



Leadership Council of Aging Organizations

Edward F. Coyle, Chair

June 19, 2013

The Honorable Jack Kingston
Chair
House Appropriations Subcommittee on
Labor/HHS/Education
U.S. House of Representatives
Washington, DC 20515

The Honorable Rosa DeLauro
Ranking Member
House Appropriations Subcommittee on
Labor/HHS/Education
U.S. House of Representatives
Washington, DC 20515

The Honorable Tom Harkin
Chair
Senate Appropriations Subcommittee on
Labor/HHS/Appropriations
U.S. Senate
Washington, DC 20510

The Honorable Jerry Moran
Ranking Member
Senate Appropriations Subcommittee on
Labor/HHS/Appropriations
U.S. Senate
Washington, DC 20510

Dear Chairman Kingston and Ranking Member DeLauro/Chairman Harkin and Ranking Member Moran:

The Leadership Council of Aging Organizations (LCAO) is a diverse coalition of 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 your Subcommittees consider the fiscal year (FY) 2014 Labor/HHS/Education appropriations bills in the coming months, the undersigned members of the LCAO urge you to make investments in the Older Americans Act (OAA) a top priority.

The OAA is the backbone of the nation's long-term services and supports system. It funds critical programs and services that help older adults maintain their health and independence, such as home care, congregate and home-delivered meals, case management, caregiver support, transportation, health promotion and disease prevention, legal services, elder abuse prevention, and job training and employment opportunities for low-income older adults. Together, these services save taxpayer dollars by enabling seniors to remain independent and healthy in their own homes, where they prefer to be, and where they are less likely to need more costly care paid for through Medicare and Medicaid. Further, when older adults do live in assisted living or nursing home facilities in our communities, the OAA's long-term care ombudsman program works to protect their rights and well-being.

For over forty years, OAA programs have demonstrated a unique ability to provide these quality services while enhancing and protecting federal resources. OAA programs represent less than 0.2% of federal discretionary spending, but offer an incredible return on investment by leveraging state, local, and private dollars to help seniors age in place. Additionally, the OAA's home and community-based services can help prevent unnecessary hospital stays and readmissions, delay or avoid costly institutional placements, and promote efficiencies within the health care system by coordinating care and managing care transitions.

Despite these successes and efficiencies, funding for the OAA has not kept pace with inflation or population growth for decades, and current levels are inadequate to meet this increased need. In 2009, LCAO determined that in order for OAA funding to simply catch up with the growth in the senior population and the costs of services over the past decade, it would have to be increased by at least 12% a year for several years.

Since then, OAA appropriations have continued to lag behind the rising costs of fuel, commodities, and wages, while the nation's senior population, as well as demand for OAA services, has continued to grow. Additionally, many states remain hampered by the lingering effects of the economic downturn, and federal discretionary spending has faced a series of devastating, unprecedented cuts in the name of deficit reduction.

Currently, 41 million Americans are over the age of 65, an 18% increase since 2000. With 10,000 Baby Boomers turning 65 each day, by 2040, an estimated 80 million Americans will be 65 or older. While the population is aging, older adults are also living longer. People reaching age 65 today have an average life expectancy of an additional 19 years, and the fastest growing segment of the aging population is individuals over 85 years old. Many of these older adults face economic and health challenges, making them more likely to need long-term services and supports.

Currently, 80% of seniors have at least one chronic condition, 3.6 million adults over the age of 65 live in poverty, and one in seven seniors struggles with hunger. A recent, more accurate measure from the Census Bureau that takes into account basic expenses like health care and housing found that 48% of seniors have incomes below 200% of poverty.

Despite this current and growing need, in the Budget Control Act of 2011, the President and the 112th Congress cut discretionary spending by more than \$1.5 trillion over ten years. As a result, spending on non-defense discretionary (NDD) programs—which includes the OAA—will fall to the lowest level on record as a percent of Gross Domestic Product (GDP). On top of these historically low funding levels, NDD programs are facing an additional \$25.8 billion cut in FY 2013 alone, as a result of sequestration. *Sequestration's arbitrary reductions to historically underfunded OAA programs fail to recognize the nation's changing demographics, or the needs of seniors and their families.* Absent Congressional action to replace the sequester with a thoughtful, balanced approach that does not increase poverty, hunger, or income inequality, NDD programs, including those of the OAA, stand to lose billions more each year from 2014 to 2021. To protect these critical OAA programs, at a minimum, FY 2014 Labor-HHS-Education appropriations must not go below pre-sequester levels. Therefore, the approach taken by the House in its 302(b) allocations, which represents a 22% cut to pre-sequester levels, should be rejected.

Since OAA programs are administered and implemented at the state and local levels, the Aging Network is currently straining to meet a growing demand with fewer resources. As many states and localities continue to face recession-induced fiscal challenges, they will be unable to sustain existing OAA programs with reduced federal funding, resulting in shuttered OAA programs across the country and a nation increasingly unprepared to meet the needs of a growing senior population. With local, state, and federal resources likely to be strained into the foreseeable future, adequate federal support for the OAA through the appropriations process is all the more critical.

We are concerned that the cumulative impact of decades of inadequate funding, a rapidly growing older population, unbalanced attempts at deficit reduction, and sequestration's current and looming cuts will threaten the very sustainability of OAA programs, as well as the health, dignity, and independence of older Americans.

While we recognize and understand the difficult fiscal constraints under which you are operating, **we respectfully urge you to address our nation's economic and demographic realities by increasing the FY 2014 funding levels for OAA programs accordingly.** Without these critical, cost-effective services and supports, many older adults would face hunger, isolation, poor health, neglect, abuse, unemployment, and other challenges to their health, independence and well-being. An appropriate response includes rejecting the Administration's request for a cut in the Senior Community Service Employment Program (SCSEP), and providing needed investments to address elder abuse. In particular, reducing SCSEP investments would eliminate critical employment services for thousands of low-income older adults, as well as the estimated 6.5 million hours of community service that they would have otherwise been able to provide. Valued at \$144 million, these lost hours would impact the delivery of necessary community-based programs, ranging from senior meals to disaster assistance.

LCAO hopes that under your leadership, all OAA programs will be funded at a level that protects and strengthens them, so they may meet an ever-growing demand for services.

Sincerely,

Alliance for Retired Americans
Alzheimer's Foundation of America
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
Catholic Health Association of the United States
Center for Medicare Advocacy, Inc.
Easter Seals
Experience Works
LeadingAge
Lutheran Services of America
Meals on Wheels Association of America
Medicare Rights Center
National Academy of Elder Law Attorneys
National Adult Protective Services Association
National Alliance for Caregiving
National Asian Pacific Center on Aging
National Association of Area Agencies on Aging
National Association for Hispanic Elderly
National Association of Nutrition and Aging Services Programs
National Association of Professional Geriatric Care Managers
National Association of Retired and Senior Volunteer Program Directors
National Association of Social Workers
National Association of State Long-Term Care Ombudsman Programs
National Association of States United for Aging and Disabilities
National Caucus and Center on Black Aged, Inc.
National Committee to Preserve Social Security and Medicare
National Consumer Voice for Quality Long-Term Care
National Council on Aging
National Hispanic Council on Aging
National Senior Citizens Law Center
OWL – The Voice of Midlife and Older Women
Pension Rights Center
PHI – Quality Care through Quality Jobs
Senior Service America, Inc.
Services and Advocacy for GLBT Elders
The Gerontological Society of America
The Jewish Federations of North America
Wider Opportunities for Women
Women's Institute for a Secure Retirement