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Written Testimony of Rebecca Preve, Executive Director
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Hello, distinguished members of the Senate and Assembly Aging Committee, my name is Rebecca Preve and I am the Executive Director of the Association on Aging in New York (AgingNY). I appreciate the opportunity to submit written testimony related to the New York State Office for the Aging and Aging Service providers funding.

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 which provide services and supports to older residents and their families.

The mission of the Area Agencies on Aging is shared by the New York State Office for the Aging: to assist older New Yorkers and their families to live autonomous and fulfilling lives. We provide a myriad of programs, services and supports to individuals 60 years of age and older, their families, friends, and natural supports to achieve this mission. These include home delivered and congregate meals, case management, personal care services to assist with bathing, toileting, dressing, shopping, meal preparation, legal services, personal emergency response systems, health insurance information and counseling, respite, social adult day services, information and assistance services, nutrition education and counseling, health promotion and wellness, evidenced based interventions, home modifications, transportation, caregiver supports, benefits and application assistance and access to long term services and supports through the NY Connects no wrong door systems reforms.

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 of 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 over \$72 Billion per year in state and local taxes, and deserve to access services to allow them to age with dignity.

The structure of the network of aging professionals via the Older Americans Act and NYS statute is designed to assure strong community connections with community-based organizations from a variety of entities, 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, 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
- Providing one door for many services to support individuals in their homes
- Ability 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 average client served through the network is:

- 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.

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. This allows our network to identify and 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 those who need it is a combination of Federal, State, and Local 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. Legislation passed October 1, 2022 mandated that home care workers received a \$2 rate increase, which our network fully supported. However, even though our network uses the same licensed home care providers, and therefore had to pay for this increase, NYSOFA received zero funding to address the increase. Only Medicaid providers were provided funding, and our network was forced to utilize other funding for the rate increase. This oversight is concerning as these services are data driven as cost

saving yet fail to receive funding to support. Although this issue has been raised repeatedly, there continues to be no additional funding provided to NYSOFA for the rate increase. Our home care program also utilizes the Consumer Direct Personal Care Assistance Program, and there are grave concerns regarding the recent decision to award one Fiscal Intermediary for the state. The AAA network currently has contracts with over 40 FI's and was not considered during the process.

The 59 AAAs continue to report thousands of individuals who are waiting for services right now, and this need will continue to grow. 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 NY 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.

The economic impact to the state for individuals that cannot access our services are tremendous, and have repeatedly been demonstrated. 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.

In the proposed executive budget there is an acknowledgment of the needs of those waitlisted, and while we are thankful for the restoration of the legislature's \$10 million dollar investment from last year, and an additional \$35 million investment proposed for unmet need, there is still an enormous equity issue in funding for the aging services network. The NYSOFA budget continues to remain miniscule in comparison to the overall state budget, even though the brunt of tax contributions for the state budget is burdened by the 60+ population. Examples of the return on investment by providing aging services to healthcare are well documented, yet largely ignored.

- 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 programming. 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.

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 that have not been able to keep up with inflationary increases and the growing older adult population. 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 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 prevent them from being forced to enroll in 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 financial support they deserve. The older adults being served 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.

Fiscal Year 2025-26 New York State Immediate Core Priorities for Aging

New York's older adult population continues to grow, but our systems and policies have not kept pace with the needs for care, affordable housing, consistent food and nutrition, and community infrastructure. Older adults remain vital contributors to our communities through volunteerism, caregiving, and civic participation. We need to invest in services for our aging populations. Too many older New Yorkers face unmet needs, with wait lists for services and decades of underfunding for non-Medicaid care forcing many into poverty so they can access long-term care.

We are calling for **\$89 million to address immediate urgent needs of the network. We commend Gov Hochul for including \$45m for waiting lists** in the executive budget proposal, but it is only a start; the aging service network needs across-the-board budgetary support. Older adults — who contribute \$72 billion annually in state taxes — must have services that enable them to age with dignity, autonomy, and respect.

\$89 MILLION TO ADDRESS CURRENT NEEDS TO SUPPORT OLDER NEW YORKERS

\$45M to End Service Wait Lists: Insufficient funding has created wait lists for community-based aging services statewide. After addressing wage and inflationary pressures, additional funds are needed to eliminate these waitlists and ensure older adults receive timely, essential care. **Update 1.21: in exec budget proposal**

\$44M for Core Services Inflation and COLA: Due to inflation, providers face higher costs for food, gas, and other essentials, eroding their ability to serve existing clients and preventing them from meeting new demand. A recent COLA intended for programs was redirected to meet minimum wage requirements for home care workers, leaving AAAs and providers struggling to sustain vital services. This investment would offset these rising costs and stabilize service delivery.

See the reverse side of this document for other key priorities which will serve the urgent needs of older New Yorkers and save the state budget Medicaid expenditures.

Additional Urgent Budget Priorities for Aging

\$2M to Create a Resident Assistant Program in Affordable Senior Housing

A \$2M investment in FY26, totaling \$10 million over five years, will create a new Resident Assistant program to ensure older adults can age safely with access to light touch, non-medical services. This investment would allow for Resident Assistants in at least 16 100-unit affordable senior housing buildings, serving approximately 1,600 low-income older adults, and generate an overall State-share savings of at least \$6.5 million per year, amounting to a net savings of \$4.5 million to the State annually.

\$875,000 to Fund Elder Abuse Programming

An investment of \$875,000 would support community-based programs to provide elder abuse services, as well as scam prevention programming, to older adult victims in New York State.

\$15 Million to Support Guardianship Reform through Statewide Initiative of Nonprofit Guardians

An annual investment of \$15 million to ensure that all New Yorkers who need a surrogate decision-maker have access to qualified, person-centered care regardless of their financial or social circumstance, funding existing nonprofit providers as well as new guardianship programs in underserved areas.

\$3 Million Investment in MCCAP, Patients Rights Hotline, and Legal Services for the Elderly

This funding will expand three critical programs supporting older New Yorkers. With \$1 million, the Managed Care Consumer Assistance Program (MCCAP) will assist 50,000 additional residents enroll in Medicare cost-saving programs, reducing annual health care expenses by \$7,300 per person and saving New Yorkers an additional \$7 million next year. The Patients Rights Hotline, with \$500,000 in new funding, will assist more patients statewide in asserting their health care rights and addressing systemic issues in hospitals and institutions. And \$1.5 million for Legal Services for the Elderly will empower community organizations to provide free legal aid for housing, medical debt, credit, and other pressing issues, ensuring older New Yorkers can age with dignity and security.

\$12.5 Million increase to Long Term Care Ombudsman Program (LTCOP)

This crucial program addresses complaints of residents in long-term care facilities and advocates for improvements in the long-term care system. Unfortunately, the program is severely underfunded and reliant on volunteers. LTCOP volunteers are restricted in the scope as well as the number of facilities they can visit. This limits the program's ability to cover all facilities. The program needs more professional staff to conduct weekly visits so all facilities can have a regular ombudsman presence, leading to improved quality of care.