



Leadership Council of Aging Organizations

James P. Firman, Chair

February 26, 2013

Dear Senator:

The Leadership Council of Aging Organizations (LCAO) is a coalition of 68 national nonprofit organizations concerned with the well-being of America's older population and committed to representing their interests in the policy-making arena. As the budget process continues to move forward, 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, without increasing poverty or income inequality.

In our view, the across-the-board sequestration is an example of arbitrary cuts that will harm supports and services for the elderly and their families. LCAO believes the sequester should be avoided with a balanced agreement that accounts for the discretionary savings already achieved by the President and the 112th Congress. More than \$1.5 trillion in cuts came from discretionary programs, even though they account for less than one-third of federal spending. As a result, non-defense discretionary (NDD) spending will fall to its lowest level on record as a percent of Gross Domestic Product (GDP).

LCAO opposes additional caps or other reductions in non-defense discretionary funding that would reduce cost-effective, life-saving aging services. Funding has not kept pace with need, which will continue to grow as the Baby Boomers age. Additional cuts to NDD programs would further decrease the availability of critical home and community-based services, like Meals on Wheels, which help avoid more costly institutional care. According to our estimates, this year's (FY13) sequester would have the following adverse effects on senior programs and those they serve:

- 4 million fewer home-delivered meals;
- Nearly 2 million senior transportation rides lost;
- 1.5 million seniors denied personal care services;
- Almost 485,000 seniors losing access to health promotion and disease prevention;
- 290,000 senior households denied LIHEAP energy assistance;
- 114,000 senior households receive reduced Section 202 unit maintenance and supportive services; and
- 2.2 million fewer Senior Community Service Employment Program (SCSEP) service hours, at a value of nearly \$50 million, including at least a \$17.5 million cut in wages and benefits for low-income older workers

In order to provide additional time to craft a longer-term, bipartisan deficit reduction agreement consistent with our federal budget principles (see <http://www.lcao.org/files/2013/02/LCAO-Federal-Budget-Principles-Dec2012.pdf>), **we are supportive of the American Family Economic Protection Act and urge Senators to vote in favor.** Although many LCAO groups have not taken positions on some of the specific provisions in the proposal, it represents the kind of balanced package that protects vulnerable Americans and middle class families, and asks more from those best able to contribute toward deficit reduction.

Approximately 72% of recently enacted deficit reduction efforts have come from spending cuts – a ratio of about 2.8 to 1, relative to revenues. Requiring 100% of future deficit reduction to come from additional spending cuts, with no revenue contributions, would result in a ratio of almost 5 to 1 or more. Clearly, this is not balanced, sustainable fiscal policy, does not represent the fair, shared sacrifice our nation needs, and fails to recognize our longstanding commitment to protect the most vulnerable Americans.

We look forward to working together to find thoughtful, bipartisan solutions to meeting our nation's fiscal challenges, while building economic security for older Americans and their families, strengthening the middle class, and promoting job growth.

Sincerely,

James P. Firman, Ed.D.
Chair, Leadership Council of Aging Organizations
President & CEO, National Council on Aging