

At Home

August, 2011

With Mass Home Care

Vol 24 #8

Al Norman, Editor



Gang of Six: Just Words, No Numbers

As the deadline for extending the federal debt limits approaches, a plan forwarded by the so-called Congressional "Gang of Six" became a center of discussion, even though details of the plan were sketchy at best. As one Congressional critic said, the plan was "all words and no numbers." But the plan relies on a combination of program cuts and revenue increases that will be unsettling to the elderly.

The Gang of Six claims overall its plan would produce \$1.5 trillion in net tax relief. Based on an outline of the Gang of Six plan, the recommendations were "consistent" with the recommendations of the Bowles-Simpson fiscal commission plan. The Gang of Six plan would: :

- Slash the nation's deficits by \$3.7 trillion/\$3.6 trillion over ten years
- Impose unprecedented budget enforcement
- Use a two-step legislative process: (1) an initial bill that makes immediate cuts; and (2) a process for a second bill to enact comprehensive reform and put our nation on a stable fiscal path.
- Immediately cut deficits by \$500 billion.
- Cut non-security and security discretionary spending over 10 years.
- Maintain investments that encourage economic growth, strengthen the safety net for those who truly need it, and preserve a strong national defense.
- Spend health care dollars more efficiently in order to strengthen Medicare and Medicaid, while maintaining the basic structure of these critical programs.
- Reduce marginal income tax rates and abolish the \$1.7 trillion Alternative Minimum Tax.

- Reform spending through the tax code to eliminate investment distortions and tax gaming.
- Change the debate about taxes in America from rate levels and carve outs to competitiveness, fairness and growth.
- Provide net tax relief of approximately \$1.5 trillion.
- Ensure 75-year solvency of Social Security and provide for a decennial review of the program to ensure it remains solvent.
- Reform Social Security on a separate track, isolated from deficit reduction – any savings from the program must go towards solvency.

With regard to Social Security and long term care, the Gang of Six plan would:

- Shift to the chained-CPI (a more accurate measure of inflation) government-wide starting in 2012, along with the following specifications for Social Security: (1) exempt SSI from the shift for five years, and then phase in the shift over the next five years; and (2) provide a minimum benefit equal to 125% of the poverty line for five years.



- Consider Social Security reform, if and only if the comprehensive deficit reduction bill has already received 60 votes.
- Reform must ensure 75-year solvency of the program and provide for a decennial review to ensure it remains solvent. Any savings from the program must go towards solvency, not deficit reduction.
- Bar substitute amendments that worsen the solvency of Social Security.

The plan would also include a series of deficit

reduction plans that includes discretionary and entitlement savings as well as fundamental tax reform:

- Repeal the CLASS Act for long term care self-insurance
- Require committees to report legislation within six months that would deliver real deficit savings in entitlement programs over 10 years.
- Finance would permanently reform or replace the Medicare Sustainable Growth Rate formula (\$298 billion) and fully offset the cost with health savings, would find an additional \$202 billion/\$85 billion in health savings, and would maintain the essential health care services that the poor and elderly rely upon.
- Armed Services would find \$80 billion.
- Health, Education, Labor, and Pensions would find \$70 billion.
- Homeland Security and Government Affairs would find \$65 billion.
- Agriculture would find \$11 billion while protecting the Supplemental Nutrition Assistance Program.
- Commerce would find \$11 billion.
- Energy would find \$6 billion and may propose additional policies to generate savings that would be applied to the infrastructure deficit or to reduce the deficit.
- Judiciary would find an unspecified amount through medical malpractice reform.
- Require the Finance Committee to report tax reform within six months that would deliver real deficit savings by broadening the tax base, lowering tax rates, and generating economic growth.
- Simplify the tax code by reducing the number of tax expenditures and reducing individual tax rates, by establishing three tax brackets with rates of 8–12 percent, 14–22 percent, and 23–29 percent.
- Permanently repeal the \$1.7 trillion Alternative Minimum Tax.
- Tax reform must be projected to stimulate economic growth, leading to increased revenue.
- Tax reform must be estimated to provide \$1 trillion in additional revenue to meet plan targets and generate an additional \$133 billion by 2021, without raising the federal gas tax, to ensure improved solvency for the

Highway Trust Fund.

- Reform, not eliminate, tax expenditures for health, charitable giving, homeownership, and retirement, and retain support for low-income workers and families.
- Retain the Earned Income Tax Credit and the Child Tax Credit, or provide at least the same level of support for qualified beneficiaries.
- Maintain or improve the progressivity of the tax code.
- Establish a single corporate tax rate between 23 percent and 29 percent, raise as much revenue as the current corporate tax system, and move to a competitive territorial tax system.
- Require the Budget Committee to report legislation within six months that would:
 - Extend discretionary caps and enforcement mechanisms through 2021.
 - Review total federal health care spending starting in 2020 with a target of holding growth to GDP plus one percent per beneficiary and require action by Congress and the President if exceeded.
 - Achieve program integrity savings of \$26 billion in entitlement programs to curb fraud, abuse, and other wasteful spending government-wide.

The outline provides no details on how certain tax reforms would be achieved. The tax deductions for mortgages---one of the most costly tax breaks in the IRS code---would be retained, but reformed. How it would be reformed is not clear.

The number of tax brackets would be cut in half to three from six, although it's not clear what income levels would apply to each bracket. The exact rate for each of the new brackets is not provided, just a range: between 8% and 12% for the lowest bracket; 14% and 22% for the middle bracket; and 23% and 29% for the top bracket. That means income tax rates would certainly be lower for those in the top two brackets. Currently their rates are 33% and 35% versus somewhere between 23% and 29% in the Gang's plan.

Part of the additional revenue raised comes from repeal of the Alternative Minimum Tax, which was intended to be a tax on the wealthy who don't pay very much income tax. But it now threatens to hit the middle class in increasing numbers every year because of how it was originally set up. Eliminating the AMT would cost more than \$1 trillion.

According to the *New York Times*, the leaders of the Gang of Six were finding it harder to get other senators to sign a letter endorsing their approach than might have been suggested by the support voiced by the 43 colleagues who attended a closed-door briefing on the package. "There were a lot of people who said yesterday in our meeting, 'Hey, we want to be supportive, but we want some detail.' And that's a fair question," said Senator **Saxby Chambliss** of Georgia, one of the Gang of Six. "They're still supportive, but they're not willing to put their names on the line until they see a lot more of the intricate detail, and I don't blame them."

Sen. Sanders No Fan Of Gang Of Six Plan



U.S. Senator **Bernie Sanders** (I-VT) charges that the Gang of Six proposal should prove popular to the wealthy and large corporations—but not too many others.

According to an analysis provided by Senator Sanders:

- The Gang of Six plan reduces the top marginal income tax rate for the wealthiest Americans and most profitable corporations from 35% to as low as 23% (about 34% lower than the top tax rates under Bush).
- Instead of reforming the Alternative Minimum Tax, it abolishes it altogether providing a major tax cut for the wealthiest Americans.
- It reduces the deficit by about \$3.7 trillion over 10 years, while providing a net tax cut of \$1.5 trillion that will mainly go to the wealthiest Americans and most profitable corporations.

“In other words,” Sanders says, “100% of the deficit reduction achieved by the Gang of Six plan is through spending cuts to programs like Medicare, Medicaid, education, child care, Head Start, LIHEAP, environmental protection, and other programs that the sick, the elderly, the children, and working families need.”

Sanders noted other facets of the plan:

- Any tax revenue that is raised by closing tax loopholes for large corporations must be used to lower tax rates.
- Revenue raisers can not be used to increase spending at all. Revenue raisers can only be used to lower tax rates or reduce the deficit.
- By moving to a territorial tax system, the Gang of Six plan will allow large corporations to avoid paying federal income taxes by outsourcing jobs overseas.

Sanders also charges that the Gang of Six plan reduces the deficit on the backs of the elderly, the children, the sick, and working families:

- It imposes undefined spending caps to be in effect until at least 2015 that could only be raised by 67 votes in the Senate.
- It immediately reduces Cost of Living Adjustments for Social Security benefits.

“Even though Social Security recipients haven't gotten a COLA for 2 straight years,” Sanders says, “the Gang of Six believes that the formula for calculating COLAs is too generous. Under their plan, they would ensure that seniors never get a fair COLA by shifting to the Chained-CPI which would significantly understate inflation for seniors. The Social Security Administration's Chief Actuary has estimated that moving to a chained CPI would mean that Social Security recipients who retire at age 65 and receive average benefits would get \$560 less a year at age 75 than they would under current law and get \$1,000 less a year at age 85.”

Medicare is also hurt by the Gang of Six plan, Sanders explains. The plan cuts Medicare by at least \$298 billion over 10 years.

Finally, Sanders says the Gang of Six proposal will hold deficit reduction hostage to cutting Social Security benefits. “If the Gang of Six deficit reduction plan receives 60 votes, it will not be sent to the House until and unless the Senate also adopts a plan to reform Social Security so that it is solvent for the next 75 years. If 60 Senators don't vote to approve an undefined 75-year Social Security solvency bill, the deficit reduction plan

dies, even if 60 Senators voted to approve it. Social Security is solvent for the next 25 years,” Sanders notes. “No other government program can make that claim.”

Social Security: Eat Your Peas



The White House stunned millions of older voters in mid July when reports in the media began to surface that President **Barack Obama** had offered to make cuts to Social Security and Medicare as part of a federal debt extension deal on Capital Hill.

Although the President told Congressional leaders on both sides of the aisle that it was “time to eat your peas,” many senior citizens—and some members of Congress in the President's Party, reacted to the White House plan with distaste.

“What I've heard from people you might not expect to hear it from ... is if they bring to the Senate a [deal] that really comes down heavy on working families and children and the elderly and they expect me to matter-of-factly vote for it, they'll have another thing coming,” said Sen. **Bernie Sanders** (I-Vt.) shortly after the deal was floated.. House Minority Leader **Nancy Pelosi** (D-Calif.), signaled that Democrats “would not reduce the deficit or subsidize tax cuts for the rich on the backs of America's seniors.”

The comments from Senator Sanders came during a conference call with Senator **Sheldon Whitehouse** (D- R.I.). The call had been organized by national labor unions, the National Organization for Women, MoveOn.org and the Alliance for Retired Americans.

"There's been very little conversation between the White House and the Senate about this," Sen. Whitehouse noted, "and I think they're making a grievous mistake if they think they can just present anything to us and assume that because we're Democrats, we'll go along with what the president has capitulated to."

Elder constituency groups began a media launch of TV ads against any effort to cut Social Security, Medicare and Medicaid. On July 13th, AARP Massachusetts posted an entry on its blog which said AARP had launched "another wave of activity in our efforts to protect Medicare and Social Security from harmful cuts as part of a deal to pay the nation's bills. AARP is urging Congress to make responsible decisions during the deficit reduction debate by cutting waste and closing loopholes instead of cutting critical Medicare and Social Security benefits that millions of Americans have earned through a lifetime of hard work." AARP aired a TV ad with the message "Seniors are not pushovers. Maybe we seem like an easy target... until you realize... there are 50 million of us. Tell the politicians to cut waste and loopholes, not our benefits." AARP said that in Massachusetts alone more than 17,000 AARP members had participated in telephone town hall meetings to hear from AARP experts about the deficit debate.

The National Committee to Preserve Social Security also aired a TV ad and said it had nearly 700,000 petitions to give to the White House next voicing opposition to any changes to seniors' cost-of-living adjustments.

Eating your peas in budget terms translated into a plan that reportedly would cut as much as \$4 trillion from the deficit by reforming Social Security, including a new methodology for calculating the annual cost of living adjustment (COLA) for Social Security. Seniors for at least two decades have complained that the existing COLA, which is based on urban workers and not reflective of elderly costs, already shortchanges seniors, who have higher health care and drug costs than younger workers. Although the Bureau of Labor Statistics maintains a CPI-Elderly measurement, it is not used to adjust benefits annually. The White House plan would create a "chained CPI" formula the results in even lower annual adjustment than the current flawed formula. "I think that there was a lot of unhappiness on the Democratic side when (reports that Social Security may be

on the table) came out, and from what I understand, it blindsided the leadership. They didn't really realize it was coming out," Rep. **Eliot Engel** (D-N.Y.) told Bloomberg news. "And there's all kinds of theories as to why it came out. Some people think it wasn't the president; it was some of his people wanting to position themselves or whatever. But it wasn't a good thing."

Minority Leader Pelosi clarified that there were some efficiencies in Medicare that would be acceptable to Democrats, like the proposal to allow the health program to negotiate for drug costs with pharmaceutical companies, as the Veteran's Administration currently does. "That's a cost savings, that's not a benefit cut, it's a cost-saving cut to Medicare," Pelosi explained. "And if that were to be part of a global grand plan, we'd want assurances that that money would be pooled back into Medicare, not to subsidize a tax cut for the wealthiest person in America."



Rep. Raul Grijalva

There were other signs as the deadline for debt extension approached that the President did not have all of his Party rank and file in line. The co-chairs of the Congressional Progressive Caucus sent a letter to Leader Pelosi thanking her for her leader's "unwavering defense" of Social Security, Medicare and Medicaid and pledging to vote against any deal that would include benefit cuts.

"We are united as Democrats in saying that it's time to stand up to the Republican hostage-taking," reads the letter from Reps. **Raul Grijalva** (D-Ariz.) and **Keith Ellison** (D-Minn.). "We will not be forced

to vote for a 'final agreement' that we do not agree to - and that the American people do not agree to.' So "eat your peas" did not seem to go over very well at the Social Security dinner table.

revenue increases. The deal unraveled, so it is not clear just how serious the entire package appeared to be. "That is one of the things they put on the table as part of a big solution," said one senior Republican aide.

Obama Offered To Raise Medicare Eligibility Age



In July, as part of the deficit reduction bargaining in Congress, President **Barack Obama** reportedly offered to increase the eligibility age for Medicare from 65 to 67. At a press conference on July 11th, the President said, "We keep on talking about this stuff and we have these high-minded pronouncements about how we've got to get control of the deficit and how we owe it to our children and our grandchildren. Well, let's step up. Let's do it. I'm prepared to do it. I'm prepared to take on significant heat from my party to get something done. And I expect the other side should be willing to do the same thing -- if they mean what they say that this is important."

This proposal would not take effect immediately, but could happen as soon as 2013. As was done with the Social Security retirement age, the Medicare eligibility age would be raised incrementally, in small steps. The White House offer reportedly came during negotiations over a large deficit reduction package that was designed to entice Republicans to support some level of revenue increases. The President had offered \$3 trillion in spending reductions in return for \$1 trillion in

Senior Groups React to Proposed Entitlement Cuts

News of potential cuts to Social Security and Medicare did not go over well in Massachusetts with elder advocacy groups. The Massachusetts Association of Older Americans (MAOA), for example, sent out the following alert to advocates:

"Dear Friends & Colleagues, Social Security, Medicare and Medicaid have emerged as key 'bargaining chips' in President Obama's plan to get an agreement to raise America's debt ceiling. One proposal mentioned is a change in the way Social Security COLA is calculated, reducing the benefits elders and others receive for the rest of their lives. Social Security needs a COLA reform that actually reflects the cost increases in what elders buy to get by - especially health care out-of-pocket spending. A real COLA reform would increase benefits, not slash them. Under the President's reported proposal, Social Security beneficiaries - the young, the disabled and the elderly - would be unable to afford even the most modest living standard they can afford this year. Weakening the already tenuous purchasing power of the elderly and middle class today - and far into the future - is NOT the way out of America's recession or the way to pay down the federal deficit.

Social Security needs constructive reform that will strengthen the economic security of elders and others who rely on it to get through every day of their lives. Social Security does not belong in debt ceiling trade-offs talks. It should be off the table - and off the chopping block - NOW.

While President Obama has acknowledged that Social Security is not the cause of the federal deficit, news reports claim the White House has now proposed Social Security cuts that would impact millions of middle class Americans for generations. Pro-

posing cuts which touch virtually every American family in exchange for closing tax loopholes and ending tax cuts for the wealthy few is not 'shared sacrifice'. President Obama has promised Social Security benefits for current retirees would not be at risk and that he would not 'slash' benefits for future generations. However, that's exactly what will happen if the COLA formula is changed as has been reported.

MAOA has been working closely with Wider Opportunities for Women (WOW - our national Elder Economic Security partner) and supporting the work of the National Committee to Preserve Social Security and Medicare (NCPSSM) in their fights keep Social Security strong.”

2012 Budget Restores Home Care Funding



Been down so long it looks like up. The Conference Committee working on the FY 2012 Budget released its final version on the evening of June 30, 2011. Going into conference, the Senate budget was \$1.7 million below the House on the home care and care management lines items. That money has been restored, with the Conference Committee going along with the higher House numbers for home care services, and care management. Even with these higher numbers, it is still anticipated that there will be waiting lists in the home care program in FY 2012.

But even with this restoration, the funding for FY 2012 for home care services is still almost \$4 million below the FY 2011 funding level, and support for the care management account is

\$4.3 million below FY 2009 levels. Faced with increased demand for services, the home care program is expected to maintain waiting lists again in 2012.

In other action:

- The protective services program is funded at \$16.25 million---which is \$1 million more than the Governor recommended, but still \$500,000 below the FY 2011 appropriation level of \$16.7 million. On June 30, 2010, the Governor vetoed \$1.48 million from protective services. \$1 million of that has been restored for FY 2012.
- Funding for the Options counseling program is mandated in line item 4000-0600.
- Funding for LGBT training has been formally moved from the COA line item to the home care purchase of service line item.

In Outside Sections of the budget, the Conference Committee took the following action:

- Outside Section 87 calls for an annual notice of options available for enrollment in voluntary programs including Program of All Inclusive Care for the Elderly plans, MassHealth Senior Care Options, Frail Elder Home and Community Based Waiver Program. The cost of this notice can be charged to service providers.
- Outside Section 139 authorizes \$27.2 million in supplemental rates for nursing facilities if a certain level of TANF funding is reached.
- Outside section 160 sets up a tax expenditure commission to review and evaluate the administration and fiscal impact of tax expenditures.
- Outside section 161 gives EOHHS the right to restructure MassHealth program benefits to the extent permitted by federal law; provided, they give the General Court a report at least 90 days before restructuring any MassHealth benefits.
- Outside Section 196 authorizes EOHHS to ask CMS if they can implement a waiver to allow individuals qualifying for Medicaid and entering a nursing home to provide a living allowance and an asset waiver for dependent adult children when there is no living community spouse.
- Outside section 203 addresses Adult Day Health issues. Rates are frozen until January 1, 2012, and a moratorium “on the acceptance and approval of applications for (i) enrollment of new adult day health providers and (ii) expansion of the certified capacity of already approved adult day health providers” is imposed. A commission

is set up to examine licensure and rate structure issues. The health promotion level of ADH is terminated. This is the language the ADH network had requested.

Governor Proposes Changes To FY 2012 budget.



Governor **Deval Patrick** made a couple of language changes to the General Court's budget for FY 2012, but made no cuts to the final budget numbers that were sent to him by lawmakers. The Governor made two changes to 'outside sections' of the budget—policy items that follow the state budget line items.

- **Senior Care Options Program:** The Governor vetoed outside section 87, which would have required the Office of Medicaid to provide annual notices to elders on MassHealth of their options to enroll in benefit plans like the Program of All Inclusive Care for the Elderly (PACE), Community Choices, and the Senior Care Options (SCO) plans. His veto message said this section would impose additional MassHealth costs "without a corresponding appropriation." The Governor said he was prepared to recommend the necessary appropriation and to then approve the requirements. But this outside section actually would have allowed MassHealth to charge "program providers" to pay for this annual notice, so it is not clear why the Governor felt he had to use the cost of the mailed notifications as his reason to veto it for now.
- **Adult Day Health:** The Governor also chose to rewrite outside section 203, which dealt with Adult Health programs, commonly referred to as adult day care. The

original outside section on Adult Day Health said that the executive office of health and human services would conduct a feasibility study of implementing a moratorium on clinical eligibility or level of reimbursement paid to providers of adult day health services for basic and complex levels of care, and the acceptance and approval of applications for enrollment of new adult day health providers and expansion of the certified capacity of already approved adult day health providers as provided. The General Court version also would study the current manner of categorizing clients as basic or complex, and assess the commonwealth's current and future adult day health services needs and changes to address these needs. Instead of implementing a moratorium, the Governor's rewrite created a "feasibility study" about imposing a moratorium. So the study is whether or not a moratorium is feasible—but the temporary moratorium, instead of actually imposing a moratorium. ADH will not be imposed, if the General Court accepts the Governor's rewrite. In his veto message, the Governor raised concerns over imposing a moratorium. "I am concerned that this provision sweeps too broadly and will hinder necessary savings initiatives," the Governor wrote. "I propose instead that the Executive Office of Health and Human Services study the need for such a moratorium." The Governor also said his Administration would develop a licensure process for adult day health providers.

Caring Across Generations Campaign

Every eight seconds an American turns 65. By 2040 an estimated 27 million Americans will need direct care services. Currently, the direct care workforce is approximately 3 million workers. The gap between the care that is needed and the current workforce could present a social crisis of immense proportions. As a nation, we have yet to take collective responsibility for providing a dignified quality of life for our elders. A new campaign called "Caring Across Generations" intends to take on this issue head on.

"We are faced with one of the most severe economic downturns in decades," the group says. "Millions of jobs have disappeared without hope of returning. Many

economists agree that in order to achieve a sustainable economic recovery, we need to create eleven million jobs

In recent years, members of National Domestic Workers Alliance (NDWA) began asking for more training in skills related to caring for the elderly. Many workers who were originally hired as housekeepers or nannies were being called upon to provide care for the aging relatives of their employers. NDWA realized that, given the shifting generational demographics of the country and the aging baby boomer population, their members' current experiences were just the beginning.

In order to care for our country's aging population, we must ensure that families are able to afford quality direct care, that direct care workers have fair and safe working conditions, and that workers have access to the appropriate training, career advancement, and citizenship. Caring Across Generations is a campaign created by the National Domestic Workers Alliance to address the pending direct care crisis. A group called National Jobs with Justice is co-leading this new campaign with NDWA along with partners at AFSCME, SEIU, and the Direct Care Alliance. The goal of the campaign is to organize and transform the direct care industry through public policy and an organizing strategy."

lishment of labor standards for direct care and domestic workers, and a means to support families who will need to provide this care to their loved ones.

NDWA has selected 18 cities across the country to be focal points for the campaign. In 11 of these cities, Jobs with Justice will help to convene the coalition of direct care workers, elder advocates, women's organizations, unions and disability advocates, communities of faith, youth and students in an intergenerational, cross-sector campaign to seize the current crossroads of opportunity: the urgent need for care, and momentum toward job creation, legalization and workforce development.

The campaign had a public launch with the first Care Congress in Washington, DC on July 12th. Local Care Congresses are being planned for later this year. "Too often we underestimate the power of caring," the groups says. "The smallest act of caring has the potential to impact someone's life. Without a sense of caring there can be no sense of community. The Caring Across Generations Campaign aims to create the transformative change that is needed to avert a potential crisis and to provide care to those who need it."

Partnership for Patients

The U.S. Department of Health and Human Services (DHHS) has announced that up to \$500 million in "Partnership for Patients" funding will be available to help hospitals, health care provider organizations and others improve care and stop millions of preventable injuries and complications related to health care acquired conditions and unnecessary readmissions.

This funding, made available through the federal Affordable Care Act, will be awarded by the Centers for Medicare & Medicaid Services (CMS) Innovation Center through a solicitation and other procurements for federal contracts.

"Since the Partnership for Patients was announced, we have had an overwhelming response from hospitals, doctors, employers, and other partners who want to be a part of this historic effort to improve patient safety," said CMS Administrator **Donald M. Berwick**,

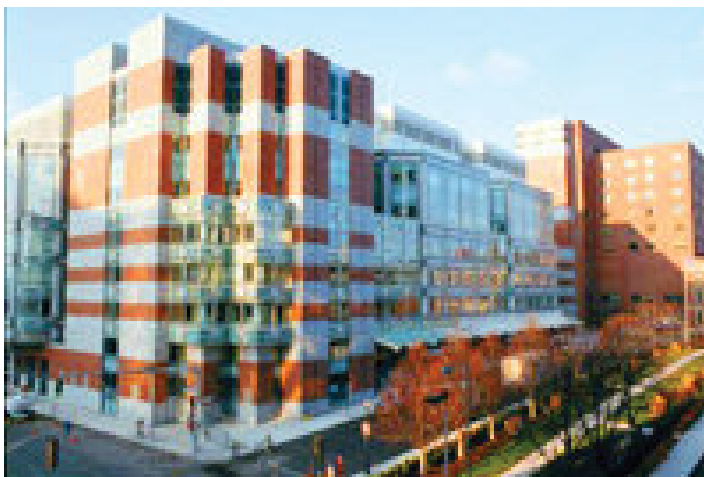


A portion of the Caring Across Generation campaign will include drafting and proposing a piece of legislation aimed at caring for the aging and respecting & educating our direct care workforce. The CAG proposal includes: job creation, establishment of a career ladder to train and certify domestic workers and other workers, a new visa category, estab-

M.D. "We are now looking to contract with local and statewide entities that can foster and support hospitals' efforts to improve health care and reduce harm to patients."

The Partnership for Patients is a new public-private partnership that will help improve the quality, safety, and affordability of health care for all Americans. The Partnership's two goals are reducing harm in hospital settings by 40-percent and reducing hospital readmissions by 20-percent over a 3-year period. To achieve these goals, the Partnership is seeking to contract with large health care systems, associations, state organizations, or other interested parties to support hospitals in the hard work of redesigning care processes to reduce harm.

CMS will be working with other contractors to develop and share ideas and practices that improve patient safety. These efforts include work with patients and families to understand their thoughts on how to best improve patient safety and transitions between different health care settings – such as when a patient is discharged from a hospital to a nursing home.



Beth Israel Deaconess Medical Center

These contracts make available the first round of funding – which will ultimately total up to \$500 million – that the Innovation Center has committed to this effort. When the Partnership for Patients was announced, the Obama administration committed up to \$1 billion in Affordable Care Act funding to help achieve the two goals. At the time of the announcement, up to \$500 million was made available through the Community-based Care Transitions Program to ensure patients safely transition between settings of care. The DHHS announce-

ment made available the start of \$500 million additional Innovation Center funds to help reduce health care acquired conditions and reduce unnecessary readmissions.

In Massachusetts, the first project to be submitted to the Feds for this care transitions funding was led by Springwell, an Aging Services Access Point member of Mass Home Care based in Watertown. The Beth Israel Deaconess Hospital is Springwell's partner in the grant. Springwell will provide Care Transitions coaching and other in-home support services for elders being discharged from hospitals. The goal of the care transition services is to help keep elders from being readmitted to the hospital.

Hunger & Food Insecurity

On June 21, 2011 the U.S. Senate HELP (Health, Education, Labor and Pensions) Subcommittee on Primary Health and Aging held a hearing entitled "Senior Hunger and the Older Americans Act." Led by Chairman **Bernie Sanders** (I-VT), the hearing resulted in a "quite passionate conversation" about the need—and best way to address—hunger among older adults, according to the National Association of Area Agencies on Aging (n4a).

Assistant Secretary on Aging **Kathy Greenlee** began the hearing, offering the Administration on Aging's national perspective on the Title III C programs. Here are excerpts from Assistant Secretary Greenlee's statement to the Senate subcommittee:

"Hunger and food insecurity is a serious problem among many older Americans. Research sponsored by the Meals on Wheels Association of America in 2008 found that nearly six million seniors faced the threat of hunger in 2007. Half of these at-risk seniors had incomes above the Federal poverty line. These individuals and households, at some time during the year, had difficulty providing nutritionally adequate and safe foods due to a lack of resources. Yet, study after study show that adequate food and nutrition is vitally important for promoting health, decreasing the risk of chronic disease, maintaining functionality, and helping older adults remain independent at home, and in their communities. Older Americans Act (OAA) nutrition services pro-

grams have been one of the core elements of our national strategy for reducing food insecurity among the elderly for nearly 40 years. These vital community-based programs, which serve persons aged 60 and over, provide access to meals in a group setting or delivered to the home, a service that is not provided by other Federal nutrition programs. As currently authorized, OAA nutrition services programs include:



State Rep. Cory Atkins helps with Minuteman Meals

- **Congregate Nutrition Services:** Provides funding for the provision of meals and related services in a variety of congregate settings, which help to keep older Americans healthy and prevent the need for more costly medical interventions. Established in 1972, the program also presents opportunities for social engagement and meaningful volunteer roles, which contribute to overall health and well-being. In FY 2009, more than 92 million meals were provided to nearly 1.7 million seniors in a variety of community settings.
- **Home-Delivered Nutrition Services:** Provides funding for the delivery of meals and related services to seniors who are homebound due to illness, disability or geographic isolation. Established in 1978, home-delivered meals are often the first in-home service that an older adult receives, and serve as a primary access point for other home and community-based services. In FY 2009, nearly 149 million home-delivered meals were provided to more than 880,000 homebound individuals.
- **Nutrition Services Incentive Program (NSIP):** Provides additional funding to States, Territories, and eligible tribal organizations that is used to provide meals. Funds are awarded to States and Tribes based

on the number of meals served in the prior Federal fiscal year. States and Tribes have the option to purchase commodities directly from the U.S. Department of Agriculture with any portion of their award if they determine that doing so will enable them to better meet the needs of the older persons they serve.

Although many of the older adults who participate in both the congregate and home-delivered programs are low income, income alone is not an adequate measure of need for nutrition services. Many of the recipients of this assistance are functionally impaired, meaning that they may not be able to drive to a grocery store, carry their groceries, stand for even short periods of time, or they may have hands that are too affected by arthritis to prepare a meal. In other words, provision of groceries is not sufficient to eliminate food insecurity and hunger in this population. In sum, each year the OAA nutrition services programs help more than two and a half million older adults, many of whom are functionally impaired and are at risk of serious health consequences, receive the meals they need to stay healthy and decrease their risk of disability.

OAA Nutrition Programs Effectively Target Those With Special Needs. The OAA does not require that all people be served, nor is it means-tested, but it does require that services be targeted. The OAA nutrition programs are generally targeted to those with the greatest levels of food insecurity, including those who are poor or near poor, socially isolated, functionally impaired, and in poor health. *Serving Elders at Risk*, a national evaluation of the Administration on Aging's (AoA) nutrition program clients, found that recipients of this assistance are older, poorer, more likely to live alone, more likely to be minorities, in poorer health and nutritional status, more functionally impaired, and at higher nutritional risk than older individuals in the general population. 27 percent of white, 38 percent of African American and 26 percent of congregate meal participants report their health as fair to poor.

AoA's annual performance data further demonstrate that these programs are an efficient and effective means for helping seniors remain healthy and independent in their homes and in the community. Ninety-one percent of home-delivered meal clients rate service as good to excellent. In addition, the number

of home-delivered meal recipients who have severe disabilities (those with three or more impairments of activities of daily living) totaled more than 357,000 in FY 2009. This level of disability is frequently associated with nursing home admission, and demonstrates the extreme frailty of a significant number of persons served by the home-delivered meals program.

Additionally, data from AoA's 2009 national survey of elderly program participants show that the nutrition services programs are effectively helping seniors improve their nutritional intake and remain at home: 73 percent of congregate and 85 percent of home-delivered meal recipients say they eat healthier meals due to the programs, and 58 percent of congregate and 93 percent of home-delivered meal recipients say that the meals enabled them to continue living in their own homes.

For the majority of program participants, the program provides more than one-half or more of their total food intake and enables them to continue living in their own homes. Based on data gathered through FY 2009 and via the 2009 National Survey of Older Americans Act program participants, we know the following about the participants in the OAA nutrition programs: For the home-delivered meals programs:

- 44 percent are in poverty and 52 percent are at high nutritional risk;
 - 24 percent do not have enough money or food stamps to purchase enough food to eat;
 - 63 percent rely on their home-delivered meal for one-half or more of their total food for the day;
 - 17 percent report they choose between purchasing food and medications;
 - 55 percent of white, 63 percent of African American and 38 percent of Hispanic home-delivered meal participants report their health as fair to poor.
- For the congregate meals programs:
- 34 percent are in poverty and 19 percent are at high nutritional risk;
 - 13 percent do not have enough money or SNAP benefits to purchase enough food to eat;
 - 58 percent rely on their congregate setting meal for one-half or more of their total food for the day;
 - 27 percent of white, 38 percent of African American and 26 percent of congregate meal participants report their health as fair to poor.

AoA's annual performance data further demonstrate that these programs are an efficient and effective means for helping seniors remain healthy and independent in their homes and in the community. Ninety-one percent of home-delivered meal clients rate service as good to excellent. In addition, the number of home-delivered meal recipients who have severe disabilities (those with three or more impairments of activities of daily living) totaled more than 357,000 in FY 2009. This level of disability is frequently associated with nursing home admission, and demonstrates the extreme frailty of a significant number of persons served by the home-delivered meals program.



AOA Assist. Secretary Kathy Greenless

Additionally, data from AoA's 2009 national survey of elderly program participants show that the nutrition services programs are effectively helping seniors improve their nutritional intake and remain at home: 73 percent of congregate and 85 percent of home-delivered meal recipients say they eat healthier meals due to the programs, and 58 percent of congregate and 93 percent of home-delivered meal recipients say that the meals enabled them to continue living in their own homes.

For the majority of program participants, the program provides more than one-half or more of their total food intake and enables them to continue living in their own homes. The OAA nutrition programs are a good in-

vestment in reducing food insecurity.

To help address hunger and food insecurity among older Americans during the economic downturn, \$100 million in funding was provided as part of the American Recovery and Reinvestment Act of 2009 to the OAA senior nutrition programs. Since March, 2009, this supplemental funding has provided more than 22 million meals to help combat food insecurity among more than 1.1 million older Americans.

The nutrition programs help to support family caregivers, who provide most of the care for older adults. The provision of a home-delivered meal, which includes not only a meal, but also a mid-day contact, may allow a family caregiver to continue to work and provide care for a loved one in the morning before work and in the evening. Home-delivered meals provide a critical service as a part of a formal comprehensive and coordinated service system that individualizes care for older adults and their families.

Congregate meals provide a daily social interaction that is also a gateway to volunteer opportunities and civic engagement, other home and community based services, and a meal that promotes health and reduces the risk of chronic disease. Nutrition services are not simply access to food, but to a system that meets social service, health, and food security needs.

Nutrition services are but one component of a larger system of both formal and informal supports authorized by the OAA that help older individuals maintain their health at home and out of hospitals and nursing facilities. In Fiscal Year 2009, nearly 11 million older Americans and their family caregivers have been supported through the OAA's comprehensive home and community-based system. These services include: transportation; case management; information and referral; in-home services such as personal care, chore, and homemaker assistance; community services such as adult day care; support for family caregivers; protections against elder abuse; nursing home ombudsmen who serve as advocates for residents of long-term care facilities; legal assistance; pension counseling and assistance programs; prevention and reporting of waste, fraud and abuse in the Medicare and Medicaid programs, and a host of other supports that are tailored to meet individual needs.

This nationwide network of community-based assistance complements medical and health care systems, helps to prevent hospital readmissions, provides transport to doctor appointments, and supports some of life's most basic functions, such as assistance to elders in their homes by delivering or preparing meals, or helping them with bathing.

This assistance is especially critical for the nearly three million seniors who receive intensive in-home services, half a million of whom meet the disability criteria for nursing home admission but are able to remain in their homes, in part, due to these community supports. An analysis of the OAA's program data reveal that, through FY 2009 (the most recent year data are available), most indicators have steadily improved. OAA programs help older Americans with severe disabilities remain independent and in the community:

One approach to measuring the value of OAA's programs is the newly developed nursing home predictor score. The components of this composite score are predictive of nursing home admission based on scientific literature and AoA's Performance Outcome Measurement Project (POMP) which develops and tests performance measures. The components include



such items as percent of program recipients who are transportation disadvantaged and the percent of congregate meal individuals who live alone. As the score increases, the prevalence of nursing home predictors in the OAA service population increases, meaning AoA is reaching those most in need of help. In 2003, the nursing home predictor score of program participants

was 46.57. In FY 2009, this score increased to 61.0.

OAA programs are efficient: The national aging services network--comprised of 56 State and territorial units on aging, 629 area agencies on aging, 246 Indian tribal and native Hawaiian organizations, nearly 20,000 direct service providers, and hundreds of thousands of volunteers--is providing high-quality services to the neediest elders, and is doing so in a prudent and cost-effective manner. AoA and the national aging services network have significantly increased the number of persons served per million dollars of OAA funding. Without controlling for inflation, OAA programs have increased efficiency by over 36 percent between FY 2002 and FY 2009, serving 8,524 clients per million dollars of funding in FY 2009 compared to 6,103 clients served per million dollars of AoA funding in FY 2002. This increase in efficiency is understated, since the purchasing power of a million dollars in 2009 is significantly less than in 2002 due to inflation.

OAA programs build system capacity: One of the main goals of OAA program funding is to encourage and assist State agencies and area agencies on aging to concentrate resources in order to develop greater capacity, and foster the development and implementation of comprehensive and coordinated systems. This capacity-building at the State and community level is evidenced by the fact that for every dollar of Federal OAA funding provided, States and communities leverage nearly three dollars in other funding from other sources.

Taken as a whole, AoA's performance measures and indicators form an interconnected system of performance measurement akin to the three legs of a stool (efficiency, outcomes and targeting) holding up AoA's mission and strategic goals that include:

1. Empowering older people, their families, and other consumers to make informed decisions about, and to be able to easily access, existing health and long-term care options;
2. Enabling seniors to remain in their own homes with a high quality of life for as long as possible through the provision of home and community-based services, including supports for family caregivers;
3. Empowering older people to stay active and healthy through Older Americans Act services and the preventative care benefits under Medicare;
4. Ensuring the rights of older people and pre-

vent their abuse, neglect and exploitation; and

5. Maintaining effective and responsive management.

As the former Secretary of Aging in Kansas, and now having the honor to serve as the U.S. Assistant Secretary for Aging and listening to individuals and families in a variety of settings, I have seen firsthand how the OAA reflects the American values we all share:

- Supporting freedom and independence
- Helping people maintain their health and well-being so they are better able to live with dignity
- Protecting the most vulnerable among us
- Providing basic respite care and other supports for families so that they are better able to take care of loved ones in their homes and communities for as long as possible, which is what Americans of all ages overwhelmingly tell us they prefer.

For more than a year, we have received reports from more than 60 listening sessions held throughout the country, and received online input from interested individuals and organizations, as well as from seniors and their caregivers, about the reauthorization of the OAA. This input represented the interests of thousands of consumers of the OAA's services. We continue to encourage ongoing input and discussions.

During our input process we were consistently told that, as it is currently structured, the OAA is very helpful, flexible and responsive to people's needs. We also heard a few themes, I will mention two today:

- FIRST: Improve program outcomes by:
- Embedding evidence-based interventions in disease prevention programs;
 - Encouraging comprehensive, person-centered approaches;
 - Providing flexibility to respond to local nutrition needs; and
 - Continuing a strong commitment to efforts to fight fraud and abuse.

SECOND: Remove barriers and enhancing access by:

- Extending caregiver supports to parents caring for their adult children with disabilities;
- Providing ombudsman services to all nursing facility residents, not just older residents; and
- Using Aging and Disability Resource Centers as single access points for long-term care information to public and private services;

Spouse As Caregiver Bill On Beacon Hill



State legislation that would allow spouses to be paid caregivers was heard July 19th on Beacon Hill. The bill, drafted by Mass Home Care, would expand the current definition of family members who could be paid by Mass Health to be a caregiver for individuals with disabilities.

The legislation would amend the Mass Health statute to say: "Any program of home and community based services funded pursuant to the provisions of this chapter or pursuant to the provisions chapter one hundred and eighteen G, in which family members are permitted to serve as paid caregivers, shall include spouses within the definition of family member."

In testimony submitted to the committee on Public Health, Mass Home Care explained that currently, some Mass Health programs allow family members to be paid caregivers. This is true for the Adult Foster Care program, and for the Personal Care Attendant program. But these same programs do not allow "spouses" to count as family caregivers. In the PCA program for example, a son or daughter, a grandson or granddaughter, aunt, uncle, niece nephew, friend, or stranger can be paid as a caregiver---but not a spouse. (130 CMR 422.411 9.00A1a.)

As a result, many disabled individuals are denied care from the person closest to them, whom the trust the most, and who cares for them the most. Many consumers do not want to turn to children---or strangers---to provide their care.

In Governor Deval Patrick's Community First Olmstead Plan, under the goal of "Improve the Capacity and Quality of Community-Based Long-Term supports, under Objective 1 (b) it states: b) Determine options for supporting caregivers across the system of long term supports. Analysis would include evaluation of viability and appropriateness of paying spouse as caregivers in the delivery system." The Patrick Administration has repeatedly opposed legislation to allow spouses to be paid as caregivers. According to *The State House News*, a spokesperson for the Patrick Administration said "the state's existing policy is consistent with federal regulations that prohibit compensation for spouses who act as PCAs...if Massachusetts chose to reimburse spouses as caretakers, the state would either have to shoulder the full cost or seek a waiver from the federal government, often a lengthy process."

But a number of other states have already moved beyond Massachusetts in this regard. The federal government allows states to include spouses as paid caregivers in Medicaid programs. A number of states have been allowing spouses to be paid as caregivers for years. For example:

- In 2004 California submitted a Section 1115 Independence Plus application to the Center for Medicare and Medicaid services to provide aged, blind and disabled adults and children with self-directed personal care assistance and service delivery options. These self-directed services and options have enabled participants to remain in their family residence or in their own homes and helped to avert the need for higher cost services such as nursing facility. Eligible elders and persons disabilities are allowed to select a spouse or parent to provide those services to them.
- North Dakota, as part of its efforts to increase alternatives to nursing homes, uses state funds to provide monthly payments to spouses and other family members to care for low-income people with disabilities, including older people living at home. About 40% of the Family Home Care caregivers are spouses.
- Vermont's 1115 waiver project includes in its core services expanded access to "the use of relative caregivers on a compensated basis to include personal care services provided by a spouse."
- Minnesota's Consumer Directed Community Sup-

ports program allows funds to be “used to pay parents of minor recipients or spouses of recipients for personal assistance services.” In the Minnesota plan, married individuals must be offered a choice of providers. If they choose a spouse as their care provider, it must be documented in the community support plan. This program was approved by CMS in 2004.

- Medicaid’s Cash & Counseling allows enrollees to use their personal assistance budgets to hire their own personal care aides. Cash & Counseling permits people to hire whomever they want to provide their care, and pay a friend or relative to do it. The services paid for by the state are all part of the elder’s authorized Medicaid care plan. What’s different is that, in many cases, family members—including spouses-- and friends chosen by the elder are providing those services instead of an agency worker. Cash & Counseling grants exist in Arkansas, Florida, New Jersey, Alabama, Illinois, Iowa, Kentucky, Michigan, Minnesota, New Mexico, Pennsylvania, Rhode Island, Vermont, Washington and West Virginia.

Sen. **Gale Candaras** (D-Wilbraham), lead sponsor of the legislation, told *The State House News* that it is an “archaic” notion that husbands and wives are obligated to care for each other without compensation fails to acknowledge “economic reality.” “When you need two spouses in order to keep a home afloat so the person in need of care can remain in his home ... you’ve got to provide some compensation to that spouse,” she said. Candaras said the bill has stalled in recent years because officials are “skittish” to make changes to health care rules that could result in an uptick in Medicaid claims. However, she said, her proposal could stave off the need for some residents to enter institutional care.

At the State House hearing, Sen. **Susan Fargo** (D-Lincoln) indicated her support for the bill concept. “We better change some rules,” the Lincoln Democrat said.

Senator Clark Receives “Home Care Hero” Award

On June 2th, Mass Home Care honored State Senator **Katherine Clark** (D-Melrose) with a “Home Care Hero” award for her supportive work on elder abuse/protective services funding.

The award was co-presented by Mystic Valley Elder Services, a member of Mass Home Care, which serves the Senator’s district. The two organizations presented the award to Clark at the Malden Senior Community Center.

According to **Dan O’Leary**, Executive Director of Mystic Valley, Senator Clark led an effort during the Senate budget debate to add \$1 million to the protective services account for elders.



Senator Katherine Clark and Dan O’Leary

“Senator Clark has demonstrated that reducing elder abuse is a major cause for her office. She filed an amendment on the Senate floor that successfully increased protective services by more than 6% -- an impressive accomplishment during this recession.”

Senator Clark cosponsored a special legislative briefing in February in the State House on protective services, and recently was featured on a WGBH forum on elder abuse.

“Protective Services funding was our top budget priority,” O’Leary explained. “Senator Clark showed great skill and agility in getting her amendment passed, given all the competing interests during budget debate.”

According to Mass Home Care, roughly 54 new reports of elder abuse are filed everyday in Massachusetts. One recent study in New York state found that for every one case of suspected elder abuse reported, another 24 cases go unreported.

Senator Clark’s amendment on the Senate floor virtually ensured that protective services would receive the additional \$1 million in funding, since the House final appropriation came in at the same level..