



2<sup>nd</sup> Congressional District

## Older Americans Act: The Centerpiece for Long-Term Services & Supports



Area Agencies on Aging serve as the “on-the-ground” organizations charged with assisting older persons to live with independence and dignity in their homes and communities rather than in nursing homes.

*Keep Baby Boomers aging at home in New York State, and we keep their retirement incomes supporting New York State’s economy.*

**Hon. Peter King**  
2<sup>nd</sup> Congressional District

Suffolk County\*  
Nassau County\*

\*portion of county

**January 2013**

The health care delivery system in New York State and nationwide is undergoing a major transition, which is why it’s so important for Congress to reauthorize the Older Americans Act (OAA). It’s the foundation for Long Term Services and Supports that benefits residents and – the economy!

### *Transforming the Health Care Delivery System*

One way to keep aging adults independent and living in their homes – and off Medicaid – is to incorporate pre-Medicaid community-based long-term care services and supports into the system for managed care, which is the goal of Medicaid Redesign in New York. Area Agencies on Aging are in a unique position to bridge the gap between medical and non-medical long-term care services and supports.

### *Older Americans Act*

In 1973, the Older Americans Act established the Area Agencies on Aging. They were charged with providing non-medical community-based long-term care services and supports to older Americans that would allow them to “age in place” at home rather than in institutional settings such as nursing homes.

During the ensuing years, a larger investment was made in acute care and facilities that put the emphasis on nursing home care and resulted in expenditures that far exceed state and local government resources.

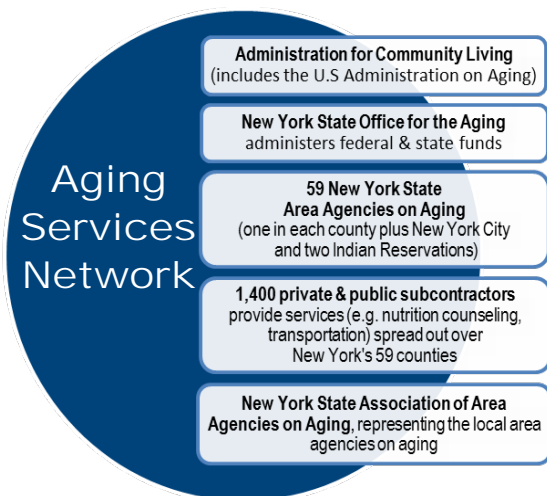
Several decades later, New York State is working to create a blended model of Medicaid managed care that integrates long-term

services and supports – the Aging Services Network – with traditional medical care. It’s a calculated effort to reduce Medicaid costs and improve results by delaying, perhaps even preventing nursing home placement for aging New Yorkers.

*Note: New York’s 2012 Medicaid expenditure for nursing home care was \$3 billion. (Dept. of Health March 2012 Medicaid Global Spending Cap Report.)*

### *Aging Services Network*

The Older American’s Act spawned a support system for older New Yorkers comprised of:



### Area Agencies on Aging

The Older Americans Act is the blueprint for the 629 Area Agencies on Aging nationally (59 in New York).

Area Agencies on Aging facilitate and support the development of non-medical health and wellness programs to address the needs of older adults.

Area Agencies on Aging are in a unique position to provide the non-medical health and wellness programs missing from New York State's system of care.

Area Agencies on Aging non-medical services and programs are a perfect complement to the system of health care that treats everything from a medical standpoint and ignores the social services aspect of care to the detriment of the system's affordability and quality of care.

Area Agencies on Aging have learned to be cost effective out of necessity and depending on the local structure contract out some of their services. Federal and state funding hasn't kept up with the exponential growth of the 60-plus aging population.

Area Agencies on Aging serve the spectrum of seniors age 60-plus with programs and services that provide the level of support they require to age successfully in their homes.

### Network Characteristics

New York State currently has an Area Agency on Aging (aka Office for the Aging) in all counties plus New York City and two Indian Reservations. They are uniquely positioned to be part of the solution for Medicaid long-term care services and supports because they:

- Operate/administer non-medical health and wellness programs and services.
- Are mobile and can "go to" the client's home or other community setting.
- Are adept at leveraging resources and building sustainable partnerships.
- Understand public benefits and are accustomed to the evaluation/application process.

Area Agencies on Aging are positioned to be an important part of a new system that will:

- Focus on prevention and preventive services and screenings.
- Manage chronic conditions through evidence-based interventions.
- Reduce reliance on Medicaid.
- Maximize private pay resources.
- Better target those at risk and coordinate their care.
- Are consumer-centered.

### Innovation

Demand has prompted the Aging Services Network to develop innovative programs:

*Community Living Program:* Using Aging and Disability Resource Center systems, such as NY Connects, to provide client screening to target people at risk of nursing home placement and spend down to Medicaid; provide assessment, care and service planning, and access to all publicly supported long-term care services and supports.

*Veterans Directed:* Home and community based services that enable veterans to continue living in their homes and communities.

*Care Transitions:* Coordination and continuity of health care during the Movement between health care practitioners and settings as their condition and care needs change.

*Options Counseling:* Identify people in need of short-term advice and guidance on available services to remain in the community as an alternative to nursing facility placement.

### Impact

NY Connects engaged 228 in-hospital patients during a six-month period following their hospital stay and 92% remained out of the hospital at home within 30 days of their discharge. (*Aging and Disability Resource Centers Transitions Program 2011*)

83.5% of at-risk individuals (multiple ADLs and IADLs) were still living at home and not in a nursing facility after receiving non-medical health services by Area Agencies on Aging for eight months. (*Nursing Home Diversion Modernization Program Final Evaluation Report, University at Albany, 2011*)

The Journal of Health Affairs analyzed state spending data from 1995 to 2005 and found spending growth of Medicaid and Medicare (for long-term care services) was greater for states with limited Home & Community Services. (*Kaye, et al 2009*)

An Administration on Aging study demonstrated that providing three aging services in the home can delay nursing home placement of high risk clients up to 32 months. (*Advanced POMP: Rhode Island Dept. of Elderly Affairs, Oct. 2009*)

**Local Impact**

Albany County resident Elka Swenson\*, 79, is the primary caregiver for her husband, John, who is 81 years old and suffers from Parkinson's disease and dementia. She prepares meals and keeps up with houseful chores but leaving the house has become challenging due to her husband's limited mobility and dementia. Respite services through the Office for Aging have given her time to go grocery shopping, run errands, go to her medical appointments and attend a support group when she is feeling overwhelmed. *(Respite Care is part of Title III E of the Older Americans Act.)*

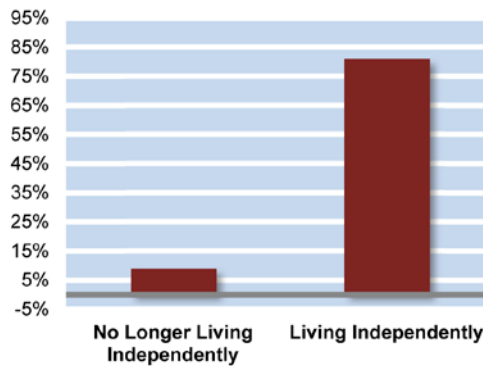
The niece of 80-year-old Barbara Capabianco\* contacted the Senior Legal Services program because Barbara had named her power of attorney but the document was invalid due to new power of attorney laws. The SLS worked with Barbara and her niece to redo the power of attorney and also advised her on her financial position in the event her husband needed nursing home care. *(Legal Services is part of Title III B of the Older Americans Act.)*

Lettie Palmer was introduced to her local Office for Aging after a car accident landed her in the hospital. When the time came for her to be discharged, her doctor wouldn't let her leave without a plan for her to have some help at home. The local Office for Aging stepped in and signed her up for Home Delivered Meals, allowing her to be discharged from the hospital. *(Home Delivered Meals are part of Title III-C-2.)*

*Names have been changed to protect client privacy.*

**Area Agencies on Aging (AAAs) Enable At-Risk Seniors to Live Independently**

**Nursing Home Modernization Program Final Evaluation Report**

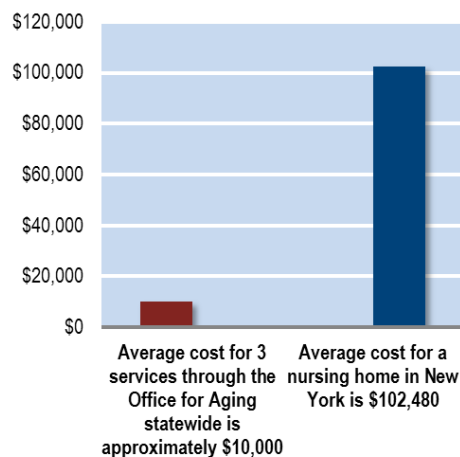


*Source: Nursing Home Diversion and Modernization Program/Community Living Program study results.*

*83.5% of study participants at risk of nursing home placement (three services or more equals at risk) remained living independently after eight months of Area Agency on Aging (AAA) services.*

*Source: Based on Broome, Oneida and Onondaga Counties. Center for Excellence in Aging & Wellness, University at Albany (2011)*

**Average Cost of a Nursing Home vs. 3 Area Agency on Aging Services**



**Key Terms**

**OAA**

The Older Americans Act was first established in 1965. The network of Area Agencies on Aging grew out of the Older Americans Act which was first established in 1965.

**LTSS**

Long-term care services and supports, formerly referenced as long-term care, describes a wide range of assistance that goes beyond acute medical care and deals with "activities of daily living" needs of people with disabilities or illness.

**ADL**

Activities of Daily Living, such as eating, dressing and bathing, are referred to as ADLs. Seniors with multiple ADLs are at risk of nursing home placement.

**IADL**

Instrumental Activities of Daily Living, such as managing money, shopping and preparing meals, are referred to as IADLs.

**No wrong door**

Means the system for care can be entered through any local office for aging, independent living center, senior center, primary care provider, or other methods of accessing services.

**ADRC**

NY Connects was established to provide clients with "no wrong door" entry into the Aging Services Network. NY Connects is recognized by the federal government as an Aging and Disability Resource Center (ADRC).

## DEMOGRAPHICS – 2<sup>nd</sup> Congressional District

### Investment

The cost of nursing home care versus home and community-based services has prompted New York State to take a closer look at the kinds of long-term care services and supports provided by Area Agencies on Aging.

Area Agencies on Aging throughout the state serve thousands of seniors who have multiple IADL (instrumental activities of daily living) and ADL (activities of daily living) challenges. They receive a package of Area Agency on Aging services at an annual average cost of just over \$10,000 per person; amounts vary geographically.

Clients with multiple IADL and ADL difficulties are considered at risk of nursing home placement. The annual average cost of a nursing home in New York State is \$102,480.

### Why reauthorize OAA?

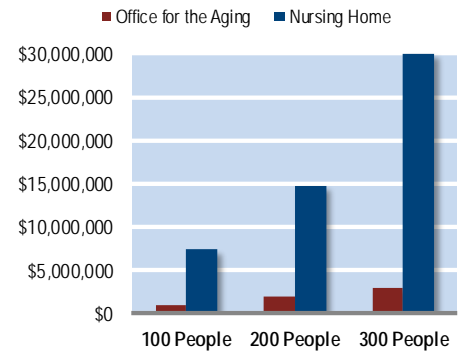
The reauthorization of the Older Americans Act (OAA) is critical to keeping up with the growth of the 60-plus population. (See chart below.)

A strong show of support for the OAA (i.e. the authorization) by Congress will set the stage for the long term services and supports necessary to preventing an avalanche of older New Yorker's spending down to Medicaid.

Without the reauthorization of the Older Americans Act, the Redesign of Medicaid is simply a poor excuse for abandoning human services for older New Yorkers.

Reauthorize OAA and set the stage for a true Affordable Care Act that promotes the well-being of an aging population and the economy.

### Medicaid Cost Avoidance

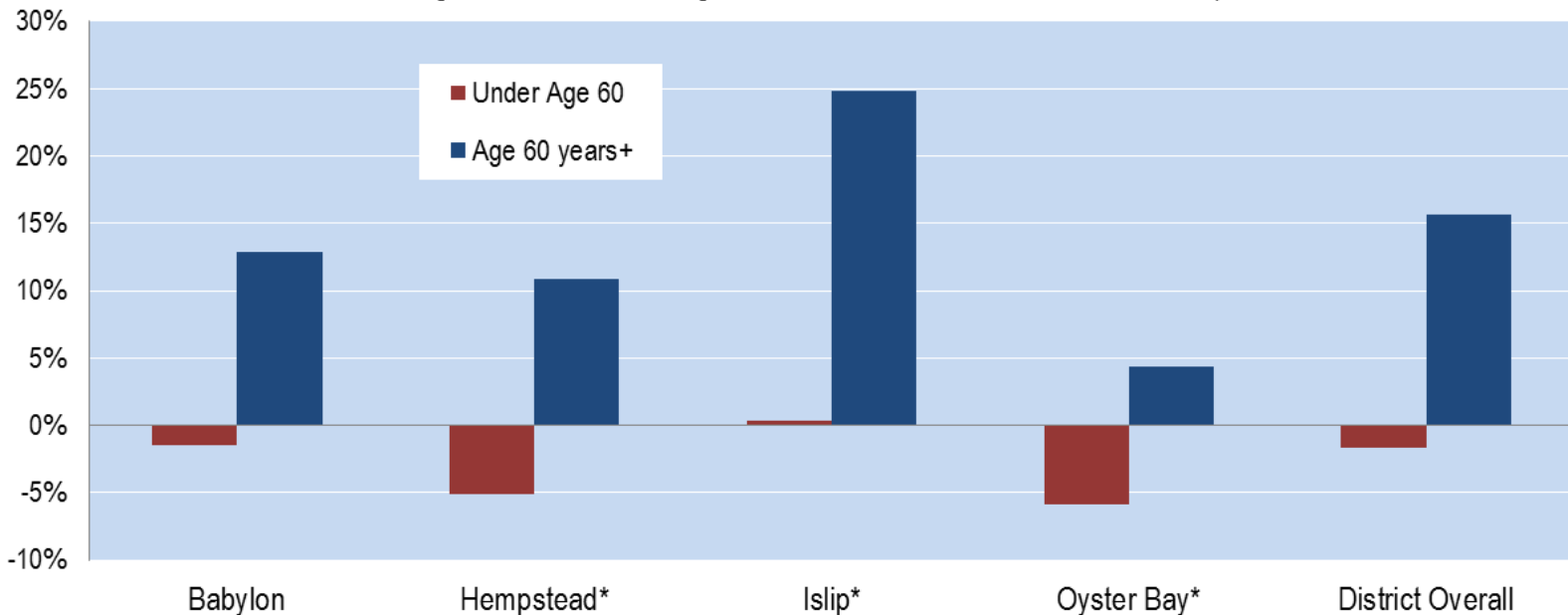


*Diverting 300 people from nursing home placement by using AAA services translates into close to \$30 million in reduced costs annually.*

*Take into account the population of places like Long Island (Nassau County has the fastest growing population of 85-plus in the nation) and the overall savings to the state is impressive.*

## 2nd District Sees Senior Ranks Swell While Population of Non-Seniors Drops

(Percent change from 2000 to 2010 in number of persons age 60 years and up vs. persons under age 60 for the 2nd Congressional District and its constituent towns)



\*Town split by Congressional District boundaries; data shown are for the part inside the 2nd District.

Source: 2000 and 2010 Census Summary File 1 New York/prepared by the U.S. Census Bureau, 2001 and 2011, respectively.