



Leadership Council of Aging Organizations

September 5, 2008

The Honorable Harry Reid
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Nancy Pelosi
Speaker
U.S. House of Representatives
Washington, DC 20515

The Honorable Mitch McConnell
Minority Leader
United States Senate
Washington, DC 20510

The Honorable John Boehner
Republican Leader
U.S. House of Representatives
Washington, DC 20515

Dear Majority Leader Reid, Speaker Pelosi, Minority Leader McConnell, and Republican Leader Boehner:

The undersigned members of the Leadership Council of Aging Organizations (LCAO) applaud your attention to the issue of fiscal stimulus and economic recovery.

We are deeply concerned that continued economic growth deterioration will increase fiscal distress for states resulting in cuts or reductions to health care coverage for millions of older adults and people with disabilities, while, at the same time, the Medicaid safety-net will see an increase in the demand for services. Other key supportive services — such as home-delivered meals and energy assistance — are also facing grave fiscal crises even as the needs of older adults increase.

We support an increase in the Federal Medical Assistance Percentage (FMAP) as a part of the second economic stimulus bill. Such an increase should be used solely for the care of Medicaid beneficiaries. We believe an increase in the FMAP is one of the most effective ways to stimulate the economy and therefore one of the best ways of avoiding the cuts in health care, education, local government aid, and other critical services that are threatened by state fiscal crisis. There is also a clear and proven precedent for an increase in the FMAP during tough economic times: In 2003 Congress provided states with temporary fiscal relief, which had a significant positive effect on states' business activity and wages.

States are considering drastic cuts to Medicaid due to state budget shortfalls, which would further aggravate the economic downturn. Therefore, we appreciate your quick action to pass an economic stimulus package that includes **providing state fiscal relief by temporarily augmenting the current level of federal support for state Medicaid programs.**

Temporarily raising federal Medicaid match rates is a targeted, temporary, sound, and proven economic stimulus that would stimulate the economy and help prevent states from taking actions that would jeopardize the health care and services needed by millions of older adults and people with disabilities.

Furthermore, rising food and fuel costs are reducing the already-lean Older Americans Act (OAA) programs and services to vulnerable elders at the community level, even as those same costs drive increasing numbers of older adults to seek help. National surveys by several LCAO members in recent months attest to the funding crisis, which is forcing cuts in meals served, rides to doctor's appointments, home health visits and the many other supports that allow seniors to live independently in their homes and communities. Vulnerable seniors living in long-term care facilities are at increased risk of poor care as volunteer and paid ombudsmen are forced to reduce visits by as much as 50%. All of these supports rely heavily on volunteers, who are unable to maintain their level of service with the rising fuel costs.

We are extremely grateful for the \$40 million for OAA senior nutrition programs provided by the Senate in its measure and urge the House to follow that lead and to provide additional emergency funding for OAA programs. Without such emergency spending to stem the tide of service reductions, greater and greater numbers of seniors will go hungry, become isolated, suffer deteriorating health, face the prospect of unnecessary (and ultimately more costly) institutionalization, and those living in institutions will lose advocacy resources.

The risk of freezing is another threat millions of low-income seniors will face this winter. LCAO is pleased that the Senate has included \$1.25 billion for the Low-Income Home Energy Assistance Program (LIHEAP) in its supplemental package, and urges the House to address this critical need, as well. With the cost of heating/cooling a home rising beyond the reach of many low-income older adults, assistance must be provided to seniors at risk of shut-offs and extreme temperatures this summer and into the fall and winter.

Thank you for considering these recommended strategies as you move forward to protect the millions of low-income people who rely on these safety net supports.

AFL-CIO
AFSCME Retirees
Alliance for Retired Americans
Alzheimer's Association
American Association of Homes and Services for the Aging
American Federation of Teachers Program on Retirement and Retirees
American Geriatrics Society
American Postal Workers Union Retirees
American Public Health Association
Association for Gerontology and Human Development in Historically Black Colleges
Association of Belltel Retirees, Inc.
Easter Seals
Experience Works

Families USA
Meals on Wheels Association of America
Military Officers Association of America
National Academy of Elder Law Attorneys
National Asian Pacific Center on Aging
National Association for Home Care and Hospice
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.
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NCCNHR: The National Consumer Voice for Quality Long-Term Care
OWL, The Voice of Midlife and Older Women
Service Employees International Union
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