

**Testimony of  
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**2008-2009 Budget  
Joint Budget Hearing**

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

**Hearing Room B  
Legislative Office Building  
Empire State Plaza  
Albany, New York**

**February 5, 2008**

Good Morning Senator Johnson, Assemblyman Farrell, respected members of the Senate and Assembly. I appreciate the opportunity to be here today and for the support that both of your houses have shown to older New Yorkers over the years. It has been a year since Governor Spitzer gave me the privilege to serve as the Director of the State Office for the Aging. It has been a great pleasure to work with the chairs of the Senate and Assembly Aging Committees and their staff members and many other legislators in a bipartisan way because we share a common concern and respect for the well being of the oldest members of our society in New York State who are our neighbors, family members, and caregivers.

I am pleased to join my colleagues from four other agencies who work with us on serving older persons; with the OTDA on programs like HEAP; with OCFS on grandparent programs and adult protective services, with Labor on workforce issues and I look forward to working closely with our new Veterans Commissioner on issues of joint concern serving older persons who are also veterans.

Before getting into a detailed discussion of our agency's programs and the budget, I was humbled again this past year to meet people like Ava Dorfman in Rome in Oneida County. She and her community just celebrated the 50<sup>th</sup> anniversary of the Ava Dorfman Senior Center she founded in 1957. She pledged to God that if she survived the Holocaust she would do something to help children and seniors who did not survive.

I was honored to meet and work with former Senator Harris Wofford of Pennsylvania who with Sergeant Shriver started the Peace Corps and the War on Poverty. Now, at age 80 he is the voice

of the “Experience Wave,” working to generate new vehicles and laws to promote “civic engagement” for the coming generation of older active persons.

I met Carol Jubenville of New Hartford who runs a senior housing project and recently, inspired by her role as a delegate to the 2005 White House Conference on Aging, created a new neighborhood association to provide home and personal services to seniors who want to stay living in their homes. She convinced a local funeral home to allow her residents to be driven in the home’s limos to the theater at night since the limos weren’t used then. She figured the residents “should ride in the front seat at least once before they have to ride in the back.”

I have met so many other everyday heroes, people who have dedicated a career to the field of aging or who volunteer as caregivers or to deliver meals to those too frail to get out of their homes. Older persons are the backbone of many churches, temples, and community organizations. I think of my own father in law who worked for over 30 years for IBM, ending up in New Jersey. His wife died six years ago and in 2006 he moved up here to be near us. He has jumped into the community as a volunteer for Hospice, giving a respite break to family members of the dying. He also volunteers every week at St. Vincents’ food pantry in Albany.

And then there is Chrissy Liu who works for United Neighborhood Houses in New York City. She is a leader in a group called Next Wave, younger social workers interested in gerontology and the field of aging.

I have had the privilege of working with so many people in our agency, in our county agencies, in the nonprofit world, in the faith community, and among those who have given their careers

and lives to the aging network and gerontology because they have concern and compassion about older Americans.

Building on the Promise of Governor Spitzer's vision on open, transparent and accountable government, I am pleased to report on what NYSOFA has accomplished this past year. In the past year we have reinvigorated the agency by engaging the people (see <http://www.ny.gov/governor/press/2007ReportToThePeople.pdf> for full report on state agency action and progress this past year). I have acted on my firm belief that no major aging policies and programs should be developed or operated in this state without the collaboration and consultation with the very people who use services or are affected by state policies and laws. We have re-energized our Governor's Advisory Committee on Aging, the Aging Services Advisory Committee and the Governor and the Legislature have given us responsibility to convene the Family Caregiver Council. We will shortly be convening two long-term care councils, one upstate and one downstate. We have revived the dormant advisory council for our NORCs program as well.

**I have conducted statewide stakeholder meetings on key issues including:**

- neighborhood and community empowerment,
- civic engagement, and
- the future of senior centers.

**We have revived the advocacy mission of the agency by:**

- monitoring and referring abuses in marketing Medicare plans to the Insurance Department,
- conducting more outreach, sending out over 60,000 copies of our popular Senior Resource Guide, and
- promoting our hotline phone number, receiving over 27,000 calls last year.

Since my appointment, I have also:

- reorganized our agency,
- increased our participation in inter-state agency committees to ensure that advocacy for older New Yorkers is heard in many venues,
- enhanced public communication and participation, and
- traveled across the state and met locally with small groups of county directors of our area agencies on aging to hear their concerns, successes and problems and we have developed strong local partnerships.

Older New Yorkers, service providers, social work professionals, NYSOFA advisory committees and county offices for the aging have shared their ideas for addressing the needs of an aging population. Those concepts ranged from caregiver supports to empowering communities to develop programs for aging in place.

We have made it clear that this agency wants to be a partner with caregivers, seniors and with the county agencies and nonprofits who are actually providing the services which allow older New Yorkers to maintain their independence and dignity as long as they can.

I could go on about our accomplishments this past year. If I could sum up what we are doing and what our primary mission is, it includes:

- a) every program NYSOFA operates is designed and intended to help people stay independent and in their homes and communities through the delivery of core community services including meals, EISEP, NORCs, etc. You could say all of our programs are Medicaid spend down and nursing home diversion programs.
- b) evidence clearly shows that those who are connected to a social and community support system do better, have less depression and lead a higher quality of life

As we work towards the future, we will be using our recently approved federal 4-year plan as our strategic plan and guide to measure ourselves against our goals and hold ourselves accountable. We will also continue the planning process that started with Project 2105 to work towards a state that is ready for the retirement of the baby boomers and supports our core services and mission. The investment in the future starts now with Governor Spitzer's proposed budget.

Governor Spitzer's proposed 2008-09 budget builds upon last year's budget and makes important investments in the future. His strong commitment to New York's older adults is evident through his proposal to increase the agency's funding by \$11.2 million (9.5%) and by supporting new and existing initiatives that will enable older New Yorkers to remain as independent as possible, supporting the valuable role of caregivers, empowering communities, and demonstrating new and innovative ways of delivering services designed to reduce Medicaid spend down and avoid institutionalization. In addition, this budget will provide enhanced tools for NYSOFA to work with other agencies and with local stakeholders to better coordinate and integrate programs and services. This has been one of the glaring deficiencies in the service delivery system.

Governor Spitzer is proposing several new initiatives championed by Director Burgess as well as the implementation of the Cost of Living Adjustment (COLA) for workers in SNAP, CSE and the EISEP programs. This is the third year of a three year plan to phase in the COLA.

## **FY 2008-09 New Initiatives**

<b>Targeted EISEP</b> .....	\$2,500,000
<b>Enriched Social Adult Day Services Demonstration</b> .....	\$1,000,000
<b>Regional Caregiver Centers of Excellence, including \$200,000 for direct respite for caregivers</b> .....	\$950,000
<b>Community Empowerment Initiative</b> .....	\$500,000
<b>Development of Web-Based Reporting system</b> .....	\$50,000

### **Targeted Expanded In-home Services for the Elderly Program (TEP) - \$2.5 million**

The current EISEP program has been very effective in targeting those at risk of Medicaid spend-down. The program design may limit the ability of counties to continue to sustain elders as the severity of their impairments increase. The *Targeted EISEP* program targets those seniors experiencing 3 ADL impairments and/or a diagnosis of dementia. The strongest predictors of nursing home placement are individuals with 3 or more ADLs, a cognitive impairment, or prior nursing home use.

By implementing *Targeted EISEP*, New York State will enhance the design of the traditional EISEP program and enable communities to help additional high risk elders age successfully in place in their preferred environment. It may do this by offering enhanced tools to the county such as:

- Intensive case management, community services and family support
- Family support – training, counseling, respite
- Transportation, community service/health advocate
- Implementation of evidence based chronic disease self management

- In-home telehomecare support
- Medication management and dispensing, and
- Screening – mental health, chemical abuse, etc.

The *Targeted EISEP* program, coupled with traditional EISEP, provides communities with the tools they need to delay nursing home placement, Medicaid spend-down and hospitalizations, providing better outcomes for the individual and their family.

NYSOFA plans on releasing a study of New York State's EISEP program in the coming month, describing customer characteristics, services and the role of informal caregivers.

### **Enriched Social Model Adult Day Services \$1 million**

Maintaining the independence of older New Yorkers and supporting caregivers requires a variety of community-based services that can support this goal. The *enriched social adult day services demonstration* is based on the understanding that the needs of persons with chronic disabilities and their caregivers change over time. Currently, New Yorkers lack options when it comes to adult day services and respite. This model will explore the effectiveness of a new approach that will allow an individual to receive services based on their needs, rather than a one size fits all approach.

This new initiative is designed to:

- Help seniors maintain their independence, age in place and delay more costly care/prevent Medicaid spend down
- Provide services in geographically diverse areas, address cultural diverse populations and those that utilize innovative technology, partnerships, & coordination
- Provide traditional SADC services and enhanced services including total assistance with toileting, mobility, transferring and eating, dispensing of medications, health education, counseling, case management, restorative therapies lasting less than 6 months and maintenance therapies.

Governor Spitzer has proposed funding 18 *Traditional Social Adult Day Services Programs* that help delay or prevent nursing home placement and the need for other more costly services, while providing vital assistance to the older person with cognitive and/or physical impairments and supporting their informal caregivers. These structured programs provide functionally impaired individuals with socialization, supervision and monitoring, personal care, and nutrition in a protective setting. The program also may provide other services and support, such as transportation, information and assistance, and caregiver assistance. By doing such, they prevent or delay further deterioration and the need for more expensive services.

### **Regional Caregiver Centers of Excellence - \$950,000**

Governor Spitzer empowered NYSOFA through the 2007-08 Executive Budget to establish the first interagency *Family Caregiver Council*, comprised largely of caregivers, to develop recommendations and strategies on how the State can support individuals performing this valuable role. Formal recommendations from the initial three meetings will be forwarded to the Governor within the coming months. However, preliminary recommendations received by the Governor has led him to expand the support services targeted at caregivers through the development and implementation of *Regional Caregiver Centers of Excellence*. Recognizing that there are over 2.2 million caregivers in New York State caring for persons of all ages with disabilities, providing support to caregivers makes health and economic sense.

*Regional Caregiving Centers of Excellence* would:

- provide education and training to caregivers,
- develop and implement innovative approaches to assisting caregivers and sharing these best practices with local caregiver programs run by the county and through other organizations,
- reduce caregiver stress through respite services,
- provide training and education and the development and implementation of innovative caregiver support models, and

- provide technical assistance and training to caregiver program coordinators and other programs.

The *Regional Caregiver Centers of Excellence* would become the premier training and education entity in the chosen region and would have the capacity to provide the direct training, monitoring of innovative programs.

The *Regional Caregiving Centers of Excellence* provides an opportunity to further coordinate existing caregiver support programs and initiatives at the local level to ensure person-centered care and promote positive outcomes. NYSOFA will coordinate the development of these Centers with our existing caregiver support programs including:

1. The *New York Elder Caregiver Support Program* which supports informal caregivers as they carry out their caregiving responsibilities, including grandparent caregivers.
2. *Caregiver Resource Centers* (CRC) to provide caregivers with information, assistance, and counseling/support group/training.
3. *Respite* programs that offer caregivers a break from the stress of their caregiver roles.

*Family Caregiver Council – Continuation of Funding - \$200,000*

Family, friends and neighbors provide 80% of long term care. The 2008-09 Executive Budget provides \$200,000 in total funding for the Family Caregiving Council to continue its work. The Council has set its 2008-09 priorities to:

- a. Complete a comprehensive mapping and evaluation of existing services;
- b. Establish a mechanism to coordinate these services;
- c. Identify service gaps and unmet needs of caregivers
- d. Identify and review current policies that affect caregivers;
- e. Advise the Director on issues relating to caregivers; and
- f. Ensure that addressing the interests and needs of caregivers are integral to the operations of local systems that manage access to services.

## **Community Empowerment Initiative - \$500,000**

Communities across the country are becoming more active in developing supportive services to enable older persons to “age in place” and stay in their own neighborhoods. NYSOFA proposes to empower communities, elders, and families by promoting self-help strategies, expanding health screening and the use of evidence based health promotion and disease management programs, and providing training, technical assistance and seed grants to leverage local resources to support grassroots efforts and new community organizations that enable aging in place.

This proposal would help support an infrastructure for organizations and volunteers to do this themselves and coordinate it to the services provided by the area agencies on aging and others.

The *Community Empowerment Initiative* would:

- provide grants in different regions of the state
- be coordinated with the area agencies in the region and *NY Connects*
- be used to support the operation of the organization including board development and training, membership development, grant writing and fundraising
- focus on providing services which enhance the ability of persons to remain in their homes or delay the need for institutional living including:
  - prevention education programs,
  - civic engagement,
  - caregiver supports,
  - transportation,
  - home repair,
  - assistance with shopping, chores etc.
  - health and income benefits counseling

NYSOFA's existing community empowerment services will be coordinated locally with grantees. They include:

1. **NY Connects – Choices for Long Term Care**

**NY Connects** is a statewide program that is establishing consumer-centered entry points in nearly every county throughout the State. Through this program, consumers, which include older adults, adults and children with disabilities, and their caregivers, can obtain comprehensive, accurate, and unbiased information and assistance about available long term care services in their communities to enable them to make informed choices as to how to meet their needs. **NY Connects** is an integral component of Governor Spitzer's multi-faceted plan to transform the current long term care system into a system that embodies a patient first approach. Continued funding for **NY Connects** is included in the Governor's budget proposal for the Department of Health.

2. **Supplemental Nutrition Assistance Program (SNAP)**

Governor Spitzer recognizes the critical importance of good nutrition and healthy eating in the lives of New Yorkers of all ages. Governor Spitzer, building upon a \$1 million increase in SNAP last year is proposing a **\$4 million increase in SNAP** funding. The SNAP program is targeted to those who live alone, are over 75 years of age and are economically disadvantaged. Home delivered meal service is a key component in the package of in-home services necessary to meet the needs of increasing numbers of New Yorkers who require community-based long term care support or post hospital-stay nutritional assistance. Home delivered meals are more than an investment in quality of life; they are also an investment that can limit health care costs, including hospitalization and Medicaid expenditures.

3. **Naturally Occurring Retirement Communities (NORCs)**

Governor Spitzer's proposed 2008-09 Budget contains appropriations to help meet the needs of people who have "aged-in-place" and live in areas known as Naturally Occurring Retirement Communities (NORCs). The "standard" or "traditional" NORC program's appropriation of \$2.2 million supports services for customers residing in large housing complexes, cooperatives and apartment buildings. The Governor has also

included in his Budget a baseline appropriation of \$2.2 million for the Neighborhood NORC program. Neighborhood NORC supports services for customers residing in residential dwellings or designated groups of residential dwellings.

**4. Long Term Care Insurance Education and Outreach Program (LTCIEOP)**

Governor Spitzer's 2008-09 Budget continues \$3 million in local funding for LTCIEOP which informs and educates the public about long term care insurance, including those policies that are available through the Partnership for Long Term Care Program.

For many people, the Medicaid program has become their long term care "safety net" and the primary source of funding these expenses. More than 80% of nursing home days in New York State are paid by Medicaid and Medicaid-financed long term care cost New York taxpayers over \$8.7 billion in 2002. As the population continues to age and older New Yorkers require more care, planning ahead and funding for long term care becomes an even more urgent matter.

**5. Health Insurance Information Counseling and Assistance Program (HIICAP).**

HIICAP works directly with Medicare Beneficiaries to educate them on the Medicare Program, Medigap policies, Medicaid, Medicare Advantage Plans, Long-term Care Insurance, Low-Income Subsidy Programs, employer-sponsored insurance, and other health insurance programs that are available. In 2006, the NYS HIICAP programs successfully held over 3,050 public and media events that reached over two million New Yorkers, and provided individual counseling to approximately 80,000 customers.

- a. **Medicare Part D** embodies one of the most monumental changes in programs and services for older people since the inception of Medicare in 1965. Every one of New York's 2.8 million Medicare beneficiaries is required to make decisions on whether to join a prescription drug plan and choose from the 61 plans available to New Yorkers. Each year an Annual Open Enrollment Period for the Part D benefit is held from November 15 through December 31, and Medicare beneficiaries must select among the many plans that differ by premium,

formulary, annual deduction and company. Due to the complexity of the plan choices and plan benefits, many Medicare beneficiaries seek counseling through the 58 New York State HIICAPs where specially-trained counselors (usually volunteers) help clients to enroll in a plan most suited to their needs. The State Office for the Aging provides on-going training to ensure that all county coordinators and counselors are kept up-to-date on the numerous changes to this program.

**6. Long Term Care Ombudsman Program (LTCOP)**

LTCOP provides opportunities for residents of long term care facilities and their families to voice concerns and develop solutions on a wide range of complaints about concerns for the health, safety, welfare and rights of the residents in long term care facilities. LTCOP supports the routine presence of LTCOP volunteers in long term care facilities; provides supervision, recruitment and training of existing volunteers; and, supports community outreach to broaden awareness of the Ombudsman Program. The New York State Office for the Aging has worked for many years to develop a statewide Ombudsman Program that provides certified substate Ombudsmen in long term care facilities, and currently there are 46 local Ombudsman Programs providing services in all 62 counties in New York State.

**7. AAA Transportation Operating Expense Program**

AAA Transportation provides county senior transportation providers with support to offset dramatic increases in operational costs which have impaired the ability of local transportation programs to continue to assist seniors.

**8. Economically Sustainable Transportation Demonstration Program (ESTDP)**

Governor Spitzer proposed a continuation of funding for the Economically Sustainable Transportation Demonstration Program (ESTDP). The purpose of this program is to assist seniors to remain independent and mobile in their communities by creating an on demand transit service using volunteer and paid drivers to transport seniors. After a period of five years, the local grant recipients will no longer be eligible for State funding and must be

completely self-sustaining, relying on consumer fares and voluntary community support to remain operational. One of the primary objectives is to provide an economically sustainable service to people who can no longer drive safely.

#### **9. Civic Engagement/Volunteerism**

Older New Yorkers are an asset that should be tapped. NYSOFA, along with many other organizations and groups rely on volunteers to help them carry out their mission. NYSOFA's programs such as HIICAP, LTCOP, LTCIEOP, SNAP, and transportation rely almost exclusively on volunteers. NYSOFA will continue to work at a state and local level to develop ways in which older New Yorkers can remain engaged and active in their community through volunteering and other civic engagement activities.

#### **10. School Tax Relief (STAR) Program**

The STAR program continues to be a critical program to help all New York homeowners, and older homeowners in particular, deal with their rising property tax burden. In 2007-08, the Enhanced STAR exemption resulted in \$48 million in additional STAR tax relief for senior citizens. Governor Spitzer proposes in the FY 2008-2009 budget a scheduled 40% increase in their Enhanced Rebate, which will raise the average benefit from \$327 to \$458. With this increase, total STAR property tax relief for senior citizens including STAR exemptions will exceed \$1,700 on average. Seniors across the state count on this program for substantial and much-needed tax relief. As a result of STAR, many seniors are able to remain in their homes and maintain their quality of life.

### **Development of Web Based Reporting System - \$50,000**

NYSOFA proposes to increase the collection and use of better service delivery data in order to improve the quality of the \$300 million of the federal, state, and locally funded programs for seniors managed by the area agencies on aging (AAAs) and their providers. Currently, AAAs are required to submit under eight different reporting systems (NAPIS, CAARS, WRAP, Title V, HIICAP, LTCIEOP, NYConnects, Ombudsman) to meet state and federal reporting requirements. This reporting is accomplished through a patchwork system of different local

proprietary software systems. Each time reporting requirements change, each of the 59 AAAs requests their various local software developers to change their data collection programs. This is very inefficient, causes excessive time delays, and is expensive to the administration of the services. NYSOFA estimates that an average AAA spends approximately \$7,000 annually for the software required for reporting under the systems referenced above and \$45,000 in personal service and fringe benefits for staff involved in collecting and entering data into the various systems. The cost of reporting alone exceeds the combined minimum base allocation of \$40,000 that the smallest AAA receives for Planning and Implementation (P & I) under EISEP and CSE. NYSOFA proposes the phased implementation of a web based reporting system that will enable Area Agencies on Aging to utilize one web-based system to collect client information. Over the past several years, similar strategies to utilize a web based reporting application have enabled the New York City Department for the Aging, the federally funded Title V Employment Program and HIICAP programs to collect vastly better data to help them achieve program outcomes, while reducing local data collection costs and errors.

This proposed allocation will enable NYSOFA to begin the process of moving toward a web-based reporting system.

## **IN CLOSING**

I consider Governor Spitzer's bold actions presented in his 2008-09 Executive Budget to be both necessary and wise. It builds upon last year's budget and takes the steps necessary to enable older New Yorkers to remain as independent as possible, supporting the valuable role of caregivers, empowering communities and demonstrating new and innovative ways of delivering services designed to reduce Medicaid spend down and avoid institutionalization.

The investments made today to maintain the well-being and independence of our aging population will yield long term savings and improve the quality of life in our communities. This benefits all New Yorkers. I thank all of you for your interest in aging issues and your concern for older New Yorkers; and I will be glad to entertain any questions.