposals**

**DOH to SOFA**

- Move \$2.5 million for the DOH Long Term Care Ombudsmen appropriation to SOFA's Long Term Care Ombudsmen longstanding appropriation and program
- Move \$2.1 million from the DOH care teams to the homes of older adults. Instead of creating a new program that is potentially duplicative, that appropriation should be invested in the NYSOFA budget for direct services and supports.

## Background and Information on Aging Services in New York State

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 4.6 million today to 5.6 million by 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 their volunteering and civic engagement is over \$13 billion annually, and the 4.1 million unpaid caregivers, who provide the bulk of the nation's long-term care, if paid for at the market rate 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. Older NYers contribute to federal and state tax payments, support small businesses, and contribute enormously to the local economy.

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 Offices for the Aging and their network of almost 1,200 community partners improve overall health and save the state money by reducing the utilization of 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 customers who receive core services are primarily:

- women in their early 80s
- low-income
- live alone
- have substantial functional limitations (needing assistance with personal hygiene, bathing, dressing, eating, toileting, transferring, shopping and preparing meals, house cleaning, and transportation, doing laundry, self-administering medication and handling personal business)
- have 4 or more chronic conditions (arthritis, diabetes, high blood pressure, heart disease, osteoporosis and visual impairments.).

These are all individuals that can remain independent for years with some support from their local offices for the aging.

Our network can 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 order to access services in a high-cost medical model, and because we provide holistic care in a person-centered way by coordinating 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 a need for information and assistance, can learn about 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 who have extensive chronic conditions and functional impairments can be provided with a little support, are able to avoid Medicaid spend-down and nursing home placement via a coordinated 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 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.

Funding to support our long-term care services, specifically for hands on care for the most vulnerable is a combination of Federal, State, and County funding that has not kept pace with the needs of our aging population. New York is currently fourth in nation for population over the age of 60 at 4.6 million, with anticipated growth to 5.3 million in less than ten years. Additionally, 1 in 5 older resident's lives with a disability, and data shows that 70% of individuals over the age of 65 will need some form of long-term care services. This data all highlights the significant need for individuals to be supported in homes and communities, and the only way to control costs to the health care system is to invest in preventative services. As highlighted, the aging services network serves older residents that are not enrolled in Medicaid at a fraction of the cost. These individuals have the same chronic conditions and need assistance with many basic tasks; however, we can keep them in homes and communities for less than \$10,000 per year. The cost benefit to Medicaid, and health systems, is paramount in cost containment for NYS, and it is imperative that funding to support older residents and their families keeps pace with the need. As noted, the value of the older population to the state cannot be overlooked, and the state needs to support those older residents that need care.

Unfortunately, the value of these services has been generally overlooked and underfunded. In addition to those that are waiting for services, we are serving thousands of individuals with home care services not funded under Medicaid. The recent legislation mandating a \$2 rate increase as of October 1, 2022, did not consider the need for additional revenue in NYSOFA's budget to absorb the cost, as we use the same provider network for home health aides. It is imperative that this oversight is rectified, and that revenue for the additional \$1 rate increase in 2023 is included. This oversight is concerning as these services are data driven as cost saving yet fail to receive funding to support.

The 59 AAAs continue to report thousands of individuals who are waiting for services right now. This is due to several factors. First – the relationship between the counties, hospitals, health plans and health systems is strengthening and as the state is focusing attention on addressing the social determinants and developing value-based payment arrangements, additional attention to what our network offers and subsequent referrals are increasing. Second, the New York Connects System is doing exactly what it was built to do, connecting individuals to programs and 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 NYSOFA administered services is a sound investment that has unequivocally proven to reduce future Medicaid costs by reducing 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 10,000 individuals on a waiting list and 10% went directly to a nursing home while awaiting services, 1,000 people would have gone to a facility. Taking the statewide average cost of \$150,000 annually, that would have cost \$150 million in total or 50% \$75 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 difficult fiscal environment, we know that not investing in addressing the current waiting lists will result in additional stress on families and caregivers and clearly put more individuals into the more costly Medicaid system. Additionally, data has clearly demonstrated the return on investment for the State, as highlighted below:



- 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.
- 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.
- In Queens, the Selfhelp Active Services for Aging Model 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.

Additionally, the aging services network has focused on the impact of caregiving, and the importance of supporting caregivers. A statewide AnyCare Counts campaign is currently in process, and the results are staggering. Any Care Counts – New York.' Is a state-wide public/private partnership designed to increase recognition, awareness, and support of unpaid caregivers across New York State. This partnership is a collaboration between The New York State Office for the Aging, Association on Aging NY, and ARCHANGELS – an impact start-up dedicated to supporting unpaid caregivers- and is sponsored in part by the Ralph C. Wilson Jr. Foundation. ARCHANGELS' Any Care Counts campaigns are designed to navigate caregivers to existing resources and were recently recognized in the RAISE Act State Policy Roadmap for Family Caregivers and the RAISE Act 2022 National Strategy as promising programs to increase awareness of services and support available to unpaid caregivers.

In just over 2 months, the Any Care Counts – NY effort has reached over 155,000 New Yorkers through an awareness campaign, with participation from 100% of counties. Over 2,700 surveys were conducted, showing almost 30% of respondents were in the “red”, meaning they are dealing with at least one mental health impact, including but not limited to suicidal ideation.

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.

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 older adults being serviced via aging services are complex, and high risk. The Offices for the Aging and their partners can 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. I respectfully 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.

