



## Older Americans Act Reauthorization Area Agency on Aging 1-B Legislative Analysis and Position

**Background:**

Celebrating its 50<sup>th</sup> anniversary in 2015, the Older Americans Act (OAA) first passed in 1965 is the seminal legislation which created and continues to guide our nation’s aging policy and aging services network. OAA State and Area Agency on Aging programs include Congregate and Home-Delivered Meals, Home and Community Based Supportive Services, support for family and Native American caregivers, and the Senior Community Service Employment Program. The OAA also provides support for training, research and discretionary projects and programs as well as protection activities for vulnerable elders.

In order to stay current and to meet the changing needs of our nation’s growing aging population, the OAA requires reauthorization every several years. The OAA was last updated in 2006 with its authorization expiring in 2011. Since then, the program has been kept alive by congress through annual appropriations. In 2015 appropriations totaled \$1.9 billion.

Anyone over the age of 60 is eligible for OAA services however states such as Michigan target services to older individuals with the greatest social and economic need. Particular attention is directed to low-income individuals and low-income minority individuals, as well as individuals in rural areas and the frail.

States receive allocations from the OAA via a funding formula which includes the growth rate of a State’s older adult population. In 2006, a hold-harmless clause was included in the funding formula to protect states where the older adult population is growing, but not as fast as other States such as with Michigan. This hold-harmless protects these states from receiving less funding than their allocation in 2006. In 2013 a bipartisan reauthorization of the OAA bill S. 1562 stalled because of concern from states over the proposed changes to the “federal to state funding formula” which would remove the hold harmless clause, thus eliminating a minimum funding level guaranteed to states.

Removing the 2006 hold-harmless clause is projected to reduce Michigan’s OAA allocations for FY 2015 – 2018 as follows:

	MI OAA Allocation	Loss to MI from Previous Year	Percent Loss from Previous Year	Region 1-B Share of MI Loss
FY 2015	\$32,067,517	NA		
FY 2016	\$32,031,104	\$36,413	0.114%	\$9,831.51
FY 2017	\$31,992,559	\$38,545	0.120%	\$10,407.15
FY 2018	\$31,944,370	\$48,189	0.151%	\$13,011.03
<b>Cumulative Loss</b>		<b>\$123,147</b>	<b>0.386%</b>	<b>\$33,249.69</b>

*Source: Congressional Research Service: Personal Communication, Damon Terzaghi NASUAD (1/27/2015)*

Given that the reduction to Michigan's allocation is modest, less than 0.4% over the length of the authorization, the benefits of having a modernized act embedded in law exceeds the cumulative loss of \$123,147 to Michigan (\$33,249.69 to AAA 1-B). Additionally, S.192 includes language which states, "For each of fiscal years 2016-2018 no State shall be allotted an amount that is less than 99% of the amount allocated to such State for the previous fiscal year."<sup>1</sup>

This bipartisan act has the support of 13 co-sponsors including 7 Republican Senators, 5 Democratic Senators and 1 independent Senator.

### **Key Changes from the 2006 OAA Reauthorization:**

S. 192, which reauthorizes the Older Americans Act through 2018 contains several provisions which update, modernize and strengthen the aging network and its ability to serve older Americans. The Act also preserves a number of important provisions of the current law.

### **New Provisions in the OAA Reauthorization of 2015:<sup>2</sup>**

#### **Elder Abuse**

- To be consistent with current law, updates definitions of "adult protective services," "abuse," "exploitation and financial exploitation," and "elder justice"
- Improves coordination of activities between the state and local aging offices
- Promotes best practices related to responding to elder abuse, neglect, and exploitation in long-term care facilities through the Administration on Aging
- Promotes States' submission of data concerning elder abuse
- Directs the Administration on Aging to include, as appropriate, training for States, area agencies on aging, and service providers on elder abuse prevention and screening

#### **Long-Term Care Ombudsman Program**

- Allows ombudsmen to serve all residents of long-term care facilities, regardless of age
- Ensures private, unimpeded access to the ombudsman for all residents of long-term care facilities
- Provides for identification and resolution of potential individual and organizational conflicts of interest
- Clarifies the role of ombudsman program in advocating for residents unable to communicate their wishes
- Clarifies that ombudsman may continue to serve residents transitioning from a long-term care facility to a home care setting
- Clarifies that the ombudsman office is a "health oversight agency" for purposes of HIPAA

#### **Title III Grants to States Formula**

- To account for geographic changes in the older population, adjusts the formula for the Title III programs of supportive services, congregate meals, home meals, and preventive services.
- The formula adjustment would update the 2006 hold harmless by using the most recent fiscal year funding as a baseline for an annual dynamic hold harmless, reflecting more recent population trends and ensuring funding better meets the nationwide needs of older adults while also protecting every state from experiencing a negative adjustment of no more than 1 percent

---

<sup>1</sup> S. 192 page 11 lines 21-24 (2015) <http://www.gpo.gov/fdsys/pkg/BILLS-114s192rs/pdf/BILLS-114s192rs.pdf>

<sup>2</sup> <http://www.help.senate.gov/imo/media/doc/1-20-15%20Older%20Americans%20Act%20Summary.pdf>

a year. After three years, the formula's hold harmless would again freeze in place at FY2018 funding levels. Minimum grant states and territories are not affected.

#### Transportation Services

- Directs the Assistant Secretary to provide information and technical assistance to States, area agencies on aging, and service providers on providing efficient, person-centered, transportation services, including across geographic boundaries

#### Aging and Disability Resource Centers (ADRCs)

- Improves ADRC coordination with area agencies on aging and other community-based entities in disseminating information regarding available home and community-based services for individuals who are at risk for, or currently residing in, institutional settings
- Updates the definition of "Aging and Disability Resource Center" to be consistent with current practice and current law, including an emphasis on independent living and home and community-based services

#### Senior Centers

- Directs the Assistant Secretary to provide information and technical assistance to support best practices for the modernization of multipurpose senior centers
- Encourages efforts to modernize multipurpose senior centers and promote intergenerational models

#### National Family Caregiver Support Program

- Clarifies current law that older adults caring for adult children with disabilities and older adults raising children under 18 are eligible to participate in the Family Caregiver Support Program

#### Home Care

- Directs the Assistant Secretary to develop a consumer-friendly tool, when feasible, to assist older individuals and their families in choosing home and community-based services

#### Emphasis on Evidence-based Programs

- Ensures that, in accordance with current practice, disease prevention and health promotion programs are "evidence-based"
- Encourages the delivery of falls prevention and chronic disease self-management programs
- Mentions the aging network may include oral health screenings among disease prevention and health promotion activities
- Directs the Assistant Secretary to provide technical assistance and share best practices to improve collaboration and coordination with health care entities, such as Federally Qualified Health Centers, to enhance care coordination for individuals with multiple chronic illnesses

#### Nutrition Services

- When feasible, encourages the use of locally grown foods in meals programs
- Clarifies that, as appropriate, supplemental foods may be part of a home delivered meal at the option of a nutrition services provider

#### Holocaust Survivors

- Directs the Assistant Secretary to develop guidance on serving Holocaust survivors through Older Americans Act program

Several Key Provisions of the OAA Reauthorization of 2006 Remain Intact:

- Maintains separate funding for congregate and home-delivered nutrition programs
- Maintains the system of voluntary contributions for participants in nutrition programs
- Maintains the ability of area agencies on aging to transfer up to 30% of funds between nutrition programs and supportive services
- Maintains the operation of the Senior Community Service Employment Program by the Department of Labor and not the Administration for Community Living as proposed by President Obama.”<sup>3</sup>

**Recommended Position:**

The Area Agency on Aging 1-B has consistently provided support for the Older Americans Act reauthorizations. The current OAA expired in 2011 leaving the nation’s older adult programs in a state of uncertainty. S. 192 modernizes the Older Americans Act while adding protections for the nation’s most vulnerable citizens. Despite Michigan’s projected allocation for OAA services being reduced by 0.41% over the course of the authorization, the benefits of a reauthorized Act outlined above outweigh the projected financial loss.

As such, the Area Agency on Aging 1-B Advisory Council and Board of Directors lends full support for the swift passage of S.192, the 2015 Reauthorization of the Older Americans Act.

---

<sup>3</sup> NANASP Washington Bulletin for January 20, 2015