



Area Agency on Aging 1-B

THE ADVOCATE

May 2017

Special Appropriations Issue

State Legislators Work to Finalize FY 2018 Budget

The Michigan House and Senate have each passed budget proposals for Fiscal Year (FY) 2018 state spending. Differences in the House and Senate Health and Human Services budgets will be reconciled by a conference committee consisting of three Senators and three Representatives. While the conference committee members have not yet been named at the time of this writing, legislative leaders may complete the budget before adjourning for their summer break, which is set to begin mid-June.

Advocates are encouraged to contact their State Representatives and Senators and urge them to include key funding priorities for senior services in their final budget proposal. Information about how to contact your elected officials can be found at: <http://www.aaa1b.org/advocacy/>

Key Issues in the FY 2018 State Budget

Silver Key Coalition Services

The Senate agreed with the Governor's recommendation to increase funding for in-home services provided by the Aging and Adult Services Agency by \$3.6 million, \$1.5 million for home delivered meals and \$2.1 million for other senior in-home services. If enacted, this increase would enable the Aging Network to serve the 6,800 older adults who were on waiting lists for services at the end of FY 2016. The House recommended an increase of only \$1 million for in-home services and \$750,000 for meals.

Adult Protective Services

The Governor recommended a funding increase to provide 95 additional Adult Protective Service workers to reduce adult protective services caseloads. The Senate agreed to this increase, but recommended delaying implementation until April 2018. The House subcommittee recommended only half as many additional workers.

Program of All-Inclusive Care for the Elderly (PACE)

The Governor recommended an increase of \$20 million for the PACE program, including \$7 million to support enrollment increases within existing PACE programs. The Senate concurred with this increase, but the House recommended reducing the increase by \$1.6 million.



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 Katie Cahill, (248) 262-9232 or by e-mail at kcahill@aaa1b.com to join the Senior Advocacy Network or receive copies of AAA 1-B reports referenced in The Advocate.

President Proposes Deep Cuts to Social Service Programs; Most Older Americans Act Funding Maintained

This month the President released his budget request for funding federal programs in Fiscal Year (FY) 2018, which begins on October 1, 2017. The budget proposed large cuts to domestic and safety-net programs, increases in defense spending, and tax cuts. Funding was maintained for Medicare, Social Security and most Older Americans Act (OAA), however the request would reduce funding or eliminate several other programs that support the capacity of the Aging Network to serve older adults and caregivers.

While the President's budget marks the beginning of the federal budget process, the budget must be passed by both houses of Congress to take effect. Legislators in the House and Senate will likely propose significant changes to the President's budget proposal during the coming months before reaching a final decision regarding funding for FY 2018.

Proposed Increases

- The President's budget recommends increased funding for the **Section 202 senior housing program** by **\$77 million**, which is an 18% increase over FY 2017. This program provides housing support for low-income older adults.

Level Funding

- In a major success for aging advocates, the President's budget proposed level funding for most OAA programs including **home delivered meals, congregate meals, in-home services and the long-term care ombudsman program**.
- Level funding was also recommended for the **Elder Justice Act** and other **Adult Protective Service** programs.

Proposed Cuts

- Significant changes were proposed for the **Medicaid** program. Under the budget proposal, the federal government would change the way that Medicaid funding is allocated to states. The Administration estimates these reforms would result in a \$610 billion reduction in Medicaid spending over 10 years on top of the \$840 billion cut assumed in the American Health Care Act, which was passed by the House and is currently being considered by the Senate.
- **The Supplemental Nutrition Assistance Program** (SNAP, commonly known as Food Stamps), are also included in the Administration's budget request. SNAP benefits support 4.8 million adults age 60 and over every year. The budget proposal would cut SNAP by 25 percent, a reduction of \$193 billion over 10 years.
- The President proposes reducing funding for the **Chronic Disease Self-Management Program** (CDSMP), which provides funding for several evidence-based disease prevention programs, by \$3 million, which amounts to a 38 percent cut.

Continued on next page...

President's FY 2018 Budget Proposal Continued:

Programs Targeted for Elimination

- The State Health Insurance Assistance Program, which funds Michigan's **Medicare Medicaid Assistance Program** (MMAP) was targeted for elimination. In Region 1B, MMAP provided health insurance counseling to 26,997 Medicare and Medicaid beneficiaries last year.
- The OAA **Senior Community Service Employment Program** (SCSEP) and the **Senior Corps programs** (RSVP, Foster Grandparents and Senior Companion), which provide job skills training to low income older adults would be discontinued.
- The President's budget would eliminate the **Community Services Block Grant** (\$715 million), the **Social Services Block Grant** (\$1.7 billion), and the **Community Development Block Grant** (\$615 million). These programs fund a variety of state and local community and economic development efforts that provide services to low income individuals, including older adults. In Michigan, these funds are used to support local Community Action Agencies and, in some communities, funds are used to support senior services, such as chore programs.
- The Administration recommended eliminating the **Prevention and Public Health Fund** (PPHF), which was created by the Affordable Care Act. The PPHF provides a source of funding for activities devoted to boosting public health and using evidence-based health promotion strategies to reduce rates of illness and disability.
- The **Low-Income Home Energy Assistance Program** (LIHEAP; \$3.9 billion), which helps low-income households and families, including many older adults, with heating and energy assistance throughout the year was also targeted for elimination. In Michigan, LIHEAP funds are used to fund the Home Heating Credit.