



Debra B. Whitman, Chair

January 12, 2015

United States Senate
Washington, DC 20510

Dear Senator:

The Leadership Council of Aging Organizations (LCAO) is a 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. Although every new year opens a doorway to new possibilities and new challenges, 2015 represents an important landmark for the people our organizations represent. This year, we celebrate the 50th anniversaries of three legislative milestones: Medicare, Medicaid and the Older Americans Act.

Each of these laws, along with Social Security, plays a fundamental role in promoting the basic health, independence and economic security of older adults and people with disabilities. With the 114th session now underway, we ask Congress to preserve the spirit of these laws and strengthen the programs established by them. Importantly, we urge members to do no harm by diminishing or dismantling the benefits enacted through these legislative achievements. Specifically, we urge you to consider the following:

MEDICARE: Now in its 50th year, the Medicare program, together with Social Security, is credited with lifting millions of retirees from poverty by ensuring access to affordable health care for those who would otherwise altogether lack coverage. Today, 54 million older adults and people with disabilities depend on Medicare for basic health insurance. Since its inception, the Medicare program has evolved, including the addition of a prescription drug benefit and, more recently, low-to-no cost preventive care.

Medicare is a remarkable success story. Recently, for example, the program has experienced historically low rates of spending growth. It is important to remember, however, that most people with Medicare live on low or modest incomes. Half of all Medicare beneficiaries—more than 25 million seniors and people with disabilities—live on annual incomes of \$23,500 or less. Despite their low incomes, people with Medicare spend a considerable amount on health care. On average, Medicare households spend 14% of their annual income on health care costs, compared to 5% among non-Medicare households.

Given this stark reality, it is vital to protect core Medicare benefits and to ensure that no additional health care costs are shifted onto beneficiaries. To this end, the fundamental structure and administration of the Medicare program must be preserved. Importantly, Congress should seek opportunities to strengthen Medicare. Potential improvements include enhancing existing low-income protections and eliminating long-standing gaps in coverage for services including dental, hearing and vision care.

MEDICAID: Fifty years following the creation of Medicaid, this vital program covers more than 68 million Americans. Most people with Medicaid live below the poverty line of \$20,000 per year for a family of three and rely on the program for access to important health care, especially preventative and primary care and long term services and supports (LTSS). Medicaid is the primary payer for LTSS, providing nursing facility and home and community-based services for millions of frail seniors and people with disabilities. Medicaid also pays Medicare premiums for about 5 million low-income beneficiaries, who otherwise would not be able to afford essential health services. In honor of the 50th anniversary of this historic program, lawmakers should commit to strengthening and preserving Medicaid for the pregnant women, children, seniors, people with disabilities and working adults who rely on it.

Medicaid is a lean program with low administrative costs and very little excess. Congress must oppose cuts that would set per capita caps on Medicaid spending and other policy initiatives that would cut the program's funding, eliminate consumer protections, or otherwise diminish its mission of providing quality, affordable health care to vulnerable, low-income Americans. Rather, Medicaid can serve as a laboratory for innovations in delivery system reform to bend the cost curve while maintaining quality affordable coverage for one in five Americans.

OLDER AMERICANS ACT (OAA): The OAA is the primary vehicle for developing, coordinating, and delivering home and community-based services (HCBS) that help older adults maintain their independence. OAA programs and services include home care, congregate and home-delivered meals, case management, caregiver support, transportation, health promotion and disease prevention, legal services, elder abuse prevention, and more. Together, these programs and 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 hospital and institutional care paid for through Medicare and Medicaid.

The Act also addresses the high rate of long-term joblessness among seniors; it authorizes the only federal workforce program targeted to help low-income older adults prepare for and obtain employment in the community. 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 fifty 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, as well as volunteerism, to help seniors age in place.

Despite these successes and efficiencies, the Act's authorization expired in 2011 and funding for the OAA has not kept pace with inflation or population growth for years, with current levels insufficient to meet burgeoning needs. Sequestration has further threatened the sustainability of these critical programs, even as demand for OAA services is projected to rise dramatically. In this 50th anniversary year, we urge that you support legislation to reauthorize the OAA to ensure that all older Americans live with dignity and independence.

Since 1965, older Americans and people with disabilities have benefited from enhanced access to health coverage, improved retirement security, better community-based supports, greater independence, and more. Day in and day out, Medicare, Medicaid and the Older Americans Act play a vital role in promoting the well-being of our nation's seniors and people with disabilities. We ask you to stand with our organizations and those that we serve by making a commitment to preserving and strengthening these landmark laws in 2015.

Sincerely,

AARP

AFL-CIO

AFSCME Retirees

Alliance for Aging Research

Alliance for Retired Americans

Altarum Institute – Center for Elder Care and Advanced Illness

Alzheimer's Association

Alzheimer's Foundation of America (AFA)

American Federation of Government Employees (AFGE)

American Federation of Teacher Retirees (AFT)

American Foundation for the Blind (AFB)

American Geriatrics Society (AGS)

AMDA – The Society for Post-Acute and Long-Term Care Medicine

American Postal Workers Union Retirees (APWU)

American Public Health Association (APHA)

American Society on Aging (ASA)

Association for Gerontology & Human Development in Historically Black Colleges and Universities (AGHDHBCU)

B'nai B'rith International
Caring Across Generations
Center for Medicare Advocacy, Inc.
Compassion and Choices
Easter Seals
Experience Works
Families USA
The Gerontological Society of America
International Association for Indigenous Aging (IA²)
International Union, United Automobile, Aerospace & Agricultural Implement Workers of
America (UAW)
The Jewish Federations of North America
LeadingAge
Lutheran Services in America (LSA)
Meals on Wheels Association of America (MOWAA)
Medicare Rights Center
Military Officers Association of America (MOAA)
National Academy of Elder Law Attorneys (NAELA)
National Active and Retired Federal Employee Association (NARFE)
National Adult Day Services Association (NADSA)
National Adult Protective Services Association (NAPSA)
National Alliance for Caregiving (NAC)
National Asian Pacific Center on Aging (NAPCA)
National Association for Home Care & Hospice (NAHC)
National Association of Area Agencies on Aging (n4a)
National Association of Nutrition and Aging Services Programs (NANASP)
National Association of Professional Geriatric Care Managers (NAPGCM)
National Association of Retired and Senior Volunteer Program Directors (NARSVPD)
National Association of Social Workers (NASW)
National Association of State Long-Term Care Ombudsman Programs (NASOP)
National Association of States United for Aging and Disabilities (NASUAD)
National Committee to Preserve Social Security and Medicare (NCPSSM)
The National Consumer Voice for Quality Long-Term Care
National Council on Aging (NCOA)
National Indian Council on Aging, Inc. (NICOA)
National Osteoporosis Foundation (NOF)
National Senior Citizens Law Center (NSCLC)
National Senior Corps Association (NSCA)
OWL – The Voice for Women 40+

Pension Rights Center
PHI – Quality Care through Quality Jobs
SEIU
Senior Service America, Inc.
Services and Advocacy for GLBT Elders (SAGE)
Social Security Works
Southeast Asia Resource Action Center (SEARAC)
Volunteers of America (VOA)
Visiting Nurse Associations of America (VNAA)
Wider Opportunities for Women (WOW)
Women’s Institute for a Secure Retirement (WISER)