



## NCOA Priorities for the Presidential Transition

The National Council on Aging (NCOA) is a national voice for older Americans -- especially those who are vulnerable and disadvantaged -- and the community organizations that serve them. Since 1950, NCOA has led advocacy and service efforts to turn creative ideas into pragmatic, cost-effective policies and programs that help millions of seniors live independently, find jobs and benefits, manage their health and remain active in their communities. NCOA brings together non-profit organizations, businesses, and government to develop creative solutions that improve the lives of older Americans.

Under the leadership of President and CEO James P. Firman, EdD, our work is strategically focused on five critical Impact Areas in which we have specific expertise, both in the public policy arena and in the field working with thousands of community organizations and leaders:

- **Healthy Aging** – Improving health and reducing disability (led by Nancy Whitelaw);
- **Long-Term Services and Supports** – Enhancing capacity to live in communities with dignity, choice and financial security (led by Jay Greenberg);
- **Workforce Development** – Increasing participation in meaningful and rewarding work (led by Sandra Nathan);
- **Civic Engagement** – Expanding service opportunities that address community needs (led by Tom Endres); and
- **Access to Benefits** – Increasing access to public and private benefits and resources (led by Wendy Zenker)

NCOA looks forward to working with the new Administration and with bipartisan leaders in Congress to help the nation realize the opportunities of an aging America by keeping seniors healthy, engaged and financially secure. Older Americans should play an important role working together across generations in communities to help address the challenges and solve the problems our nation is facing.

## NCOA PRIORITIES FOR THE FIRST 100 DAYS

### The Economic Stimulus Package

With the downturn in the economy, and rapidly rising food and health care costs, seniors on fixed incomes face particularly difficult times. Assistance to enable seniors to meet basic needs would free up dollars for them to spend elsewhere. Among the resources needed is an additional \$60 million for the Senior Nutrition programs (congregate and home-delivered meals). A recent survey found that over 80 percent of states now have waiting lists for senior nutrition programs. Nutrition programs have a significant multiplier effect.

When you add the current economic crisis to the sheer demographics of an aging workforce, the case for developing creative solutions to address the aging of the workforce becomes compelling. The Urban Institute recently reported that the number of unemployed age 65 and older has jumped 50 percent in a year. The Senior Community Service Employment Program (SCSEP) is the only source of designated funds for job training and placement for older workers. An investment of \$187.6 million in a two-year stimulus plan would provide employment for as many as 30,000 older Americans, supplementing the incomes of lower income seniors who would immediately return this money into the economy, while addressing pressing community needs.

As proposals for infrastructure spending are developed, we request that flexibility be provided for states to invest in improvements in nonprofit facilities that serve disadvantaged Americans, including senior centers.

We also strongly support increasing the Federal Medicaid match rate (FMAP) to provide much-needed relief to states, particularly for cost-effective home and community services that are in great jeopardy of being cut.

### The FY 2010 Budget



Administration on Aging: The Older Americans Act (OAA) is the backbone of services to America's aging population, enabling seniors to stay independent and healthy through a wide range of services including: nutrition, senior centers, home and community services, family caregiver support, transportation, protection against abuse and neglect, and health promotion and disease prevention. Resources for OAA programs have been stagnant since FY 2002. If appropriations had kept pace with inflation, funding would be almost \$400 million higher than the current \$1.9 billion level. These reductions are occurring as the numbers of seniors increase and their needs grow in the current economy. An increase of 12 percent in OAA funding will begin to address this shortfall and better meet the needs of the most disadvantaged in the aging population.

Specific OAA programs that deserve additional funding include:

- Within AoA's *Choices for Independence* initiative, evidence-based health promotion and disease prevention programs that effectively reduce the risk of injury, disease, and disability.
- Civic engagement provisions (Section 417) to mobilize experienced seniors to expand critical services to low-income, vulnerable people by creating multigenerational service projects to strengthen families and communities. Additional federal funding will leverage private sector resources, help tap our vast baby boomer potential, and yield multiple returns on investment.
- The National Center on Benefits Outreach and Enrollment (Section 202) to marshal the latest person-centered, cost effective methods to enroll poor seniors in federal, state and private benefit programs.

Department of Labor Employment and Training Administration: The graying of the America will affect many aspects of our society, including significant implications for the labor market, with possible labor and skill shortages. Older workers offer competitive advantages to employers because many possess management and organizational skills that can be used in any number of industries and occupations. In addition, older workers bring several qualities that make them ideal employees, such as knowledge, experience, and productive work habits. In 1968, SCSEP served 4 percent of the eligible population; today it serves less than 1 percent. Recent appropriations increases simply allow the program to keep pace with increases in the federal minimum wage. An investment in the program in the stimulus package, plus a 12 percent increase in funding within the OAA, will move SCSEP toward the goal of serving at least 5 percent of the eligible population.

**At the end of this document, we have also included one page of administrative and regulatory recommendations NCOA supports that do not require legislation.**

## NCOA PRIORITIES FOR 2009

### Health Care Reform

Without question, our nation faces enormous health care challenges. For people over age 65, the central challenges concern the future of the Medicare program, improving access to home and community services, and promoting healthy aging. NCOA is a leader in each of these areas and brings real world service and decades of staff expertise that can assist in providing evidence-based, innovative, bipartisan answers to these pressing national problems.

Chronic Care and Prevention: NCOA believes that the nation can improve outcomes and efficiencies through prevention and self management of chronic conditions to reduce the risk of disability and the progression of disease. NCOA is the Administration on Aging's designated technical assistance center for community-based healthy aging programs in 27 states. These evidence-based programs include falls prevention, chronic disease self management (CDSMP), and mental health [See <http://www.healthyagingprograms.org>]. These programs provide great value and meet high standards, as they have been proven to work through rigorous scientific evaluation and peer review, and have measurable results. Research shows that if older adults maintain healthy habits they can significantly delay the onset of disability by as much as 10 years, use fewer healthcare resources, and reduce the period of disability prior to death. CDSMP, which is available both in communities and now on-line, has been proven to be a particularly high value, low-cost intervention for those with multiple chronic illnesses.



Such evidence-based community interventions are an important component of the broader effort to reform health care (e.g., patient-centered medical homes). As we work to improve prevention and care for those with chronic illness, NCOA approaches these issues with a unique perspective:

- A focus on vulnerable/disadvantaged older adults – those with multiple chronic conditions, dual eligibles and others with low incomes, and populations that have experienced detrimental health disparities;
- An emphasis on self management, consumer direction, empowerment, informed and activated families, and a holistic approach to chronic care and falls prevention; and
- Expertise with evidence-based models that enhance the interface between primary care and cost effective community services.

The increased focus on prevention must also include injury prevention. Falls are the leading cause of injury-related deaths among seniors, accounting for 1.85 million emergency room visits, and 460,000 hospitalizations in 2005. Unless we address contributing factors, the lifetime cost of senior falls is expected to rise from \$19 billion in 2000 to nearly \$43 billion in 2020. NCOA is a founding member of the National Falls Free Coalition and spearheaded the development of a Falls Prevention National Action Plan. Our priority is to secure adequate funding within the Centers for Disease Control and other areas for falls prevention activities.

Long-Term Services and Supports (LTSS): Health care reform efforts should not discriminate against millions of frail seniors and persons with disabilities by failing to address their LTSS needs. We face a growing crisis and need a national strategy to help them to maintain their independence and dignity. Most seniors must currently impoverish themselves and exhaust their hard-earned life savings before receiving help under Medicaid, and too many enter expensive nursing homes prematurely, despite their preference for home care. NCOA co-chairs the Leadership Council of Aging Organizations (LCAO) LTSS Committee and supports:

- Senator Kennedy's *Community Living Assistance Services and Supports (CLASS) Act*, cosponsored by Senator Obama, which would promote choice and independence, provide for voluntary participation in a broad risk pool, be fiscally responsible and reduce Medicaid spending, retain a role for private insurance, and promote personal responsibility. The bill embodies the principles developed by LCAO and the Consortium of Citizens with Disabilities <http://www.lcao.org/docs/lc/112008pr.pdf>;
- The Kerry/Grassley *Empowered at Home Act*, which would address the Medicaid institutional bias by improving access to cost effective home and community services in a variety of important ways;
- Addressing dangerously high rates of vacancies and turnover among direct care workers; and
- Increasing supports for family caregivers who are struggling with enormous financial, emotional and physical burdens to try to keep loved ones out of institutions.

Medicare Low-Income Protections: Enrolling low-income seniors in needs-based benefits programs is critical to their health and independence. Unfortunately, participation rates for these programs are very low, due to lack of awareness, complicated application forms, and insufficient resources dedicated to outreach and enrollment. NCOA created the Access to Benefits Coalition and *My Medicare Matters* program, directs the National Center on Benefits Outreach and Enrollment, developed and maintains the comprehensive on-line screening tool [www.benefitscheckup.org](http://www.benefitscheckup.org), and helped to lead efforts this past year to enact into law significant improvements to the Medicare prescription drug Low-Income Subsidy (LIS) and Medicare Savings Programs (MSPs). Additional important low-income legislative improvements NCOA supports include:

- Raising asset eligibility levels for LIS and MSP benefits, so that low-income seniors who did the right thing in creating a modest nest egg of savings are not penalized;
- Simplifying and aligning the LIS and MSP programs so that if an individual is eligible for one, he/she would automatically be eligible for the other;
- Making permanent the Qualified Individual (QI) MSP program, which pays Medicare premiums for beneficiaries with incomes between 120 and 135 percent of poverty. The program is due to expire on December 31, 2009; and
- Providing meaningful additional funding to the aging network for targeted low-income outreach and enrollment efforts.

In general, we are supportive of recommendations from the nonpartisan, expert Medicare Payment Advisory Commission (MedPAC) to help pay for these and other Medicare improvements.

**Civic Engagement and National Service**

America is aging, people are living healthier longer, and new research suggests that people turning 60 today have the ability to work productively well beyond what has traditionally been considered normal retirement years. The June 27, 2007 issue of Business Week magazine included an article that focused on this opportunity:

*“Rather than being an economic deadweight, the next generation of older Americans is likely to make a much bigger contribution to the economy than many of today’s forecasts predict... New research suggests that Boomers will have the ability – and the desire – to work productively and innovatively well beyond today’s normal retirement age....If society can tap [Baby Boomer] talents, employers will benefit, living standards will be higher, and the financing problems of Social Security and Medicare will be easier to solve...Increased productivity of older Americans and higher labor-force participation could add 9% to gross domestic product by 2045 on top of what it otherwise would have been.”*

It is time to consider a policy agenda that recognizes the value and return on investment of new programs that might foster and support a continuum of unpaid and paid community service activities. The human potential of older adults working and serving the public interest is a vast untapped reservoir of energy and experience. It may be the “tipping point” that shifts us from 20<sup>th</sup> century thinking about aging as a drain on our resources, to 21<sup>st</sup> century thinking that envisions older adults as a tremendous growing resource who will give back far more than they take, help solve serious community problems, and raise our overall standard of living. There is great need for a coherent and comprehensive policy framework and infrastructure to address the impending demographic shift.

NCOA has been a national leader in creating new roles and opportunities for seniors to give back to their communities and help community leaders tap this human resource potential. Our *RespectAbility* initiative helps non-profit organizations make more effective use of seniors to solve social problems. This partnership project creates opportunities to renew communities through volunteer paid and unpaid work in retirement. We look forward to being part of devising strategies to tap these resources effectively. NCOA supports provisions in the OAA calling for the development of a National Blueprint, a fund for innovation, and the development of model multigenerational programs, such as a Silver Scholarship Program to award seniors who volunteer for at least 500 hours of tutoring, mentoring or caregiving activities, with a \$1,000 transferable education award. The proposal was included in both Senate and House bills to reauthorize the National and Community Service Act.

**Older Workers**

NCOA is a one of 18 SCSEP national sponsors and created the *Maturity Workers Alliance* to work with community groups and leaders on older worker issues. NCOA supports:

- Legislation that places immediate focus on the re-employment and re-training needs of these older, dislocated workers, including economic stimulus investment in the SCSEP. Research clearly demonstrates that older individuals are less likely to be rehired following a layoff than younger, dislocated individuals.
- The *Health Care and Training for Older Workers Act*, which would extend COBRA health coverage for workers aged 62+ who phase down their work hours; improve access to job training by amending the Workforce Investment Act (WIA); require states to report on the participation of older workers in WIA activities; and establish a clearinghouse of best practices for hiring and retaining older workers in the DoL.
- The *Older Worker Opportunity Act*, which would create a tax credit for employers of workers age 62+ in flexible work programs. The bill defines a flexible work program as one where the employee works no more than 20 hours per week (and 1000 hours per year). The credit equals 25 percent of the older worker’s wages, and would only be available to employers that provide both a qualified pension plan and health insurance coverage, and pay at least 60 percent of the health insurance premiums.

*We welcome the opportunity to discuss these issues in further detail. NCOA is represented by Vice President for Public Policy and Advocacy Howard Bedlin ([howard.bedlin@ncoa.org](mailto:howard.bedlin@ncoa.org), 202-479-6685), who has been a leader on aging advocacy issues for over 25 years, and Director of Public Policy and Advocacy Marci Phillips ([marci.phillips@ncoa.org](mailto:marci.phillips@ncoa.org), 202-479-6658), who has worked on the House Education and Labor Committee and with community-based service organizations for over 15 years.*

**ADMINISTRATIVE AND REGULATORY RECOMMENDATIONS**



- Office at the White House: Create a White House Office on Older Adults (or the position of Domestic Policy Council Advisor on Older Adults) to develop, lead and coordinate the Administration's policy agenda on crosscutting issues that assist and empower older Americans.
- Data Sharing: Direct federal agencies, including IRS, SSA, CMS, and DoA to study and work towards sharing data to facilitate the enrollment of eligible beneficiaries into Medicaid (including MSPs), LIS, SNAP, LIHEAP, SSI, and state patient assistance programs (SPAPs).
- SCSEP Regulations (DoL): A moratorium should be placed on DoL's August 14, 2008 Notice of Proposed Rulemaking on the Senior Community Service Employment Program (SCSEP). A full discussion (including inquiries and possible hearings convened by the authorizing committees) is needed to clarify the Congressional intent for SCSEP. Contrary to the clear intent of the authorizers, the NPRM would inappropriately reverse the valuable community service orientation of the program.
- Apply FLSA protections to home care workers (DoL): The DoL should reverse the current administration's guidelines that exclude home care workers from minimum wage and overtime protections under the Fair Labor Standards Act. Extending these basic protections to lower income direct care workers will help the economy and begin to address staffing shortages in this area.
- Part D LIS application form (SSA): On Oct. 28, 2008, the Social Security Administration requested comments on the Medicare Part D Low-Income Subsidy application form. The following changes should be made: (1) allow applicants to appoint a third party to assist them throughout the eligibility and enrollment process; (2) provide further instruction and clarity for jointly owned assets; and (3) provide space and allow applicants to explain their answers to specific questions.
- Spousal protections under Medicaid Home and Community-Based Services (CMS): Clarify that states can provide impoverishment protections to spouses of HCBS Waiver enrollees. Even though HCBS recipients are more likely to be married, such protections are mandatory for spouses of nursing facility residents and the current administration has inappropriately restricted states' discretion under HCBS waivers, further exacerbating Medicaid's institutional bias.
- Targeted case management (CMS): An interim final rule was issued in Dec. 2007 making changes to Medicaid targeted case management, now subject to a moratorium until April 2009. The rule went well beyond the statutory changes and would unduly restrict access to these important services. The rule should be withdrawn and revised in a manner that removes the provisions that would harm Medicaid enrollees.
- Intelligent assignment for low-income beneficiaries in Part D plans (CMS): The statutory requirement for "random" assignment should be interpreted with the best interest of the beneficiary in mind, to require that assignment be random among those plans best suited to an individual's needs. States have found that such "intelligent" assignment is feasible and saves money for both the beneficiary and the government.
- Part D plan churning and disruption among low income beneficiaries (CMS): Each year, more than a million low-income beneficiaries must change prescription drug plans in order to avoid paying premiums because their plans did not qualify as benchmark plans for the following year. To alleviate this churning and disruption, CMS should: (1) reinstate its "de minimus" rule; (2) allow all non-enhanced PDPs the option of offering their plan to LIS beneficiaries for no premium; and (3) calculate the benchmark premium without consideration of rebates applied by MA-PDs.
- Notice for Part D Appeals (CMS): Medicare Part D regulations should be changed to require that the official coverage determination be provided to each affected beneficiary at the pharmacy and that CMS develop a standardized electronic submission for plans to use that explains the reason for a denial of coverage and how to seek an exception/redetermination.
- Part D Tiering Exceptions (CMS): The regulations should be changed to clarify that a tiering exception is available for all drugs, including specialty drugs, and that requests for tiering exceptions may be made to move drugs to the lowest-cost, generic only tier.
- Giving Weight to Physician's Opinion on Exceptions (CMS): Part D regulations at 42 C.F.R. §423.578(f) conflict with clear statutory language at S.S.A. §1860D-4(g)(2) by precluding deference to the physician's support for an exception. This regulatory provision should be repealed.

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