

FACT SHEET

The Older Americans Act: Saving Resources, Promoting Dignity and Independence



Representative Fred Upton, Chair of the House Energy and Commerce Committee, supporting the Older Americans Act (OAA) in August 2011: *"I know the importance and value of folks staying at home with quality care. I believe we can save taxpayers' money and have a better quality of life. I look forward to supporting it again."*

Senator Bernie Sanders, Chair of the Senate Subcommittee on Primary Health and Aging, Committee on Health, Education, Labor and Pensions in July 2011: *"Prevention, keeping people healthy, taking care of their needs at home, does actually save money. And if you deny those resources, you leave a senior citizen at home today alone, isolated, confused about medicine, not getting the nutrition they*

need, you know what happens to that person? That person collapses. That person ends up in the emergency room. That person ends up in a nursing home at much greater cost to the system."

The OAA is the cornerstone of the nation's long-term services and supports system, providing older adults with much-needed services that include home care, congregate and home-delivered meals, case management, caregiver support, legal services, transportation, elder abuse prevention and job training, among other vital services.

Supportive Services (OAA Title IIIB) provide flexible funding to states and local agencies to provide a wide range of needed supportive services to older Americans to enable them to remain in their homes for as long as possible:

- Title III B dollars can be used for more than two dozen activities at the local level, including senior transportation programs, information and referral/assistance services, case management services, adult day care, chore services, in-home services for frail elderly, and home modification and other housing help.
- In FY 2009, OAA III B funding provided nearly 8 million hours of adult day care services; 28 million rides to doctor's offices, grocery stores and meal sites; 4 million hours of case management; and 29 million hours of personal care and homemaker services.¹
- 80 percent of clients receiving case management—which assesses individual needs, develops care plans and arranges services for older adults or caregivers—reported they were better able to care for themselves due to the assistance.²
- Of those older adults receiving transportation services, nearly three-quarters live alone and 48 percent rely on the services to such an extent that they would otherwise be homebound.³

Nutrition Services (OAA Title IIIC) promote the health and well-being of older adults, delay adverse health conditions that increase costs to Medicaid or Medicare funds, and leverage state, local and private dollars:

- Over 90 percent of older adults receiving home-delivered meals state that the program allows them to remain in their own homes.⁴
- The Congregate Nutrition Services and Home-Delivered Nutrition Services provide food and socialization for older adults in their own homes or in the community, for about \$1,300 per year.⁵
- This \$1,300 per year is the same as the cost of one day of hospitalization⁶ or 6 days in a nursing home.⁷
- For every \$1 spent on home-delivered meals, an additional \$3.35 is contributed from state, local and private funds.⁸

¹ Dept. of Health and Human Services, FISCAL YEAR 2012, ADMINISTRATION ON AGING, JUSTIFICATION OF ESTIMATES FOR APPROPRIATIONS COMMITTEE (2011) available at <http://1.usa.gov/gJbfhN>.

² *Id.*

³ *Id.*

⁴ *Id.* Report from Chairman Bernard Sanders, Subcommittee on Primary Health and Aging, SENIOR HUNGER: THE HUMAN TOLL AND BUDGET CONSEQUENCES, available at <http://1.usa.gov/n3v5N3>.

⁵ Kristen J. Colleo, Cong. Research Serv. RS 21202, Older Americans Act: Title III Nutrition Services Programs 7 (2010).

⁶ Kaiser Family Foundation, HOSPITAL ADJUSTED EXPENSES PER INPATIENT DAY (2009) available at <http://bit.ly/p0CpJg>.

⁷ MetLife Mature Market Institute, 2010 MARKET SURVEY OF LONG-TERM CARE COSTS (2010) available at <http://bit.ly/ccvdFM>. (Average daily rate for a private room in a nursing home is \$229 daily, or \$83,585 annually; average rate daily rate for a semi-private room is \$205 or \$74,825 annually).

⁸ Mathematica Policy Research, EVALUATION OF THE FEDERAL ELDERLY NUTRITION PROGRAM, available at <http://bit.ly/sWNJuf>.

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The National Family Caregiver Support Program (OAA Title III-E) lowers reliance on costly institutionalization by supporting family caregivers and helping older adults age in place:

- OAA services, including those provided through the National Family Caregiver Support Program, are effective in helping caregivers keep their loved ones at home:
 - 77 percent of caregivers participating in programs report that services definitely enable them to provide care longer than otherwise would have been possible.⁹
 - 89 percent of caregivers reported that program services helped them to be a better caregiver.¹⁰
- Supporting caregivers reduces premature or avoidable nursing home placement:
 - 42.1 million caregivers in the U.S. provide \$450 billion worth of unpaid services each year,¹¹ over twice the amount that is spent nationwide on nursing homes and paid home-care *combined*.¹²

The Senior Community Service Employment Program (OAA Title V) fulfills a unique need for senior employment and civic engagement, helping older Americans who experience exceptionally prolonged unemployment remain active and financially stable:

- SCSEP provided jobs to 112,226 older adults in 2010¹³ and is one of only three programs that do not overlap with any of the 47 existing workforce development programs.¹⁴
- Older workers eligible for SCSEP had an unemployment rate of over 22% in 2010, three times higher than older Americans with larger incomes.¹⁵
- Among displaced workers 55 and older, the reemployment rate is only 38%-the lowest of any age group, and the average¹⁶ duration of unemployment among all adult workers 55 and over exceeds 52 weeks.¹⁷
- SCSEP's return on investment is double its annual appropriation.¹⁸

The Long Term Care Ombudsmen (OAA Title VII) respond to complaints and resolve issues that, if left unaddressed could result in costly medical treatment or hospitalization:

- 11,000 volunteers and 1,167 staff served in Long-Term Care Ombudsman Programs in over 578 localities nationwide investigated and worked to resolve 211,937 complaints, such as inadequate nursing facility discharge or poor medication administration, made by 139,296 individuals in FY 2010.¹⁹

Funding for the Older Americans Act represents less than 0.2% of federal discretionary spending,²⁰ but offers an incredible return on investment:

- Older Americans Act funding typically represents 30% of a State Unit on Aging budget. The state builds on the OAA infrastructure to weave together a variety of funding sources.²¹
- For example, in Ohio, \$49 million in Older Americans Act funding generates \$15 million in state funds, and \$59 million in local funds for aging services. Ohio participants contribute more than \$7.4 million toward the cost of services. Few federal investments demonstrate such a bountiful return.²²



⁹ Administration on Aging, National Family Caregiver Support Program, available at <http://1.usa.gov/nq2s97>.

¹⁰ *Id.*

¹¹ Lynn Feinberg, Susan C. Reinhard, Ari Houser and Rita Choula, VALUING THE INVALUABLE: 2011 UPDATE (2011) available at <http://bit.ly/sL7FP>.

¹² Rosalyn Carter Institute for Caregiving, THE CASE FOR CAREGIVER SUPPORT, available at <http://bit.ly.nyCjZ>.

¹³ Department of Labor, WORKFORCE SYSTEM RESULTS (2011) available at <http://1.usa.gov/rKHooS>.

¹⁴ Government Accountability Office, MULTIPLE EMPLOYMENT AND TRAINING PROGRAMS: PROVIDING INFORMATION ON COLOCATING SERVICES AND CONSOLIDATING ADMINISTRATIVE STRUCTURES COULD PROMOTE EFFICIENCIES (2011) available at <http://1.usa.gov/pOvs4J>.

¹⁵ Andy Sum, THE IMPACT OF THE RECESSION ON OLDER WORKERS: IMPLICATIONS FOR THE SENIOR COMMUNITY SERVICE EMPLOYMENT PROGRAM (2011) available at <http://bit.ly/vxZObA>.

¹⁶ AARP, JOBLESS RATE JUMPS FOR OLDER WORKERS(2011) available at <http://aarp.us/o4KjL0>.

¹⁷ *Id.*

¹⁸ Jane Oates, Assistant Secretary of Employment and Training Administration, U.S. Department of Labor (2009) available at <http://bit.ly/sChWWI>.

¹⁹ Administration on Aging, LONG-TERM CARE OMBUDSMAN PROGRAM, available at <http://1.usa.gov/r2e8WB>.

²⁰ Dept. of Health and Human Services, FISCAL YEAR 2012, ADMINISTRATION ON AGING, JUSTIFICATION OF ESTIMATES FOR APPROPRIATIONS COMMITTEE (2011) available at <http://1.usa.gov/gJbfhN>.

²¹ National Association of States United for Aging and Disabilities, THE ECONOMIC CRISIS AND ITS IMPACT ON STATE AGING PROGRAMS (2009) available at <http://bit.ly/tSK66j>.

²² Ohio Department of Aging, OHIO'S OLDER AMERICANS ACT PROFILE (2010) available at <http://bit.ly/qTgjfR>.