



Leadership Council of Aging Organizations

November 17, 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 State Senate
Washington, DC 20510

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

The Honorable Max Baucus
Chair
Committee on Finance
United States Senate
Washington, DC 20510

The Honorable John Dingell
Chair
Committee on Energy and Commerce
U.S. House of Representatives
Washington, DC 20515

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

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

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 to increase the federal level of effort for Medicaid. We believe an increase in the FMAP is an effective way 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.

Some states have already begun to implement drastic cuts to Medicaid due to state budget shortfalls; many other states are considering such cuts. These cuts will 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 approach that would stimulate the economy and help prevent states from taking actions that

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would jeopardize the health care and services needed by millions of older adults and people with disabilities. **Since it is clear that this economic impact of this recession will last for several years the FMAP increase should be at least \$35 billion and require states to maintain their Medicaid coverage by imposing a strict maintenance of effort requirement.**

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 urge you to include \$60 million for OAA senior nutrition programs and to provide additional emergency funding for OAA programs. The economic stimulus bill the Senate proposed earlier this year, but did not become law, did include this funding for OAA nutrition programs and we ask you to include it in any economic stimulus bill. 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.

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.

Sincerely,

AFL-CIO
AFSCME Retirees
Alliance for Retired Americans
Alzheimer's Association
American Association for International Aging
American Association of Homes and Services for the Aging
American Society on Aging
Association of Belltel Retirees, Inc.
Association of Jewish Aging Services of North America
B'Nai B'Rith International
Easter Seals
Families USA
Meals on Wheels Association of America
National Academy of Elder Law Attorneys
National Adult Day Services Association
National Association for Home Care and Hospice

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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 Social Workers
National Association of State Long-Term Care Ombudsman Programs
National Committee to Preserve Social Security and Medicare
National Council on Aging
National Senior Citizens Law Center
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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