



New Sequestration Deadline Looming

In 2012, many of you wrote to members of Congress and expressed your concerns about the impact the looming sequestration could have on the critical services and supports that federal funds provide to vulnerable older adults. The new sequestration date is March 1 and the proposed cuts are now 5.1%. However, the reality is that the impact in FY 2013 will be concentrated in the last six months of the fiscal year, making the cuts closer to 10.2%.

In the six counties covered by the Area Agency on Aging 1-B, some examples of the consequences for vital services to assist older adults include (based on a 10.2% sequestration):

- **Nearly 110,000 fewer meals** will be served at meal sites or delivered to homebound seniors annually; for many, those meals are their only opportunity to get nutritious food.
- **Over 1,100 hours of home care services will disappear**, meaning that some will have no choice but to go to a nursing home at a higher individual and public cost.
- **The number of assistive devices to prevent accidents and injury will be reduced by approximately 1,500.** These devices such as handrails, shower chairs, and smoke detectors are installed in seniors' homes and are helpful in keeping them independent.
- **Out-of-home respite**, a program designed to help families take a few days away from the stress of caring for an older or disabled loved one will lose approximately **116 days of 24-hour care.**

Key Questions and Answers on Sequestration

Why 5.1 vs. 8.2 percent?

The American Taxpayer Relief Act of 2012 (which prevented all income tax rates from rising when the Bush tax cuts expired) effectively paid for two months of the sequester for FY 2013. Since Congress has since passed other legislation (notably Hurricane Sandy relief), the pot of funds that will be cut has grown. When combined, these two factors means that the non-defense discretionary sequester level is now 5.1 percent. It's important to note, however that the 5.1 applies to all of FY 2013 funding, but if effective March 1, only provides six months in which to implement the cut in funding.

Why Avert the Sequester When We Need to Do Deficit Reduction?

The shortest way to answer this is on the basis of fairness. Fairness across our federal expenditures (mandatory vs. discretionary) and balance between spending cuts and revenue raisers. Of the deficit reduction accomplished by the 112th Congress (\$2.4 trillion including interest savings), a full 70 percent is from spending cuts. A large majority of those cuts were from the budget caps put on discretionary funding in 2011. If the sequester were to go through, the ratio of spending cuts to revenue increases would be 4 to 1. This is unfair to discretionary programs, which are a smaller portion of the budget than mandatory spending, and should not bear *all* the burden of deficit reduction. It's equally unfair to have such a disproportionate penalty paid by the spending side of the ledger when there are reasonable revenue-raisers that should be considered if we are to reduce the deficit.

Advocates need to take action right away! Contact your Senators and Representatives about the damage the sequester would do to the federally funded programs for older adults and caregivers in your community. More importantly, speak to what those cuts would mean for you directly.!

Governor Snyder Introduces State Budget Proposal

On February 7, Governor Rick Snyder announced his FY 2014 budget proposal. According to the Governor's office, 75 percent of the budget will be dedicated to Education and Health and Human Services. Of note to aging advocates include the following funding increases:

- An increase in Long-Term Care spending for nursing home care of over \$60 million
- An increase in the MI Choice program of over \$17 million
- An increase in the PACE program of over \$15 million

The budget will now go to the legislature for consideration and public hearings by the appropriation's committees and subcommittees. The House Appropriations Community Health subcommittee will be holding a hearing on the budget for the Michigan Office of Services to the Aging on Wednesday, March 6 from 10:30 – 12:00 in Room 352 of the Capitol Building.

New Michigan House Members

The 2013 – 2014 Michigan legislature convened in Lansing in January. The Area Agency on Aging 1-B would like to extend a warm welcome to nine new House Members from our region. Please let them know you are an advocate for older adults if they represent your community. The new representatives are:

Gretchen Driskell	D-Saline
Martin Howrylak	R-Troy
Klint Kesto	R-Commerce Township
Dan Lauwers	R-Brockway
Bill LaVoy	D-Monroe
Mike McCready	R-Bloomfield Hills
Sarah Roberts	D-St. Clair Shores
Henry Yanez	D-Sterling Heights
Adam Zemke	D-Ann Arbor

To learn more about these house members click on the following link:

<http://www.michigancapitolconfidential.com/18160>

Regions Announced for Michigan's Integrated Care Proposal

The Michigan Department of Community Health (MDCH) is developing a demonstration project to strengthen services and support for individuals who are dually eligible for both Medicare and Medicaid. MDCH has been in negotiations with the Centers for Medicare and Medicaid Services (CMS), leading to the decision to move forward with a regionalized approach. Jim Haveman, Director of the MDCH, said, "The overall goal with the integrated care project is to improve quality and access to care for the populations in Michigan currently having to use two very different systems to receive the care they need."

There will be four regions in the proposed plan. They are: the entire Upper Peninsula; a region in the Southwest part of the state consisting of the following counties: Barry, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph and Van Buren; Macomb as a single county region; and Wayne as a single county region. The demonstration will initially operate for three years and will be implemented for this select set of regions as opposed to statewide. For more information and answers to frequently asked questions on the Integrated Care program go to: <http://www.michigan.gov/mdch/0,4612,7-132--259203--00.html>.



The Area Agency on Aging 1-B (AAA 1-B) is a nonprofit agency serving the needs of older adults in Livingston, Macomb, Monroe, Oakland, St. Clair, and Washtenaw counties. Contact Melody Bryant, (248) 262-1282 or by e-mail at mbryant@aaa1b.com to join the Senior Advocacy Network or receive copies of AAA 1-B reports referenced in The Advocate.