



Leadership Council of Aging Organizations

FOR IMMEDIATE RELEASE

Contact: Sarah Mashburn, (202) 508-9492, smashburn@leadingage.org

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WHITE HOUSE AND CONGRESSIONAL LEADERS URGED TO PROTECT ELDERS THROUGH BALANCED APPROACH TO DEFICIT REDUCTION

Leadership Council of Aging Organizations Suggests 8 Principles to Guide Budget Negotiations

Washington, D.C. —As the deadline to raise the debt ceiling nears, the Leadership Council of Aging Organizations (LCAO) is calling on Executive and Congressional leadership to address the deficit in a balanced way that would protect America’s elders. The LCAO is a coalition of national not-for-profit organizations representing over 60 million older Americans. A recent letter to policymakers involved in deficit reduction talks included 8 principles to guide budget negotiations and was signed by 39 of the LCAO’s member organizations.

The letter stated the following:

“As the budget negotiations move forward, we are extremely concerned about elements of a possible deal that would undermine the health and economic security of older Americans. We believe the nation can and should reduce the deficit over time through a balanced approach that includes budget savings from increases in revenue and thoughtful, targeted reductions in spending when and where necessary... The challenges we face are great, and we must rise to these challenges with solutions that represent the best of who we are as a nation and who we aspire to be.”

The full text of the letter, including the 8 principles, and a list of signatories are included below. The following are statements from several of the letter’s signatories.

Joan Kuriansky, Executive Director, Wider Opportunities for Women

“What seems entirely absent from ongoing debt negotiations in Washington is a basic grasp of what it takes for seniors to make ends meet. For older Americans living on fixed incomes, every Social Security dollar helps pay for buying prescription drugs, heating a home in the winter and putting food on the table – all costs that are essential to basic economic security. Proposed cuts that would slowly chip away at Social Security benefits, such as through use of the chained CPI, or forced cuts in Medicare, Medicaid and other critical community-based services through spending caps are short-sighted. Ensuring today’s elders and future generations are able to age in their homes with dignity requires a balanced approach to

reducing the nation's deficit. The President and Congress must not reduce the nation's debt at the expense of those least able to afford it."

Billy Wooten, Executive Director of Program Operations, Experience Works

"Hundreds of low-income older Americans across the country reach out to Experience Works for assistance because they need to work. They tell us they are rationing food, choosing whether to pay rent or buy medications and borrowing money for gas to drive to job interviews. Some are on the brink of homelessness. The timing for cuts to the Senior Community Service Employment Program couldn't be worse. Wait lists are growing, programs are over enrolled and the numbers of people leaving the program for jobs is dwindling - adding further to budget shortfalls."

Judith Stein, Executive Director, Center for Medicare Advocacy, Inc.

"The Center for Medicare Advocacy has represented older and disabled Medicare beneficiaries for over 25 years. We have seen the value of this time-honored program to our clients and their families. We have seen people with Medicare live better, more secure, longer lives. The 46th anniversary of Medicare, one of our country's great successes, should not be tarnished by gutting the program for the next generation or changing its core structure, which holds the same promise for all of us, regardless of income. The universality of Medicare's guaranteed benefits has been its hallmark and saving grace. Celebrate Medicare by preserving these time-tested values."

Ed Boyer, President, National Academy of Elder Law Attorneys

"As Congress and the President debate how big the cuts will be, older and disabled Americans in our communities and in nursing homes across the country fear that cuts to Medicaid will mean the loss of care and services. Medicaid is a multigenerational program that pays for health care for some of the most vulnerable Americans. The United States needs to reduce its deficit, but not at the expense of people who rely so much on these needed services."

Joseph Rodrigues, President, National Association of State Long-Term Care Ombudsman Programs

"On a daily basis, Long-Term Care Ombudsmen throughout the country advocate for quality of life and quality of care for residents of long-term care facilities. We know that cutting Medicaid will lead to fewer staff caring for residents and ultimately result in poorer quality of life and quality of care in those facilities. I oppose attempts to reduce funding for long-term services and supports for those who need them the most, our frail and dependent older adults who live in long-term care facilities."

Larry Minnix, LeadingAge, President and CEO

"Whether the journey begins with a broken hip, stroke or spinal cord injury, a child born with impairments or the knowledge that a parent can't live alone anymore, Medicare most likely will provide a means to help pay acute and some long-term costs, as it should, and Medicaid is used as a safety net for all of us with limited means to receive long-term services and supports. Let us remember that in America, compassion has its cost, which we all must share because we all are likely to benefit from it. It is hard to see balancing the budget without new revenue. Cuts alone are irresponsible. Just ask people who have needed these essential programs. In time of need, most of us won't begrudge a penny of the tax dollars we paid to help others—and ourselves."

Sandy Markwood, CEO, National Association of Area Agencies on Aging (n4a)

“n4a urges President Obama and Congress to come together on a balanced approach to addressing the nation’s budget deficit. We cannot and should not balance the budget by making spending cuts to discretionary programs alone, nor can we risk harming the most vulnerable of our society, including low-income and frail older adults. These older Americans are expecting Washington to keep its promise that the critical social supports—such as home care, nutrition and health prevention programs—they depend on to stay independent and healthy in their own homes and communities will continue to be there in the future.”

Eric J. Hall, Founding President and CEO, Alzheimer’s Foundation of America

“The increasing number of Americans with Alzheimer’s disease and related dementias, and their families currently face an enormous—and overwhelming—financial burden. To add more to that toll would be devastating. Few individuals have any or sufficient long-term care insurance or can afford to pay out-of-pocket for the long-term care services they might need. According to the Centers for Medicare & Medicaid, nearly half of all nursing home residents have a diagnosis of Alzheimer’s or other dementia; and Medicaid is the only federal program that will cover the lengthy nursing home stays that many people with dementia require in the late stages of their illness. Medicaid is also a growing source of financing for home and community-based services for this population, such as home health, personal care, and adult day services. We recognize the financial situation that our government currently finds itself in; however, any solutions to our budget deficit or long-term debt problems should not come about at the expense of low-income older adults and those with costly chronic illnesses like Alzheimer’ disease. We hope, during ongoing budget discussions, you will be respectfully aware of the needs of this deserving population and the hardships they and their families already have to endure.”

Bobbie Ann Brinegar, Executive Director, OWL-The Voice of Midlife and Older Women

“If Congress and the President enact spending cuts in Social Security, Medicare, and Medicaid to reduce the federal deficit, they should have to explain their reasons for doing so to each of the Americans whose benefits they would cut. It will be extremely difficult to rationalize undermining the safety nets for millions of individuals, especially after a lifetime of work and contributions to these social insurance programs. Women, especially those who are older, are more likely to rely heavily on benefits from Social Security, Medicare and Medicaid. They will not be able to “bounce back” after experiencing benefit reductions because they are unlikely to be able to return to work or squeeze a few more dollars out of a barebones budget. There are no good reasons to ask them to share the pain of living on smaller benefits.”

Bob Blancato, Executive Director, National Association of Nutrition and Aging Services Programs

“The Older Americans Act nutrition programs for almost 40 years have been a sound investment of the federal dollar. They keep seniors independent either living at home or in the community. This in turn saves Medicaid and Medicare by seniors not being cared for in a nursing home. It also helps to avert the growing problem of senior hunger. These programs are a proven value and should not be on some arbitrary chopping block. We understand and agree with the need for deficit reduction but not through cutting programs that help needy seniors. That cost to society is far greater than any savings it might achieve.”

Dr. Yanira Cruz, President and CEO, National Hispanic Council on Aging

“The National Hispanic Council on Aging works to improve the lives of Hispanic older adults, their families, and caregivers. This means ensuring that all seniors can age in health and dignity, which are the founding concepts on which Social Security, Medicare, and Medicaid were created. Our current reality is

that these programs are barely meeting the level of funding to allow seniors, particularly Hispanic older adults, to meet their basic needs. Diabetics are taking fewer insulin shots to make sure they can put food on the table. Elders are using their Social Security checks to raise their grandchildren. This population, which is already economically vulnerable, will be severely impacted if further cuts to these vital programs are enacted. We can't continue to allow our seniors to carry the nation's financial burden, which is why NHCOA will continue advocating for the well-being and security of all older adults so that we can keep the promise this country has made to them and our future generations."

C. William Jones, President and Executive Director, Association of BellTel Retirees Inc.,

"There is no doubt that the nation's deficit and spending need to be addressed, but we need to do that in a careful, balanced way. That way should protect the earned benefits of retirees and not cut programs like Medicare and Social Security. Retirees worked for many years and contributed to these programs through payroll taxes so that they may have greater economic security in their later years. To cut these programs would bring instability and hardship to a large number of Americans at a time when other earned benefits, such as employer-provided healthcare coverage, are also disappearing at an alarming rate."

Mary Kay Henry, President, Service Employees International Union (SEIU)

"Republicans in Congress are playing chicken with the full faith and credit of the United States and proposing policies that would force seniors to leave their nursing homes, children to give up their healthcare and working families to say goodbye to their jobs. While Americans are struggling, Congressional Republicans are taking this irresponsible and extremist approach so that corporations and millionaires can keep their tax giveaways. That is both unacceptable and morally wrong."

Max Richtman, Executive VP & Acting CEO, National Committee to Preserve Social Security and Medicare

"We urge Congress and the President to resolve the current impasse over the nation's debt limit quickly while protecting Social Security, Medicare and Medicaid - three programs that are essential to the health and financial well-being of millions of today's seniors and future retirees. In resolving their dispute over the debt limit, Congress and the Administration should keep their hands off these programs. Social Security has not contributed to the federal deficit, and in fact cannot contribute to the deficit by law. Measures that would shift Medicare and Medicaid costs to beneficiaries and the states would be devastating for seniors, the majority of whom have annual incomes below \$22,000 and cannot afford to pay more for out-of-pocket health care costs."

Mark D. Olshan, Ph.D, Associate Executive Vice President, B'nai B'rith International

"As we face the possibility of drastic cuts in programs that serve the elderly, the poor, and the sick, B'nai B'rith International is committed to preserving programs that keep our most fundamental promises to one another. We must decide whether we really believe that we have done all we can, given all we can, asked all we of those with great resources to avoid hurting those who have the least. Shared sacrifice may be necessary, but it cannot and must not start from the bottom."

Sarah F. Wells, Executive Director, The National Consumer Voice for Quality Long-Term Care

"Advocates have worked for almost 40 years to build a long-term care system that protects beneficiaries' entitlement to safety, quality care, and quality of life. So much is at risk if Medicare, Medicaid, and discretionary programs that serve the elderly are cut—regulation and inspection of nursing homes; the already underfunded long-term care ombudsman program, which advocates on behalf of people who

cannot advocate for themselves; home-delivered services for those who want to live in their own homes as they age; transparency in nursing home ownership and quality; protection of elderly husbands and wives from impoverishment when one of them needs Medicaid for long-term care; and much, much more.”

Mary Williams, Executive Administrator, Association for Gerontology and Human Development in Historical Black Colleges and Universities

“For most minorities and black Americans who are aging and the aged the safety net programs such as Social Security, Medicare, Medicaid, Food Stamps, Patient Protection and Affordable Care Act, and the Health Care and Educational Reconciliation Act of 2010 have been and continue to provide needed life saving health care and economic security. Reduction in funding with these programs will dramatically increase long term preventable physical and mental health illnesses. Three basic things are needed to create jobs: (1) education, (2) investment, and (3) innovation. We need jobs and more jobs. Budget cutting in this economic environment will not create jobs. Budget reduction over many years should be our Country's goal. Creating jobs will help reduce our budget deficit. It is drastically wrong for our President and Congress to reduce our Nation's debt on the backs of our middle class and poor citizens.”

Joe Baker, President, Medicare Rights Center

“It is the growing costs in the health care sector overall, not just in Medicare and Medicaid, that are the problem. As a result, we must augment or expand on initiatives, including those in the Affordable Care Act, which address underlying health care inflation. Combined with realistic proposals that would generate revenue through the elimination of tax cuts and loopholes for the wealthiest Americans and corporations, this more balanced approach would allow time for measures that moderate health care costs generally to take the pressure off Medicare and prevent the need for radical proposals that shift costs to beneficiaries and reduce access to care.”

Carol Regan, PHI – Quality Care through Quality Jobs, Government Affairs Director

“The elders and people with disabilities who receive services covered by Medicaid are the frailest and most financially vulnerable members of their communities. Their needs will not disappear if the services they receive are cut from the Medicaid program; their needs will simply not be met. Cuts to programs that support elders and people with disabilities would also have a negative impact on our economy. Direct-care worker jobs will be eliminated, and the burden on struggling American families and faltering state governments will continue to grow. Our leaders must resolve the debt limit crisis in a way that protects the most vulnerable among us.”

The full text of the letter is below.

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President Barack Obama
Vice President Joe Biden
Speaker of the House John Boehner
House Minority Leader Nancy Pelosi
Senate Majority Leader Harry Reid
Senate Minority Leader Mitch McConnell

Dear Mr. President:

The undersigned members of the Leadership Council of Aging Organizations (LCAO) are writing today to urge you to adopt a balanced approach to addressing the nation's deficit and to protect low- and middle-income elders who rely on core social insurance and community-based services and supports. As the budget negotiations move forward, we are extremely concerned about elements of a possible deal that would undermine the health and economic security of older Americans. We believe the nation can and should reduce the deficit over time through a balanced approach that includes budget savings from increases in revenue and thoughtful, targeted reductions in spending when and where necessary.

The Leadership Council of Aging Organizations believes these principles should guide any negotiation to address the budget gap:

1. **Establish BALANCE:** In addressing the annual deficit and accumulated national debt, any budget agreement must adopt a balanced approach, including revenue raisers, as well as savings from mandatory and discretionary spending which yields the resources necessary to address national needs, reduce the deficit and retire debt.
2. **Protect the most VULNERABLE:** Any budget agreement must protect those older adults (and ALL Americans) in greatest need, both socially and economically, by fairly balancing budget resources against sacrifices, protecting low-income Americans and, ultimately, taking no actions that increase economic vulnerability or poverty.
3. **Preserve delicate economic recovery:** Any budget agreement must be sensitive to the impact of the current economic downturn, which demands budget solutions that stabilize both the American economy and the budgets of low- and middle-income American families, in line with the economic situation of working and retired older Americans.
4. **Build a better future:** Any budget agreement should be developed with the overarching goal of building economic security for Americans of all ages, strengthening the middle class and promoting job growth.
5. **Address system wide health care inflation:** Any budget agreement must not reduce government spending by shifting higher costs on to consumers, to states or single out Medicare and Medicaid. Rather, in building on the cost savings and efficiencies of the Affordable Care Act, an agreement must reduce the rate of increase in federal health spending by addressing the systemic causes of health care inflation that are the root cause of rising costs in federal health programs.

6. **Maintain federal role to protect consumers from devastating health costs:** In addressing the nation's rising health care costs -- and their growing share of federal budget expenditures -- any budget agreement must protect consumers and maintain the federal government's authority to determine eligibility and consumer protections for federal programs serving older adults and those with disabilities, particularly those living on low, fixed incomes. For example, Medicaid block grants and Medicare privatization in the form of vouchers or premium support, must be averted.
7. **Reject arbitrary caps and triggers:** Any budget agreement must avoid resorting to automatic, arbitrary spending caps and sequestration mechanisms which deny legislators the opportunity to set priorities in the allocation of tax dollars, now and in the future.
8. **Ensure flexibility to protect low-income Americans:** In developing a long-term deficit reduction plan, any budget agreement should protect income and supports and social insurance programs for low-income Americans. Congress must not be constrained from negotiating balanced strategies that include revenue raisers and, where necessary, spending cuts.

We invite a conversation between federal policymakers, LCAO organizations and their networks of experienced leaders, practitioners, and volunteers. The challenges we face are great, and we must rise to these challenges with solutions that represent the best of who we are as a nation and who we aspire to be.

Sincerely,

AFSCME Retirees
Alliance for Retired Americans
Alzheimer's Foundation of America
American Association for International Aging
American Federation of Teachers Program on Retirement and Retirees
American Geriatrics Society
American Postal Workers Union Retirees
American Public Health Association
American Society on Aging
Association for Gerontology and Human Development in Historically Black Colleges and Universities
Association of BellTel Retirees, Inc.
B'nai B'rith International
Center for Medicare Advocacy, Inc.
Easter Seals
Experience Works
Families USA

LeadingAge
Lutheran Services in America
Medicare Rights Center
National Academy of Elder Law Attorneys
National Association of Area Agencies on Aging
National Association of Nutrition and Aging Services Programs
National Association of Professional Geriatric Care Managers
National Association of Retired and Senior Volunteer Program Directors, Inc.
National Association of State Long-Term Care Ombudsman Programs
National Caucus and Center on Black Aged, Inc.
National Committee to Preserve Social Security and Medicare
National Council on Aging
National Hispanic Council on Aging
National Senior Corps Association
OWL –The Voice of Midlife and Older Women
PHI – Quality Care through Quality Jobs
Senior Service America
Service Employees International Union (SEIU)
The Gerontological Society of America
The National Consumer Voice for Quality Long-Term Care
Volunteers of America
Wider Opportunities for Women
Women’s Institute for a Secure Retirement