

**Testimony of  
Michael J. Burgess, Director  
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**2009-2010 Budget  
Joint Budget Hearing**

**Conducted By  
Senate Finance Committee  
Assembly Ways & Means Committee  
Human Services Sub-Committee**

**Wednesday, January 14, 2009  
Hearing Room C  
Legislative Office Building  
Empire State Plaza  
Albany, New York**

Good Morning Senators Kruger and Krueger, Assemblyman Farrell, members of the Senate and Assembly. My name is Michael Burgess, and I am honored to serve Governor Paterson and the people of New York State as Director of the State Office for the Aging.

I appreciate the opportunity to be here today and thank you for the support that both of your houses have shown to older New Yorkers over the years. It has been a great pleasure to work with the Chairs of the Senate and Assembly Aging Committees, their staff members and many other Legislators in my previous role as an advocate for older persons and in my current role. Congratulations Senator Diaz on your appointment as Chair of the Senate Standing Committee on Aging. We look forward to working with you, your staff and your colleagues in the Senate majority.

I am pleased to join my colleague(s) Commissioners Hansell, Carrion and Smith whom we work closely with on joint concerns such as HEAP, NY Connects, grandparent programs, adult protective services, and workforce issues in order to serve older persons and their families.

I am thankful also to have the privilege of working with so many people in our State, federal and local agencies, in the nonprofit sector, in the faith-based community, and from every walk of life across the state - who have expressed their concern and compassion for older persons by dedicating their careers and lives to service delivery, gerontology and community service.

Though I will be speaking to you today about our budget proposal, it is not the sum of what is happening in communities across the state, nor does it reflect all the activities and goals of our

agency. Despite the budget deficit and the economic crisis, great things are happening in our communities as families, caregivers, area agencies on aging, nonprofit organizations and faith based groups are organizing to help older persons to live independently in the community for as long as possible.

- ✓ In Essex County, Mercy Care of the Adirondacks has established a parish nurse visitor program for isolated seniors.
  
- ✓ In Westchester County, towns throughout the county are being organized to plan for improvements in the community that will make it more elder friendly, from sidewalk repair and curb cuts to bolder street signage.
  
- ✓ In the City of New York, Broome, Rockland, Monroe and other counties, leaders are planning for livable communities as they envision the future for an aging community.
  
- ✓ At Penn South NORC (Naturally Occurring Retirement Community) in Manhattan, residents and staff have conducted a falls prevention program to educate their peers about practical tips to avoid devastating falls. Sadly, falls are proven to increase morbidity and lead to institutionalization.
  
- ✓ In Schoharie, Cayuga and Livingston counties, there are model rural transportation programs to serve isolated seniors.

- ✓ In the Capital District, the nonprofit group Umbrella is helping seniors to maintain their homes through their home repair service.
  
- ✓ In Ravena in Albany County, the STAR program pairs retirees as mentors to help kids in school; indeed there are a host of intergenerational activities across the State.
  
- ✓ In the Bronx, Presbyterian Senior Services operates apartments exclusively for grandparents taking care of grandchildren.

Promoting the ability to live independently in the community is the mission of the New York State Office for the Aging and it is the passion of advocates, caregivers and family members that strive to reach this shared mission. This mission is reflected in our initiative called *New York @ Home*. This is a strategy which combines economic security, programs such as HEAP and EPIC, with support services for caregivers, home and community based care such as EISEP, congregate and home delivered meals, long term care information and assistance through NY Connects, caregiver supports, community empowerment strategies through our NORCs program and livable communities projects. In November, with the help of the Albany Guardian Society we co-sponsored a conference with AARP, and the New York Association of Homes and Services for the Aging titled, *Empowering Communities for Successful Aging*. Over 500 persons from communities in every region of the state attended, eager to promote and adopt replicable local efforts to maintain independent living. Seniors, whether they are ourselves, our parents, our relatives or friends are clearly saying that they want to live independently and age with dignity in the community. It is more than a desired lifestyle though, it is a determination they

don't want their human dignity and personhood diminished because of frailty or declining abilities.

Certainly, like our sister agencies in human services, our mission has been made more difficult in recent months by the economic crisis we all face. Counties report costs have escalated, from fuel to food, and needs are indeed growing. Additionally, philanthropies have been negatively impacted by losses on Wall Street that impact local fundraising. For example, when Lehman Brothers and Bear Stearns went under the New York City Meals on Wheels program lost tens of thousands of dollars in donations.

Given this situation, we have worked with Governor Paterson and his staff and felt it was important that budget cuts not harm the infrastructure of the service network for older adults and home and community based services. This is a network that relies on volunteers as well as community agencies. It is precisely because of this concern that in cutting \$14 million from our local assistance budget we decided not to propose reductions in twelve programs, which I will discuss shortly.

In addition, while we have proposed reductions in the New York Connects program, we do not intend to reduce the local assistance to the counties.

We all know the State of New York is confronting its worst financial crisis since the Great Depression. This crisis has required the NYS Office for the Aging (NYSOFA) and every other state agency to review spending and institute budget reductions of a magnitude we could not

even contemplate less than a year ago in order to close the structural budget gap and realize recurring savings.

In preparing our budget, we were guided by three overarching principles. These principles were guided by the input received from meetings and discussions I have had throughout the year with county partners in the Area Agencies on Aging (AAA) and other stakeholders regarding the best ways to serve older adults and their families in this fiscal environment. This input was crucial as we worked with the Division of the Budget and Governor's Office to meet the necessary savings targets, while protecting funding for NYSOFA's core programs.

The three principles that guided the decision-making process in developing the proposed budget for the State Office for the Aging were to:

1. Protect our core direct services that our most vulnerable older New Yorkers rely upon to avoid spend down to Medicaid and to avoid/delay nursing home placement and remain in their homes and communities;
2. Maintain NY Connects local implementation grants; and
3. Achieve savings by proposing to:
  - a. eliminate new services which had not yet become operational;
  - b. reduce future appropriations for programs which had not fully expended prior funds; and

- c. eliminate state funding for programs which are not part of the service network for older adults core mission.

Even in these dire fiscal times, Governor Paterson, in recognition of the value of home and community-based services, proposes to maintain funding for our core services to older adults, their families and caregivers. I believe that with the Governor's support, we have been able to carefully reduce our budget appropriations without reducing funding for core services – services which NYSOFA, our network of Area Agencies on Aging, and nonprofit organizations provide to enable older persons to remain living independently in the community for as long as possible.

The specific impact of our approach to implement savings resulted in the preservation of funding, with no further reductions beyond those negotiated in August 2008, for the following major core programs.\*

- Community Services for the Elderly (CSE)
- Expanded In-Home Services for the Elderly (EISEP )
- Supplemental Nutrition Assistance Program (SNAP)
- Naturally Occurring Retirement Communities (NORCs) and Neighborhood NORCs
- Caregiver Resource Centers (CRCs)
- Health Insurance Information and Counseling Assistance Program (HIICAP),
- Foster Grandparents
- Retired and Senior Volunteer Program (RSVP)
- Social Adult Day Care
- Community Empowerment Initiative
- Caregiver Centers for Excellence
- Respite

*\*These programs are proposed to be funded at final SFY 2008-09 levels; with the exception of a 6% reduction implemented in August 2008 which has been annualized. This reduction was applied to unexpended funds at the time it was instituted rather than recoup against funds already expended*

While preserving funding for critical core programs, the Governor's budget reflects a SFY 2009-10 all funds appropriation for NYSOFA of \$234 million, a year-to-year reduction of \$14,121,000.

To achieve the necessary savings we have taken the following five actions:

1. We propose that the planned *COLA* for aging services programs (EISEP, CSE and SNAP) for 2009-10 to be discontinued for a savings of \$7.1 million. Further, there is a proposed Deficit Reduction Plan for the last quarter of 2008-09 that seeks to reduce the COLA to 2.2% from the originally proposed 3.2% for this fiscal year resulting in an annual savings of \$1.5 million for State Fiscal Year 2009-10.

However, to continue the State's long-term commitment, these adjustments are planned to resume in State Fiscal Year 2010-11 and 2010-12, and an extension of the COLA for an additional year (2012-13) is recommended.

2. We have proposed to eliminate the following programs:

- Affordable Independent Living Senior Housing
- End of life initiatives
- Social Workers for Geriatric In-Home Medical Care
- SUNY Stony Brook – Geriatric In-Home Medical Care
- Enhanced Social Adult Day Services Demonstration Program
- Economically Sustainable Transportation Demonstration Program
- Long Term Care Insurance and Education Outreach Program (LTCIEOP)

3. We have proposed to reduce funding for the following programs:

- Managed Care Consumer Assistance Program (MCCAP) - A funding reduction of \$922,000 for MCCAP, nearly \$1 million remains unspent from 2008-2009.
  - NY Connects – Choices for Long Term Care - Funding is proposed to be reduced; however, the commitment to the counties remains intact and the local implementation grants that were increased for the 2008-09 contract year will remain unchanged. The proposed reduction will be absorbed by the elimination of various state activities related to the administration of the program. Funding from past years is being re-appropriated and is sufficient to meet programmatic goals through the next fiscal year. Although this funding is in the DOH budget, the savings are counted toward the target set for NYSOFA.
4. Transportation Operating Expenses for AAAs - We have proposed a reduction in funding of \$940,000 by eliminating the funds added by the Legislature in SFY 2008-2009, and
  5. The Long Term Care Ombudsman Program (LTCOP) and Congregate Services Initiative (CSI) - Each are proposed to be reduced by 10%, or \$68,767 and \$80,664, respectively.

I am pleased that Governor Paterson has proposed an additional \$2 million in state funds for area agencies on aging and community-based organizations to assist seniors enrolled in the Elderly Pharmaceutical Insurance Coverage (EPIC) Program in obtaining prescription drug benefits through Medicare Part D. Through our Health Insurance, Information, Counseling and

Assistance Program (HIICAP), staff will be helping to improve the efficiencies of the EPIC Program by helping participants select, assess, and maximize Medicare Part D coverage.

Further, over \$1 million in additional federal funds for State Health Insurance Program (SHIP which is our HIICAP) will be available in 2009. I would like to note that HIICAP is required to provide information and education about long term care insurance as a condition of federal funding, and therefore, will help meet the goals of the LTCIEOP without having to maintain additional bureaucracy to do so, hence achieving efficiency.

Over the course of the past year, Governor Paterson, NYSOFA and many other agencies such as OTDA, DHCR, PSC, NYSERDA, CPB, have come together to face our fiscal crisis and wrestle with escalating costs for heat that disproportionately hurt low-income and poor older adults who are among the most vulnerable of our citizens. Through these efforts, combined with the Governor's advocacy at the federal level, New York's share of the LIHEAP funding has increased from \$360 million in 2007-08 to almost \$587 million in 2008-09 or by 63%.

Government will never have the resources to meet all of the needs that exist. Government is, however, in the position to provide leadership to bring stakeholders together to meet shared goals and develop new, cost-effective ways of providing services and developing innovative models of service delivery.

Over the past year, even with the devastating fiscal condition of the state, my office has been instrumental in reaching out to a variety of agencies and stakeholders to further our goals of

assisting older New Yorkers to be as independent as possible for as long as possible. We have done this by sharing resources, coordinating efforts and developing new partnerships. We will continue this effective strategy in the future.

I would like to tell you about a few of our successes because they illustrate how the state's leadership can often help fill the gap when resources are limited. They include:

1. **Health Promotion/Wellness/Healthy Aging**

A. **Senior Health Check-up Program** - NYSOFA has created a program to raise awareness about the importance of prevention and encourage Medicare beneficiaries to utilize preventive health, screening, testing and benefits available under Medicare. The goal is to double the use of these benefits over five years. We provided county level data and information to AAAs to assist them in their work with the local health care system and have provided them with ways to improve the health of older New Yorkers such as using the American Diabetes Association's screen to assess the risk of diabetes. Additionally, we provided the AAAs with local health planning guidance to assist them in their work with local health departments when assessing and selecting public health priorities that will improve the health of older adults. The result – better health care outcomes and reduced impact on Medicaid.

B. **Evidenced based health promotion and disease prevention programs** – These programs have been proven to help older adults to remain healthy longer and remain in their own homes and communities. NYSOFA is in the third year of a three year grant

from the U.S. Administration on Aging. We are working closely with the Department of Health, the University of Albany's Center for Excellence in Aging Services and the Area Agencies on Aging in Broome County, the Capital Region and NYC to implement two evidence based programs know as Chronic Disease Self Management and Active Choices. In addition, a number of AAAs have been instituting falls prevention programs. This year we will work to build local capacity to implement falls prevention programs for community dwelling older adults as well as launch a falls prevention educational campaign. The anticipated result – better management of chronic conditions, improved quality of life, reduced hospitalizations and prevention or delay in nursing home placements.

2. **Civic Engagement, Volunteerism and Workforce -** We are working to uphold Governor Paterson's view that during these difficult economic times, we must recognize that "community service is more important than ever." Volunteers are central to the success of the network of service providers that help New Yorkers to maintain their dignity as they age.

A. **Volunteerism** - In New York State last year nearly 3 million adults volunteered 397 million hours of community service, contributing an estimated \$7 billion to our economy through their service. Among the three million State adult volunteers were:

- ✓ the more than 900 trained volunteers of the Long-Term Care Ombudsman Program (LTCOP) providing over 98,000 hours of service to support the

statewide advocacy of approximately 155,000 residents of New York nursing homes, adult care facilities and assisted living residences;

- ✓ the more than 300 volunteer counselors of the Health Insurance Information Counseling Program (HIICAP) who provide free, confidential, accurate and unbiased health insurance information, counseling and assistance to educate and empower Medicare beneficiaries and their families to choose and use their health insurance wisely;
- ✓ the volunteers who deliver meals to frail older adults under the Supplemental Nutrition Assistance Program (SNAP) which yielded a total of 2.82 million home delivered meals last year; and
- ✓ thousands of retirees who work in programs through our Retired Senior Volunteer Services Program (RSVP) and Foster Grandparents Program (FGP) to assist communities by providing critical services in schools, senior centers, and health promotion programs to name a few.

B. **National Governor's Association Center for Best Practices Policy Academy on Civic Engagement, Volunteerism and Workforce** - Governor Paterson asked my office to lead a multi-state agency effort, along with other stakeholders, to apply for and successfully be awarded a National Governor's Association technical assistance grant to increase volunteerism, civic engagement and employment for older workers.

This effort includes the Department of Labor, Civil Service, Department of Health, Empire State Development, NYS Office of National and Community Service, AARP, NYS Business Council, SUNY Albany, United Neighborhood Houses, NYS Alliance for Retired Americans and the NY StateWide Senior Action Council. This effort has brought these agencies and groups together and work is underway to achieve the goals and objectives established by the team. The anticipated result – increased volunteerism, civic engagement and strategies to deploy older workers will help solve local problems to meet local needs and address workforce shortages.

3. **Community Empowerment Initiatives** – With the help of the Albany Guardian Society and partnering with AARP and the New York Association of Homes and Services for the Aging, along with the Area Agencies on Aging, many sister agencies and stakeholders, we created a forum to share innovative, successful and replicable best practices, strategies and other tools to help communities prepare for the aging of the population through the development of sound planning to create more livable communities. This includes improving the design of transportation, walk ways, lighting, housing, and community facilities as well as fostering neighborhood based self help strategies like health advocates or intergenerational programs. Over 500 people attended the Conference. It's worth noting that in these times of unprecedented budget deficits, the cost to New York State for this conference was kept to a minimum due to the commitment of resources from community partners.

Our plan for 2009 is to provide tool kits on models that are replicable, provide regional training on capacity building at the local level, and encourage communities to organize themselves to meet these goals. We will also be funding several Community Empowerment Projects to provide small start up grants and demonstrate innovative approaches.

The anticipated result – communities taking it upon themselves to plan for and address local needs using existing state and local resources, the commitment of local leaders and energy of its residents to promote local self help strategies.

4. **Model Zoning and Planning Kick-Off** – As a complement to our Community Empowerment strategy we are working with the Department of State, the Department of Housing and Community Renewal and many other stakeholders from across the state. This initiative seeks to remove barriers to the development of needed housing for families and foster better planning for the development of livable communities for individuals of all ages. This year we will develop model zoning and planning guidelines that seek to provide assistance to local planners, county officials and civic leaders on developing elder friendly and livable communities and model zoning that would encourage mixed-use age integrated housing. Last year over 100 participants joined us in a forum to discuss zoning and planning. Many volunteered to work with us to develop recommendations that will be contained in a zoning and planning guide for use by communities. A training agenda on the guide's use and content will also be developed. The anticipated result – communities taking it upon themselves to plan for

and address local needs using existing local resources by reducing zoning obstacles with the support of a state template and technical assistance.

5. **Energy** – The high cost of energy and the impact on older New Yorker’s led us to work with Governor Paterson, OTDA and OCFS to provide additional resources to low-income individuals and families to pay for their utility bills and increase energy efficiency in homes. Through these efforts, New York implemented the Governor’s HeatSmart New York Program to help families weatherize their homes to reduce their costs as well as assist those who faced energy related hardships. Collectively, we developed ways to help the most vulnerable NYS households receive weatherization services. NYSOFA and the area agencies on aging played a significant role by expanding the Weatherization Referral and Assistance Program (WRAP) through which vulnerable older New Yorkers are helped with appropriate conservation and weatherization services packaged for them to best meet their needs. We also worked with OTDA to develop a summer cooling program to prevent and to reduce illness and death among at-risk older adults because of the effects of high summer temperatures. The NYC Department for the Aging installed more than 2,600 air conditioners in older person’s homes. The result – creating more energy efficient homes resulting in lower heating bills and energy consumption and avoiding dangerous and potentially catastrophic consequences when bills cannot be paid such as turning the stove on for heat, self – installation of wood stoves and using heaters that give off carbon monoxide.

6. **Outreach and Education** – Through our office and our community-based partners, we have continued to reach older New Yorkers and their families with critical information.

Some examples include:

- ✓ Helpline - NYSOFA's general helpline fields over 20,000 calls for assistance per year.
  
- ✓ HIICAP - We received 28,573 calls to our HIICAP helpline a 23% increase or an additional 5,298 calls over 2007. HIICAP directly worked with 89,382 Medicare beneficiaries and held 3,707 events, including direct client outreach, health fairs, and television shows, which reached over 10 million New Yorkers.
  
- ✓ Culturally and ethnically diverse older New Yorkers - Following recommendations from the Governor's Advisory Committee on Aging and the Aging Services Advisory Committee, our office took several steps to improve outreach to our richly diverse constituency. We have printed our Resource Guide for Senior Citizens in Spanish and posted it to our website in English, Spanish and a version that is accessible for those with vision impairments. We have held regional Town Hall meetings on caregiver issues and held specific forums for Spanish speaking participants and a focus on caregiving in the lesbian, gay, bisexual and transgender community. We have distributed a new caregiver brochure in both English and Spanish. The office has hired a Spanish speaking aging services representative, and held a roundtable with statewide community groups on how to improve outreach to communities of color and communities of all colors that are disadvantaged.

- ✓ Each of the county offices for the aging and NY Connects programs serve tens of thousands more – to help older adults and their caregivers access information and services.

The result – easier access to unbiased information, assistance with getting appropriate services, help with complex Medicare questions and with a variety of issues important to older adults and their families.

7. **NY Connects:** *Choices for Long Term Care* – In collaboration with DOH and OTDA, NY Connects is now being implemented in 54 counties, providing information and assistance to individuals, families and professionals on accessing long term care services. NY Connects serves as the counties point of access to the range of long term care services available in the community and helps individuals navigate the complex system and myriad of programs and services. From July 2007 – June 2008 – over 108,000 contacts were made to NY Connects. The result – unbiased information and assistance to access long term care services helping individuals and families find the right service, at the right time, at the right price. Federal designation as an Aging and Disability Resource Center (ADRC).

As part of NY Connects, each community has also established a Local Long Term Care Council. These Councils have become an important component of long term care reform in New York State. They are comprised of the Area Agencies on Aging, Department of Social Services, service providers, advocates, consumers and caregivers. Their work

consists of identifying gaps in the system, solving local long term care problems, and strategizing on complex cases to prevent anyone from falling through the cracks. The result – opportunities for local systems reforms and improvements, stronger collaboration, and problem solving.

8. **Family Caregiver Support** – Families are the backbone of our state’s long term care system. NYSOFA was asked by the Governor to take the lead for the state’s Family Caregiver Council, which brings together sister agencies, providers, and caregivers to understand the issues that caregivers face and develop recommendations to help caregivers of all ages meet their caregiving responsibilities. Through the Council two very important studies have been completed. One provides information on characteristics of caregivers and care receivers, the amount of care provided by caregivers, and documents the impact and merit of the services network for older adults in assisting caregivers to continue to provide hours of care each day to their loved ones. The second study was a gap analysis of counties to understand what caregiver support services are available and where the gaps/needs are. These studies and the recommendations of the hard working Council members will help guide the Governor in efforts to rebalance and right-size long term care and support home and community-based services. The result – improved support for the over 2.2 million caregivers that provide 80% of all community-based long term care in New York.

9. **Nursing Home Diversion Grant** - In 2008 NYSOFA received a competitive U.S. Administration on Aging grant to provide flexible, consumer-directed services to

individuals to prevent spend-down to Medicaid and to prevent nursing home placement. In addition, we received a Veterans Administration grant to accompany the Nursing Home Diversion grant to enable veterans of all ages at risk of nursing home placement to obtain services from the Area Agencies on Aging. The result – new models of service delivery that improve care and the prevention or delay of nursing home placement. Both of these efforts are being developed in Broome, Oneida and Onondaga Counties.

These are just some of the ways that our office has engaged other agencies and community partners to develop innovative ways to improve the quality of life for older adults and help them to age in place.

### **In Closing**

As Governor Paterson expressed, “in these difficult times, we must make sure we respect one another, serve one another and protect one another.” It is this network of dedication that we must continue to support as we remember that while the state can provide leadership and funding, the delivery of services and development of community innovation is provided and often developed at the local level by so many dedicated people – county and local agency staffs, volunteers, families, friends and caregivers.

The county offices for the aging, along with their network of service providers, often times are the only contact some individuals have on a daily basis. When the recent ice storm hit just before the weekend, it knocked out power to municipalities and government agencies as well. Staff and the directors of several of the county offices for the aging worked throughout the power outage to make sure that vulnerable seniors, whether in institutional settings or their own homes,

received on-going help and needed assistance ranging from contacting family to transportation to a safe place.

These AAA directors and their staff spent many hours calling homes to check on clients and if they could not get through on the phone, they either drove out to the person's location themselves or dispatched police or other emergency responders to make sure the people were indeed safe. Through home delivered meals programs, numerous emergency deliveries were made to homebound elderly across the region. They also assisted local housing facilities in making arrangements to move tenants to warming shelters. Many congregate meal sites- mostly known as Senior Centers, not only served the elderly during the storm's aftermath, but served as community warming stations and emergency shelters as well.

It is precisely because we face serious economic conditions and a huge budget deficit that it will be all the more important that we vigorously pursue our community empowerment and civic engagement agenda. We need to use the human capital and the energy of the generations of active and healthy retirees who are now available in the community. As someone once said, we can crack the atom of civic power and literally use this social capital to address many of our community needs and problems. Older people are a great resource to our State.

Budgets are important but let us remember that it is our communities of caring people who make the difference.

Thank you - and at this time I will be glad to address any questions the committees may wish to pose.