REAUTHORIZATION OF THE OLDER AMERICANS ACT – 1996

Current Law	H.R. 2056 (Martinez) S.1447 (Mikulski/Pryor/Kennedy) Administration Proposal	H.R. 2570 (Goodling) Majority Proposal	S.1643 Draft (Gregg) Majority Proposal
GENERAL The Older Americans Act amended in 1992 is authorized for three-years and contains seven l and significant titles. ●Title I: Declaration of Objectives; Definitions ●Title II: Administration on Aging ●Title III: Grants for State and Community Programs on Aging - Part A -- General Provisions - Part B -- Supportive Services and Senior Centers - Part C -- Nutrition Services - Subpart 1 -- Congregate Nutrition Services - Subpart 2 -- Home Delivered Nutrition Services - Part D -- In home Services for Frail - Part E -- Additional Assistance for Special Needs - Part F -- Disease Prevention and Health Promotion - Part G -- Supportive Activities for Caretakers ●Title IV: Research, Development, and Demonstrations - Part A -- Education and Training - Part B -- Research, Development, and Demo's - Part C -- Centers - Part D -- Information Dissemination and Related Activities ●Title V: Community Service Employment for Older Americans ●Title VI: Grants for Native Americans - Part A -- Indian Program - Part B -- Native Hawaiian Program - Part C -- General Provisions	**GENERAL** The bill is for a three-year reauthorization which retains all seven titles because of the significance each one has to the aging network and the lives of older individuals. ●Title I: Declaration of Objectives; Definitions ●Title II: Administration on Aging ●Title III: Grants for State and Community Programs on Aging - Part A -- General Provisions - Part B -- Supportive Services and Senior Centers - Part C -- Nutrition Services - Subpart 1 -- Congregate Nutrition Services - Subpart 2 -- Home Delivered Nutrition Services ●Title IV: Research, Development, and Demonstrations - Part A -- Education and Training - Part B -- Research, Development, and Demonstrations - Part C -- Centers - Part D -- Information Dissemination and Related Activities ●Title V: Community Service Employment for Older Americans ●Title VI: Grants for Native Americans - Part A -- Indian Program - Part B -- Native Hawaiian Program - Part C -- General Provisions	**GENERAL** This bill is for a five-year reauthorization which deletes Titles IV, V, VI, and VII and incorporates components of these titles into Titles II and III. ●Title I: General Provisions - Subtitle A -- Statement of Purpose; Definitions Subtitle B -- Administration ●Title II: Grants for Native American Programs on Aging ●Title III: Grants for State and Community Programs on Aging - Subtitle A -- Grants for Programs on Aging - Chapter 1 -- General Provisions - Chapter 2 -- Supportive Services and Multipurpose Senior Centers - Chapter 3 -- Nutrition Services - Chapter 4 -- Community Service Employment for Older Americans - Subtitle B -- Authorization of Appropriations ●Title IV: National Senior Volunteer Service Corps - Subtitle A -- Retired and Senior Volunteer Program - Subtitle B -- Foster Grandparent Program - Subtitle C -- Senior Companion Volunteer Program - Subtitle D -- General Provisions - Subtitle E -- Administration and Coordination - Subtitle F -- Authorization of Appropriations	**GENERAL** This bill is for a five-year reauthorization which deletes Titles II, IV, V, and VII; changes Title VI to Title IV; and incorporates components of deleted titles into the remaining ones. ●Title I: General Provisions - Subtitle A -- Core Objectives and Definitions - Subtitle B -- Administration - Subtitle C -- Funding ●Title II: State Programs on Aging - Subtitle A -- General Provisions - Subtitle B -- State Long-Term Care Ombudsman Program - Subtitle C -- Senior Community Service Employment Program - Subtitle D -- Disease Prevention and Health Promotion ●Title III: Local Programs on Aging - Subtitle A -- General Provisions - Subtitle B -- Supportive Services and Senior Centers - Subtitle C -- Nutrition Services ●Title IV: Native American Programs on Aging

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•Title VII: Vulnerable Elder Rights Protection Activities - Subtitle A -- State Provisions - Chapter 1 -- General State Provisions - Chapter 2 -- Ombudsman Programs - Chapter 3 -- Programs for the Prevention of Elder Abuse, Neglect, and Exploitation - Chapter 4 -- State Elder Rights and Legal Assistance Development Program - Chapter 5 -- Outreach, Counseling, and A[illegible]ance Program - Subtitle B -- Native American Organization Provisions - Subtitle C -- General Provisions	•Title VII: Vulnerable Elder Rights Protection Activities - Subtitle A -- State Provisions - Chapter 1 -- General State Provisions - Chapter 2 -- Ombudsman Programs - Chapter 3 -- Programs for the Prevention of Elder Abuse, Neglect, and Exploitation - Chapter 4 -- State Elder Rights and Legal Assistance Development Program - Chapter 5 -- Outreach, Counseling, and Assistance Program - Subtitle B -- Native American Organization Provisions - Subtitle C -- General Provisions		
The Act, last amended in 1992, has established in its thirty years, the aging network of State and Area Agencies on Aging, tribes and service providers, and has focused on the development and implementation of comprehensive and coordinated home and community-based service delivery systems. It contains a number of key principles and objectives.	The bill retains the "with particular attention to low-income minorities" provisions and focus. The bill also retains priority services, thereby maintaining an emphasis on access, in-home, and legal assistance.	The bill eliminates broad social policy objectives that have been the foundation of the Act for 30 years. The bill also removes the language "with particular attention to low-income minorities" from the Act, but provides a services preference for greatest economic and social need. The bill also removes priority services, including legal assistance.	The bill eliminates broad social policy objectives that have been the foundation of the Act for 30 years. The bill retains the "with particular attention to low-income minorities" provisions and focus. Priority services have been removed, but legal assistance is retained as a mandatory service.
The Act focuses on the development of comprehensive and coordinated home and community-based service delivery systems, senior centers, and local focal points of service delivery.	The bill focuses on flexibility, consolidation and streamlining within titles, enhancing accountability, and customer orientation.	The bill focuses on streamlining, consolidating, and the general granting of more flexibility to the States. Additionally, it has similar components focused on consumer orientation and direction.	The bill focuses on streamlining, consolidating, and the general granting of more flexibility to the States.
Section 202 (a) of the (Technical Amendments of) Older Americans Act of 1993 states that not later than May 31, 1995, the President shall convene the White House Conference on Aging in order to develop recommendations for additional research and action in the field of aging which will further policy set forth in subsection (b). Section 204 establishes a Federal Council on Aging to advise and assist the President and Assistant Secretary on matters relating to the special needs of older individuals.	The bill retains authority for the Federal Council on Aging and the convening of a White House Conference on Aging in the Year 2005, thereby continuing the emphasis needed on preparing the nation for the impact of an aging society.	The bill contains no provisions for the Federal Council on Aging or a White House Conference on Aging.	The bill contains no provisions for the Federal Council on Aging or a White House Conference on Aging.

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TITLE I - DECLARATION OF OBJECTIVES; DEFINITIONS The Act contains 10 objectives that address the inherent dignity of older people, and the duty and responsibility of the governments of the United States.	**TITLE I - DECLARATION OF OBJECTIVES; DEFINITIONS** The objectives in the Act were retained without change, based on the belief that they are still appropriate for the aging network. They focus on the traditional American concept of an individual's dignity in our democratic society.	**TITLE I: GENERAL PROVISIONS** **Subtitle A: Statement of Purpose; Definitions** This section attempts to clarify the purpose for the Act, and include all definitions. Community Service Employment Act definitions remain in section 3 and section 505. The amended purpose is to encourage State agencies and area agencies to concentrate resources in order to develop greater capacity and foster the development and implementation of comprehensive and coordinated systems to serve older individuals by entering into cooperative arrangements for the planning and provision of supportive services, nutrition services, multipurpose senior centers, community services, and volunteer services to maintain independence and dignity in: a home environment, remove social barriers, provide a continuum of care, secure the opportunity for managed in-home and community-based long-term care services, ensure protection against abuse and neglect, promote employment opportunities, and empower older ~~individuals to contribute to their communities~~ through volunteer services. The ten universal objectives of the Act have been dropped.	**TITLE I: GENERAL PROVISIONS** **Subtitle A: Core Objectives & Definitions** This section establishes a statement of purpose and core objectives focused on the develpment of comprehensive and coordinated service delivery systems. The objectives have been narrowed to include maintaining independence; removing social and personal barriers; promoting a continuum of care for the vulnerable; fostering managed community-based care; ensuring protection against abuse and neglect; and promoting employment opprtunities. All definitions have been relocated to title 1.

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		<u>Subtitle B: Administration</u> This bill contains specification for four positions in addition to the Assistant Secretary for Aging (ASA). These positions administer the Native American programs, the Ombudsman program, nutrition services, and the volunteer service programs. The Assistant Secretary may establish an Office on Native Americans. The general authority previously under Title IV is incorporated here. It includes authority to make grants for the purpose of expanding the nation's knowledge; designing, testing, and promoting innovative ideas and best practices; meeting the needs for trained personnel; increasing awareness of the need to assume personal responsibility for one's own aging; conducting research and demonstrations; and the provision of training and technical assistance is incorporated here, but no authority for funding and conducting evaluations. Removes requirements that AoA fund a National Ombudsman Resource Center, a National Center on Elder Abuse, and a National Aging Information Center. The Eldercare Locator is authorized and funded out of S&E. The provisions for a uniform data collection system (SPR component of the NAPIS) are retained, as well as the gathering of statistical data and consultation with other federal agencies; but AoA ombudsman reporting requirements (NORS component of the NAPIS) are removed. The focus on the ASA as the effective and visible advocate is retained. This draft now incudes a requirement that the heads of other departments and agencies consult and coordinate with the Assistant Secretary for Aging for purposes related to the Act. A separate authorization for appropriations is established for title IV (Senior Volunteer Programs).	<u>Subtitle B: Administration</u> This section establishes language that continues an Assistant Secretary as head of the agency, and references the designation of employees to carry out the responsibilities for ombudsman, nutrition, Native American, and employment services. The authority, in broad terms, to fund training, applied research, demonstrations of innovative approaches and best practices, and related discretionary projects and programs (currently Title IV) now lies here as part of the functions of the Assistant Secretary. In addition, specific authority is provided for continuing the Eldercare Locator and the National Center on Elder Abuse. The previous list of duties is narrowed to eight. The duties and powers include advocacy, technical assistance, Federal agency consultation, and data collection, including specific ombudsman data collection, and information on community resources. This section provides for the reservation of funds for purposes of making disaster assistance available to States, and Tribes. <u>Subtitle C: Funding</u> This section sets out funding for the following grants to states: long-term care ombudsman programs, Senior Community Service Employment Program (SCSEP), Disease Prevention and Health Promotion, supportive services and senior centers, nutrition services, additional funds for nutrition based on the availability of appropriations, and grants for Native American programs. A special ombudsman allotment is included (replacing current Title VII, Chapter 2 funds). States are also permitted to use "such amount (of supportive services funds) as the State agency determines to be adequate for conducting an effective ombudsman program," mirroring the practice under current law.

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			The bill changes the Interstate Funding Formula that is based on need, as defined by age 60+ and weighted age groupings, taxable resources, as determined by the Secretary of the Treasury, minimum funding levels, and limits on increase and decrease of awards. The Federal share would remain at not more than 85%. State Plan administration is limited to 5% or $500,000 whichever is greater, and Area Plan administration is such amount as the State agency determines, but not more than 10%.

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TITLE III- GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING . Title III authorizes funds to State and area agencies for a broad array of in-home and supportive services. The Act under Sec. 341(a) authorizes states to provide in-home services to ' older individuals, including in-home supportive services for older individuals who are victims of Alzheimer's disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims. Under Sec. 361(a), states are authorized to vide disease prevention and health promotion services and information. Supportive activities for caretakers who provide in-home services to older individuals (including older individuals who are victims of Alzheimer's disease or related disorders with neurological and organic brain dysfunction) is authorized under Sec. 381. All of these services are also authorized under Part B - Supportive Services and Senior Centers. States award funds to area agencies on aging under an intrastate funding formula. Part F, unlike other title III service components, requires state agencies to give funding priority to areas of the that are medically under served and where there are large concentrations of economically needy older individuals. The Act sets forth numerous requirements to be in area plans and enumerates assurances to be in the state plan as a condition for receiving funds.	**TITLE III - GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING** Title III is retained. In order to restore flexibility of State and Area Agencies on Aging to respond to differing and changing local needs, the bill eliminates the following categorical sub-part programs and put the authority for them under the supportive services part: • **D - In-Home Services for Frail Older Individuals** • **E - Additional Assistance for Special Needs of Older Individuals** • **F - Disease Prevention and Health Promotion Services** • **G - Supportive Activities for Caretakers Who Provide In-Home Services to Frail Older Individuals.** This will restore the primary focus by integrating them back into the two broad categories of nutrition and supportive services while eliminating the need for separate grant allocations, reports, and funding formulas. Consistent with the principles of performance partnerships, the bill eliminates nearly one-half of the list of items which States and Area Agencies must illustrate in their plans, or which are categorized as the federal government prescribing "how to" achieve certain national goals. The goal of the reauthorization proposal is on enhancing the efficiency and effectiveness of administration at the local level. The proposal balances the distinct interests of the partners in the aging network. Additional flexibility is granted through enhanced waiver authority. Additionally, there is recognition of and facilitation for the aging network to continue to be innovative in the design and delivery of home and community-based services. Authority is granted to permit cost-sharing for selected services and to focus on developing consumer-directed service sy	**TITLE III: GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING** **Subtitle A: Grants for Programs on Aging** Amounts appropriated for fiscal years 1997 through 2001 shall be allotted by the Assistant Secretary among States as follows: the product of such amount appropriated for a fiscal year and the base percentage rate for a fiscal year shall be allotted among the States proportionately based on their respective shares of funds appropriated for fiscal year 1996 allotted to States to carry out titles III and VII of the OAA. The balance of such amount appropriated shall be allotted among the States proportionately based on the population of individuals 60 years of age or older in the States. The base percentage rates for fiscal years 1997 through 2000 are 80 percent, 60 percent, 40 percent, and 20 percent respectively. In year 2001 the appropriated amount shall be allotted among the States proportionately based on the population of individuals 60 years of age or older in the States. The hold harmless year is eliminated, but an allowance is made for minimum states. The total federal share remains 85%. State administrative costs are increased to 7 percent or $800,000, up from 5 percent. The AAA administrative costs are limited to such amount as determined by the State, but not more than the current 10 percent. States shall in consultation with AAAs, using the best available data, develop and publish for review and comment an Intrastate Funding Formula (IFF), taking into account: - the geographical distribution of older individuals in the State; - those with greatest economic need; and - those with greatest social need. There is a services preference that includes low-income minorities, but not in the formula. In addition, the bill deletes AoA's involvement in the process.	**TITLE II: STATE PROGRAMS ON AGING** **Subtitle A: General Provisions** This section would streamline State plan requirements permitting State greater flexibility to choose which services to emphasize in order to meet State and local needs. Information and assistance services are to be a primary responsibility of the State agency and provided in sufficient numbers to ensure that all older individuals who are not furnished adequate information and assistance will have reasonably convenient access to such services. While continuing the prohibition against the direct provision of services and the exemptions contained in current law, the bill permits the direct provision of information and assistance, case management and outreach services. Legal services is retained as a required service. The prevention of elder abuse is an elective service, but with a specific percentage to be spent if determined by the State. Outreach efforts are required for individuals residing in rural areas, those in greatest economic need, those in greatest social need, those with severe disabilities, limited English-speaking, Alzheimer's disease, and low-income minorities. Particular attention must be given to those with severe disabilities. **Subtitle B: State LTC Ombudsman Program** This section would require each State to continue operating a long-term care Ombudsman program, retaining most provision in the current Sec. 712. **Subtitle C: SCSEP** This section would establish a State-administered SCSEP. The Assistant Secretary shall make grants to eligible State and tribal organizations. Direct funding to national organizations would be eliminated. States can contract with public or private nonprofit entities to operate their programs; however, 90% of program funds (85% in small states) with provision for a waiver, must be used for wages and fringe benefits. The Federal share would be 85% and the non-Federal

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		Community Service Employment appropriations will be reserved for Indian tribal organizations, not to exceed 1.3 percent, and a maximum of 7 percent may be used for administration. The balance of such amount appropriated shall be allotted among the States proportionately based on the population of individuals 60 years of age or older in the States. The base percentage rates for fiscal years 1997 through 1999 are 75 percent, 50 percent, and 25 percent respectively. In year 2000 the appropriated amount shall be allotted among the States proportionately based on the population of individuals 55 years of age or older in the States. However hold harmless still applies, and amounts allotted shall be reduced proportionately as necessary to increase other allotments to achieve the hold harmless.	<u>**Subtitle D: Disease Prevention/Health Promotion**</u> **This section retains separate authority for Disease Prevention and Health Promotion activities. It provides that in distributing the funds, priority shall be given to agencies serving areas that are medically underserved, and in which there are large numbers of older individuals with greatest economic need who are in need of such services, but does not seem to require a separate funding formula, as does the current Act.** <u>**TITLE III: LOCAL PROGRAMS ON AGING**</u> <u>**Subtitle A: General Provisions**</u> This section would streamline Federal requirements for AAAs. Although the bill seeks to allow greater flexibility, AAA plans would continue to take into consideration low-income individuals, those in greatest economic and social need, as well as older Indians. The area plan would be required to promote independent living through home and community-based care, as well as provide for the establishment and maintenance of information and assistance. The plan would also assure that specific objectives are set for service to those in greatest economic and social need, and those residing in rural areas. Outreach, evaluations, technical assistance, case management, and cost sharing would be assurances under the plan. This bill retains the basic requirements of current law related to the provision of case management, but adds one additional category of permissible agencies: "a community-based organization with a documented history of providing services under the Act that obtains a waiver."

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			<u>Subtitle B: Supportive Services & Senior Centers</u> This section would streamline requirements by providing maximum discretion for AAAs to pick from among 20 specific types of supportive services. Supportive services include almost all the previous ones including transportation, health, information and assistance, assistance to obtain adequate housing, avoid institutionalization, legal assistance, physical exercise, disease prevention and health promotion, health promotion, in-home services for the frail, and one notable new service: receive section 202 applications under the Housing Act.

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Ombudsman program ... Permits state agencies to use any amount of Title III-B money necessary to conduct an effective idsman program [Section 304(d)(1)(B)] and contains minimum ombudsman funding requirements for State and Area agencies [Sections 306(a)(11) and 307(a)(21)]. Builds on ombudsman provisions in previous reauthorizations; contains provisions which strengthen the authority of the ombudsman and increase the ability of the statewide program to effectively speak on behalf of and represent the needs/interests of vulnerable residents of nursing homes and similar adult care facilities, including: - requirement for full-time State Ombudsman and Office of the Ombudsman; - list of functions, including ombudsman duties to recommend changes in laws, regulations, policies and actions pertaining to health, safety, welfare and rights of residents and similar provisions, including providing information to agencies and legislators; - State Ombudsman responsibility to designate local ombudsman entities (programs), duties of local entities, and eligibility requirements for local entities; - procedures for access to facilities, residents and records; - specific ombudsman reporting requirements, including requirement that an ombudsman report be submitted to the state licensing agency and other federal and state entities, including AoA, and specific description and analysis requirements for the report; - detailed provisions regarding conflict-of-interest; - disclosure, consultation, administration, liability and noninterference requirements; and	**Ombudsman program...** Retained with all the advances, protections and improvements made through the recent reauthorizations. - No limits on the amount of funds to be utilized in the program - Maintenance of effort requirements retained	**Ombudsman program — (also see Title II)** **Deletes current Section 712 provisions:** - definitions, including resident, ombudsman, local ombudsman entity, program, and representative - requirements for full-time State Ombudsman and State Office of the Ombudsman – gives the State agency responsibility for all functions, including investigation and resolution of complaints, which current law assigns to the State Ombudsman and Office of the Ombudsman; - ombudsman duties to recommend changes in laws, regulations, policies and actions pertaining to health, safety, welfare and rights of residents and similar provisions, including providing information to agencies and legislators, contained in the current section on administration, which is deleted; - eligibility requirements for local ombudsman entities (programs); - specific conflict-of-interest requirements (although a general COI provision is retained); - requirement that the Ombudsman or the State submit an ombudsman report to the State licensing agency and other Federal and State entities, including AoA, and specific description and analysis requirements for the report contained in current section on administration, which is deleted; - requirement that state establish training standards and that ombudsmen be trained. **Deletes minimum State & AAA funding requirements and has a limitation on expenditures** **Contains the following general requirements:** - State shall provide assurances that it will carry out a program - State may carry out directly or by contract or other arrangement with any public or nonprofit private organization - State may designate any entity as a local ombudsman entity and an individual to represent the entity, as opposed to the programs being designated by Office of State LTC Ombudsman - State shall establish policies and procedures for monitoring local entities...if entities are AAAs, they are to be developed in consultation with AAAs.	**Ombudsman program...** **Deleted a separate title for vulnerable elder rights protection, but retained the basic provisions of the LTC Ombudsman Program with the advances, protections, and improvements made through the recent reauthorizations.** - No floor or cap on the amount of funds States or AAAs may utilize in the program.

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Legal Services... AAAs are required to expend an adequate , unless they ask for and receive a waiver based on their assurance that an adequate amount of funds are available and expended from other .	**Legal Services...** Retained as a mandated priority service to be provided by States and AAAs because of the needs of vulnerable older individuals.	**Legal Services – optional** "If a State elects to provide legal assistance"... the plan shall contain assurances	**Legal Services...** Retained as a mandated service to be provided by States and AAAs because of the needs of vulnerable older individuals.
Elder Abuse... Must be provided through the Statewide development of a comprehensive and coordinated Elder Abuse program under Chapter 3 of Title VII, with the ability to fund specific activities at the State and local level out of Title III.	**Elder Abuse...** Retained as a service to be provided through the Statewide development of an Elder Rights System under Title VII, with the ability to fund specific activities at the State and local level out of Title III.	**Elder Abuse – optional** "If the State elects to provide services for the prevention of elder abuse"... the plan shall contain assurances	**Elder Abuse – optional** "Whenever the State desires to provide services for the prevention of elder abuse"... the plan shall contain assurances. In addition, the bill requires the funds to be passed through to AAAs.
Outreach – Required in both State and area plans and includes elder minority individuals.	**Outreach** -- Retained provisions for outreach which covered older minority individuals.	**Outreach** – Plan shall provide assurances that the State will require outreach efforts that will identify individuals eligible for assistance and inform them of the availability of such assistance. For this function, there is an emphasis on certain types of older individuals: rural, greatest economic need, greatest social need, severe disabilities, limited English speaking, Alzheimer's, and low-income minority individuals.	**Outreach** – Plan shall provide assurances that the State will require outreach efforts that will identify individuals eligible for assistance and inform them of the availability of such assistance. For this function, there is an emphasis on certain types of older individuals: rural, greatest economic need, greatest social need, severe disabilities, limited English speaking, Alzheimer's, and low-income minority individuals.
Benefits Counseling Under Title VII, Chapter 5, there is a program to provide outreach, counseling, and assistance for insurance, public benefits, and pensions with an earmarked funding stream	**Benefits Counseling** Retained the same as the current Act.	**Benefits Counseling** A related service is authorized under Title III as other counseling services and assistance, including: tax counseling and assistance, financial counseling, and counseling regarding appropriate health and life coverage [Chapter 2,(a)(5)(A)].	**Benefits Counseling** A related service is authorized under Title III as other counseling services and assistance, including: tax counseling and assistance, financial counseling, counseling regarding appropriate health and life coverage, as well as counseling related to public and private insurance.
Multigenerational Services & Quality Assurance uraged and expected as part of providing comprehensive and coordinated service delivery systems.	**Multigenerational Services & Quality Assurance** Retained in concept but not required.	**Multigenerational Services & Quality Assurance** Plan shall provide assurances that efforts will be made to coordinate services with other services that provide Multigenerational activities and that a mechanism exists for the provision of quality in services.	**Multigenerational Services & Quality Assurance** Plan shall provide assurances that efforts will be made to coordinate services with other services that provide Multigenerational activities and that a mechanism exists for the provision of quality in services.

Current Law
TITLE VII - VULNERABLE El PROTECTION Provides separate authority for St Elder Rights Protection Systems f protecting the rights of vulnerable individuals who reside in the com institutional settings. It includes t LTC Ombudsman services; Legal Development; Elder Abuse, Negl Exploitation Prevention; and Out Counseling and Assistance.
NATIONAL SENIOR VOLUN Does not exist as part of current

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Cost Sharing... Eligibility for programs and services authorized under Title III of the Act is established on an individual basis with age being the sole criterion. Section 102(38) defines the term "older individual" as an individual who is 60 years of age or older. The purpose of Title III of the Act is "...the development and implementation of comprehensive and coordinated systems to serve older individuals [section 301(a)(1)]. Thus, all persons 60 years of age or older are eligible to participate in Title III programs and services. The Act does, however, require state and area agencies to develop state and area plans based on needs assessments which take into account the needs of those older persons in greatest social and economic need with particular attention to low-income minority individuals. The Act and current regulations require that recipients be given an opportunity to contribute voluntarily to offset the cost of a service received. The level of contributions in nutrition services programs is substantial, $171 million as against a total of $470 million in OAA funds.	**Cost Sharing...** The bill permits as an option for the States to implement for purposes of enhancing coordination. It exempts I&A, outreach, benefits counseling, case management, ombudsman, protective services, nutrition services and low-income individuals based on a threshold set by the State.	**Cost Sharing – Optional** Exempts – I&A, outreach, benefits counseling, case management, ombudsman, protective services, low-income threshold set by the State, not below 125 percent of poverty level. It provides for sliding fee scales based on income, and income to be determined by self-declaration. It should be noted that nutrition services were not excluded. Voluntary Contributions are also permissible.	**Cost Sharing -- Op** Exempts -- I&A, ou case management, c services, low-incom not below 150 perc provides for sliding and income to be d Confidentiality is to individual is to be d inability to pay. Al with AAAs serv It should be noted tl exempted. Voluntary contributi must be used to r services. The o addressed.
Consumer-directed Services In the OAA there is not explicit authorization for the use of independent providers, including family members, and the use of cash or vouchers for payment of these providers by the customer.	**Consumer-directed Services –Optional** The bill also provides authority for the usage of cash or vouchers for the purpose of enhancing consumer-directed service provision.	**Consumer-directed Services – Optional** The bill provides an option for the state to allow use of vouchers, except that for nutrition services this option is restricted to instances where the area agency can not provide the service through contract with a service provider.	**Consumer-directed** There does not appe authorization for the providers, including of cash or vouchers f providers by the cus
<u>Supportive Services and Multipurpose Senior Centers</u> Divided requirements over various interconnected parts from A-G.	<u>Supportive Services and Multipurpose Senior Centers</u> Consolidated parts A-G and maintained title VII.	<u>Chapter 2: Supportive Services and Multipurpose Senior Centers</u> Consolidates all of the existing subparts and Title VII services under one part...	<u>Subtitle B: Support Centers</u> Consolidates all of th VII services under fo

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Cost Sharing... Eligibility for programs and services authorized under Title III of the Act is established on an individual basis with age being the sole criterion. Section 102(38) defines the term "older individual" as an individual who is 60 years of age or older. The purpose of Title III of the Act is "...the development and implementation of comprehensive and coordinated systems to serve older individuals [section 301(a)(1)]. Thus, all persons 60 years of age or older are eligible to participate in Title III programs and services. The Act does, however, require state and area agencies to develop state and area plans based on needs assessments which take into account the needs of those older persons in greatest social and economic need with particular attention to low-income minority individuals. The Act and current regulations require that recipients be given an opportunity to contribute voluntarily to offset the cost of a service received. The level of contributions in nutrition services programs is substantial, $171 million as against a total of $470 million in OAA funds.	**Cost Sharing...** The bill permits as an option for the States to implement for purposes of enhancing coordination. It exempts I&A, outreach, benefits counseling, case management, ombudsman, protective services, nutrition services and low-income individuals based on a threshold set by the State.	**Cost Sharing -- Optional** Exempts -- I&A, outreach, benefits counseling, case management, ombudsman, protective services, low-income threshold set by the State, not below 125 percent of poverty level. It provides for sliding fee scales based on income, and income to be determined by self-declaration. It should be noted that nutrition services were not excluded. Voluntary Contributions are also permissible.	**Cost Sharing – Optional** Exempts – I&A, outreach, benefits counseling, case management, ombudsman, protective services, low-income threshold set by the State not below 150 percent of poverty level. It provides for sliding fee scales based on income, and income to be determined by self-declaration. Confidentiality is to be maintained, and no older individual is to be denied service because of inability to pay. Also, there must be consultation with AAAs and service providers. It should be noted that nutrition services were not exempted. Voluntary contributions are also permissible, and must be used to increase or expand access to services. The use of cost sharing funds is not addressed.
Consumer-directed Services In the OAA there is not explicit authorization for the use of independent providers, including family members, and the use of cash or vouchers for payment of these providers by the customer.	**Consumer-directed Services --Optional** The bill also provides authority for the usage of cash or vouchers for the purpose of enhancing consumer-directed service provision.	**Consumer-directed Services -- Optional** The bill provides an option for the state to allow use of vouchers, except that for nutrition services this option is restricted to instances where the area agency can not provide the service through contract with a service provider.	**Consumer-directed Services** There does not appear to be any explicit authorization for the use of independent providers, including family members, or the use of cash or vouchers for payment of such providers by the customer.
<u>Supportive Services and Multipurpose Senior Centers</u> Divided requirements over various interconnected parts from A-G.	<u>Supportive Services and Multipurpose Senior Centers</u> Consolidated parts A-G and maintained title VII.	<u>Chapter 2: Supportive Services and Multipurpose Senior Centers</u> Consolidates all of the existing subparts and Title VII services under one part...	<u>Subtitle B: Supportive Services & Senior Centers</u> Consolidates all of the existing subparts and Title VII services under four parts...

MAY 10 '96 07:52AM HHS/AOA/ASA

REAUTHORIZATION OF THE OL l AI ICANS ACT – 1996

Current Law	H.R. 2056 (Martinez) S.1447 (Mikulski/Pryor/Kennedy) Administration Proposal	H.R. 2570 (Goodling) Majority Proposal	S.1643 Draft (Gregg) Majority Proposal
Transfers... Provides waiver authority of up to 30 percent a phased down additional amount of 10%) for transfers between congregate and home delivered meal programs, and a phased down amount of up to 20 percent between supportive nutrition programs (with an additional 8% upon application).	**Transfers...** The bill retains the authority for transfers of up to 30% between congregate and home-delivered meal programs, and for up to 20% between supportive services and nutrition programs. In addition, it provides waiver authority if these caps are too restrictive in a given State.	**Transfers...** This bill sets a 25% limitation on transfers between supportive services and nutrition services. Upon application, the Assistant Secretary may grant a waiver of an additional 25%.	**Transfers...** This bill sets a 25% limitation on transfers between supportive services and nutrition services. Upon application, the Assistant Secretary may grant a waiver of an additional 25%.
Waivers... Provides waiver authority for mandatory services, use of State plan administration funds to increase area plan ceilings and services, and transfers between Parts B and C upon application.	**Waivers...** The bill grants authority to grant waivers in the areas of statewide uniformity; state and area plan requirements; restrictions on transfers; and the maintenance of effort levels down to the minimum match required under a State plan.	**Waivers...** General waiver authority does not appear to be granted.	**Waivers...** General waiver authority does not appear to be granted.
Part C – Nutrition Services... Section 311 requires the Secretary of Agriculture to provide support in the form of commodities or cash-in-lieu of commodities to a recipient of a grant or contract to be used for nutrition services in compliance with the provisions of Title III of the Older Americans Act. This support is provided on a per-meal reimbursement basis as the Nutrition Program for the Elderly and is administered by the Food and Consumer Services of the United States Department of Agriculture (USDA) through State and Territory distributing agencies as well as Tribes.	**Part C – Nutrition Services...** The bill consolidates by eliminating the unfunded Subpart for school-based meals, but grants authority for States to perform this function under the congregate nutrition services subpart. It then transfers authority from USDA to AoA for the meal reimbursement program, but modifies the manner in which it is to be administered to lessen the administrative burdens on States and local agencies. The bill retains the connection with the number of meals provided and minimizes any disruptiveness in allocations to States. It exempts the transferred funds from funding formulas and administrative costs, and maintains its availability to the Native American Program.	<u>Chapter 3 – Nutrition Services</u> The subparts are consolidated, but the bill still references separately meals in congregate, home-delivered, and adult day care settings. Consistent with the Martinez bill, it transfers the administration of the USDA NPE program to AoA and retains the appropriation in the Agriculture Committee's account at an authorization level of $154,950,000 to be made available by the Secretary of Agriculture to the Assistant Secretary. The funds appear to be subject to the interstate funding formula, the intrastate funding formula, and administrative costs. Allotments are based on the number of meals served in the previous year. Services to Native American programs are now covered. Commodities are to be purchased by the Assistant Secretary from USDA. Questions continue to exist regarding the requirements and eligible individuals for meals in adult day care settings and whether or not a transfer of the adult portion of the Child and Adult Care Food Program (CACFP) was intended, but it does delete the Adult portion of the CACFP from the School Lunch Act.	<u>Subtitle C – Nutrition Services</u> The subparts are consolidated, but the bill still references separately meals in congregate and home-delivered settings. The bill retains the administration of the NPE program in USDA and the appropriation in the Agriculture Committee's account at the level of $156,625,000. The funds will be allotted on a per meal rate using a methodology similar to the methodology used in the Administration proposal. 98.9% of funds are allotted to States; 1.1% of funds are allotted to Tribes. With these funds, a State or Tribe may choose to enter into an agreement with USDA to purchase commodities.

REAUTHORIZATION OF THE OLDER AMERICANS ACT – 1996

Current Law	H.R. 2056 (Martinez) S.1447 (Mikulski/Pryor/Kennedy) Administration Proposal	H.R. 2570 (Goodling) Majority Proposal	S.1643 Draft (Gregg) Majority Proposal
TITLE IV - TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS Title IV has evolved over time into an array of specific items and areas for funding, without a fair degree of balance or an appropriate level of discretion for maintaining the ability to address current issues in the field of aging.	**TITLE IV - TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS** The restructuring is based on four principles: • Simplifying and Condensing • Restoring Discretion • Updating and Modernizing the Language • Reconstructing and Balancing the Functions As a result the bill eliminates the specificity and categorized functions into the following broad areas: • Education and Training • Research, Development and Demonstrations • Centers • Information Dissemination and Related Activities	**TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS** This title was eliminated in this bill. Broad authority to conduct training, research and discretionary projects and programs was placed in Title II Administration, but no funding was provided.	**TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS** This title was eliminated in this draft. Broad and flexible authority to conduct training, research, demonstrations, and related discretionary projects and programs was placed in a new Title I, specifically under the Section covering "Functions of the Assistant Secretary." This section also specifically authorizes the Eldercare Locator and the National Center on Elder Abuse. The authorization of appropriations to carry out such discretionary projects and programs, plus the Locator and the Center, reads "such sums as may be necessary," thus making this key determination an issue to be settled by the annual appropriations process.
TITLE V - COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS Sec. 502. (a) In order to foster and promote useful part-time opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter in this title referred to as the "Secretary") is authorized to establish an older American community service employment program.	**TITLE V - COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS** The bill retains separate authority for the Senior Community Service Employment Program, but transfers the administration of it from the Department of Labor to the Administration on Aging.	**Chapter 4 – Community Service Employment** Previously, Title V of the Act was administered by DOL. Consistent with the Administration's bill, it would transfer administration of the program from DOL to AoA, but this bill would make additional changes. It would change the current National Contractor/State allocations and program to solely a State program, but provides the State with the option to directly run the program or contract with a public or nonprofit private organization to do so.	**Subtitle C – Senior Community Service Employment Program** Previously, Title V of the Act was administered by DOL. Consistent with the Administration's bill, it would transfer administration of the program from DOL to AoA, but this draft would make additional changes. It would change the current National Contractor/State allocations and program to solely a State program, but provides the State with the option to directly run the program or contract with a public or nonprofit private organization to do so.
TITLE VI - GRANTS FOR NATIVE AMERICANS Under title III of the Older Americas Act (Act) eligibility is granted to those older persons 60+, whereas under title VI, each tribe has the option to decide who is considered elderly, and thereby eligible to receive services. The 1992 amendments to the Act emphasized in various sections the need to promote coordination between titles III and VI.	**TITLE VI - GRANTS FOR NATIVE AMERICANS** The bill retains separate authority for the program without making changes to the statute. Enhancements for Native Americans include authority to receive disaster assistance, the removal of barriers for coordination with Title III, and access to the funds from USDA's NPE program. .	**TITLE II - GRANTS FOR NATIVE AMERICAN PROGRAMS ON AGING** Elimination of all references to training and technical assistance under the current Title IV for Native American programming.	**TITLE IV - GRANTS FOR NATIVE AMERICANS** The bill retains separate authority for the program. Enhancements of Native Americans include authority to receive disaster assistance, and access to the funds from USDA's NPE program.

REAUTHORIZATION OF THE OLDER AMERICANS ACT – 1996			
Current Law	**H.R. 2056 (Martinez) S.1447 (Mikulski/Pryor/Kennedy) Administration Proposal**	**H.R. 2570 (Goodling) Majority Proposal**	**S.1643 Draft (Gregg) Majority Proposal**
TITLE VII - VULNERABLE ELDER RIGHTS PROTECTION Provides separate authority for States to develop Elder Rights Protection Systems focused on protecting the rights of vulnerable older individuals who reside in the community and in institutional settings. It includes the provision of LTC Ombudsman services; Legal Assistance Development; Elder Abuse, Neglect, and Exploitation Prevention; and Outreach, Counseling and Assistance.	**TITLE VII - VULNERABLE ELDER RIGHTS PROTECTION** The bill retains separate authority for States under this title to highlight its significance and the importance of focusing on protecting the rights of vulnerable older individuals who reside in the community and in institutional settings.	**VULNERABLE ELDER RIGHTS PROTECTION** Dropped and consolidated, in part under Title III.	**VULNERABLE ELDER RIGHTS PROTECTION** Dropped and consolidated, in part, under Titles II & III.
NATIONAL SENIOR VOLUNTEER CORPS Does not exist as part of current OAA.	**NATIONAL SENIOR VOLUNTEER CORPS** Not a part of the Bill.	**TITLE IV -- NATIONAL SENIOR VOLUNTEER CORPS** This is a new section added to the Act. The previous authority rested with the Corporation for National Service.	**NATIONAL SENIOR VOLUNTEER CORPS** Not a part of the Bill.

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MAY 10 '96 07:54AM HHS/AOA/ASA

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

August 2, 1995
(House Floor)

STATEMENT OF ADMINISTRATION POLICY

(THIS STATEMENT HAS BEEN COORDINATED BY OMB WITH THE CONCERNED AGENCIES.)

H.R. 2127 -- DEPARTMENTS OF LABOR, HEALTH AND HUMAN SERVICES, EDUCATION, AND RELATED AGENCIES APPROPRIATIONS BILL, FY 1996
(Sponsors: Livingston (R), Louisiana; Porter (R), Illinois)

This Statement of Administration Policy provides the Administration's views on H.R. 2127, the Labor, Health and Human Services, Education, and Related Agencies Appropriations Bill, FY 1996, as reported by the House Appropriations Committee.

The Administration is committed to balancing the Federal budget by FY 2005. In FY 1996 alone, the President's budget proposes to reduce discretionary spending by cutting $5 billion in outlays from the FY 1995 level. However, the Administration does not share the priorities reflected in the Committee's mark or support the level of funding adopted in the Committee's 602(b) allocations. The Administration must evaluate each bill both in terms of funding levels provided and the share of total resources available for remaining priorities. The Committee bill is over $12 billion below the President's request.

The President strongly believes that we must invest in our country's future by supporting education and training. Investments in these areas will promote long-term economic growth and higher living standards. The Committee bill would imprudently cut valuable, proven programs that educate our Nation's children, aid the disadvantaged, invest in working people, and protect our Nation's health and safety. Many of the programs funded in this bill are aimed at protecting and aiding the most vulnerable in our society. Reductions proposed by the Committee would have a particularly harmful effect on our Nation's children, our youth, and the disadvantaged by cutting funding for numerous education programs, training programs, the Corporation for National and Community Service, and mental health and substance abuse prevention and treatment demonstration grants.

For these reasons, discussed more fully below, the President would veto the bill if it were presented to him in its current form.

addition, the $89 million cut from the FY 1995 level in the Employment Service would undermine the States' One-Stop system-building efforts.

- Job Corps. The Committee's mark for Job Corps is $107 million below the President's request. The Administration urges full funding of Job Corps. Without this funding, the long-term expansion plans would be severely undercut and several existing centers would likely have to be closed. The Committee's mark would mean that thousands fewer disadvantaged youth would have the opportunity to learn necessary basic education and job skills than would be the case under the President's request.

- Unemployment Insurance Administration. The Administration is concerned that the Committee freezes the program at the FY 1995 level, cutting $156 million from the President's request. This level of funding could result in delays in benefit payments as well as increased errors in benefit payments and tax collections, adversely affecting trust fund balances. States might also lay off staff or close local offices in an effort to cut costs.

- Bureau of Labor Statistics. The Administration opposes the Committee's mark, which is a $29 million, or eight-percent reduction to the President's request. The reduction would undercut the Bureau's ongoing efforts to improve its existing data series and would certainly require program reductions in several data series, such as the SIC and SOC revision, Emerging Labor Market Data, or Local Area Wage Surveys. Given the bipartisan support for improved statistical measures of the Nation's economy, the House is urged to fund the Bureau's activities fully.

- Community Service Employment for Older Americans. The Administration opposes the Committee's reduction to Title V of the Older Americans' Act, the Senior Community Service Employment program. The reduction of $46 million (11.6 percent) below the FY 1995 level would provide almost 8,000 fewer opportunities for the low-income elderly to be employed in community service organizations within their communities. We urge the House to fully fund this program. In addition, we urge that House to include language that has been included in the bill for the past several years that would specify the amounts appropriated for grants to the States and for grants or contracts with public agencies and public or private nonprofit organizations.

DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary
Administration on Aging

Washington, D.C. 20201

Department of Health and Human Services
Office of the Assistant Secretary for Aging

Date: 6.4

To: Molly

Fax Number: 456 7028

FROM:

Phone: (202) 401-4634 or (202) 401-4541
FAX: (202)401-7741

✓ Fernando M. Torres-Gil, Assistant Secretary for Aging

___Christina Cabral
___Brian Lutz
___Michele Puccinelli
___Valerie Soroka
___Betty Turner

___Anna Kindermann
___Stefanie Novacek
✓ Vicki Shepard
X Moya Benoit Thompson
___Barbara Lewis

Comments:
FYI - being circulated tomorrow

Number of Pages (including cover sheet):_____

DRAFT

Leadership Council of Aging Organizations' Statement on Next Steps in OAA Reauthorization

The Leadership Council of Aging Organizations (LCAO), a coalition of 42 leading aging organizations concerned with the well-being of America's older population, has serious concerns about certain provisions in the reauthorization of the Older Americans Act (OAA) as proposed by the Senate in S. 1643 and by the House in H.R. 2570. We believe that these provisions will have an adverse impact on communities and consumers across the nation. Further, these provisions do not reflect the fine-tuning recommendations made by over 2,000 bipartisan participants of the 1995 White House Conference on Aging.

Since 1965, the OAA has successfully enabled millions of older adults to remain independent in their own homes and communities and has protected the the rights of older persons living in long-term care facilities. The Act provides a wide range of home and community-based services including congregate and home-delivered meals, transportation, information and referral, advocacy assistance, adult day care, visiting and telephone reassurance, homemaker services, and legal and employment services. The OAA has provided a framework for millions of hours of volunteer service by seniors in the community at large.

LCAO supports targeted services to older Americans with the greatest economic and social needs (including aged persons in rural areas and the very frail), with particular attention to the needs of low-income elderly minority individuals. Both H.R. 2570 and S. 1643 weaken the existing targeting language that focuses particular attention on low-income older minorities, the most economically deprived racial and ethnic group in the aged population. The targeting language in both these bills must be strengthened substantially to assure that the more intense and special needs of the minority aged will be fulfilled. Ideally, H.R. 2570 and S. 1643 should retain the existing targeting language in the Older Americans Act for low-income older minorities.

LCAO supports a separate authorization of at least $26 million to provide training, research and demonstration programs in any final bill. Since 1965, these programs have been a critical component of the Older Americans Act, keeping the Act vital and responsive to the rapidly changing needs of a growing older population. The activities supported by these programs have helped expand our knowledge about the problems and needs of America's elderly, design and test innovative service ideas, and ensure a trained workforce to carry out the Act's programs.

LCAO opposes moving the programs of the National Senior Service Corps (Foster Grandparent Program, Senior Companion Program and the Retired and Senior Volunteer Program) as proposed in the House bill. The senior volunteer programs are presently part of a larger "ageless" network of service programs administered in an effective manner by the Corporation for National Service. The White House Conference on Aging endorsed keeping the Corporation as the lead agency in promoting senior service.

LCAO also is concerned that the current congressional proposals weaken the Act's emphasis on legal assistance for older persons. These services have provided legal counseling on consumer fraud, elder abuse, housing, health insurance, pensions and other income programs. LCAO urges the Congress to ensure continuation of these vital services.

LCAO supports the continuation of the successful national sponsor-state government partnership for administering the OAA Title V Senior Community Service Employment Program (SCSEP). Both H.R. 2570 and S. 1643 would block grant this program to the states. These measures ignore the exceptional record and longstanding experience of national sponsors in developing the SCSEP from a popular demonstration activity to arguably the most effective employment, training and services program for older Americans in our nation. Both national and state government sponsors have an extraordinarily good record in serving older women (more than 70 percent of all enrollees are women 55 years of age or older) and minorities (approximately 40 percent of all enrollees are minorities). All participants have incomes below 125 percent of the poverty threshold, and about 80 percent of the enrollees have incomes below the poverty line. Title V provides a dignified and an effective means to enable low-income seniors to improve their economic well being while delivering vital and much needed services in their communities. SCSEP should continue as a freestanding program in the Older Americans Act.

LCAO urges the Congress to amend the House and Senate OAA reauthorization bills to conform to the concerns outlined above. The Act has enjoyed 30 years of bipartisan support, which we hope can be continued. Without these changes, these bills are unacceptable to the LCAO. Within this framework the LCAO looks forward to working with the Congress, the Administration and other national organizations and coalitions to assure that the needs of America's older persons and their families continue to be met creatively, responsively and efficiently through the Older Americans Act.

U.S. Administration on Aging

"PROPOSED" NATIONAL GOALS

The following are the "Proposed" National Goals of the Administration on Aging adapted from Titles III and VII of the Older Americans Act:

1. **Secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive services;**
2. **Remove individual and social barriers to economic and personal independence for older individuals;**
3. **Provide a continuum of care for vulnerable older individuals;**
4. **Secure the opportunity for older individuals to receive managed in-home and community-based long-term care services; and**
5. **Protect the rights of vulnerable older individuals and to prevent elder abuse, neglect and exploitation.**

12/5 ltr from Sec. Shalala

OMB has advised that any transfer from section 32 would be scored as discretionary. The Labor/HHS appropriations bill would be scored for the full 1/3 transfer if it is enacted prior to an Agriculture appropriations bill. USDA will be providing more detailed comments regarding its concerns with H.R. 2570.

Senior Employment Programs X+

To prepare for our aging society, we must maintain our commitment to provide training and employment opportunities to low-income seniors. The Senior Community Service Employment Program (SCSEP) under title V of the OAA serves this need. The provision in H.R. 2570 transferring the administration of the program from the Department of Labor to AoA is consistent with the Administration's bill and streamlines the Federal applications and planning processes with which States must deal. We are mindful of the concerns expressed by the Comptroller General about this program, and we will work with the Congress to make improvements to the program. However, the Administration believes the program should continue to be carried out through grants to both the States and national sponsors. We strongly oppose the elimination of direct grants to national sponsors and believe that such a measure would significantly diminish the effectiveness of the program. The national sponsors have many years of experience in administering the SCSEP and have demonstrated an exceptional ability to reach out to the grassroots level of communities. In addition, their performance in placing participants in unsubsidized employment has consistently exceeded the performance of State-administered programs. Because of the experiences of States and national contractors, each is able to address distinct interests and target populations of eligible participants and to develop differing employment prospects and training opportunities.

Senior Volunteer Programs

H.R. 2570 would move the National Senior Volunteer Programs -- Foster Grandparents, Senior Companions, and RSVP (Retired and Senior Volunteer Program) -- from the Corporation for National and Community Service (CNCS) to AoA. In addition, it would move the CNCS's field structure -- its State Offices -- from CNCS to administration by AoA. These programs, and the field structure to support them and other volunteer service programs, should remain with the CNCS.

The National Service Volunteer Programs are not programs of service for the elderly, but rather programs in which active seniors volunteer to serve all segments of their communities. The National Senior Volunteer Programs offer opportunities for Americans age 55 and older to make significant contributions to their communities utilizing their lifetime of experience to serve children and peers and serve in thousands of other volunteer positions throughout their communities. The Senior Volunteer

DRAFT 3/13/96

The Honorable William Goodling
Chairman
Committee on Economic and Educational
Opportunities
U.S. House of Representatives 20515

Dear Mr. Chairman:

I am writing to express the Department of Labor's views on H.R. 2570, the Older Americans Amendments of 1995, prior to the Committee markup of this legislation.

The bill would reauthorize and significantly revise the Senior Community Service Employment Program (SCSEP), which is designed to provide unemployed low-income older Americans with part-time employment in useful community service activities. As you know, the SCSEP is currently administered by the Department of Labor under Title V of the Older Americans Act.

One of the major changes made by the Committee bill is to transfer the responsibility for administering the SCSEP from the Department of Labor to the Department of Health and Human Services. This transfer is supported by the Administration and is consistent with the Administration's proposal for reauthorizing the Older Americans Act. This transfer would assist in bringing all of the aging activities together into a single agency and address our concern that the needs of this growing segment of our population be addressed on a comprehensive basis.

A second major change contained in the Committee bill is the elimination of grants to national agencies and organizations (referred to as national sponsors) to assist in carrying out the SCSEP. The Department believes the program should continue to be carried out through grants to both the States and national sponsors. We strongly oppose the elimination of grants to national sponsors and believe that such a measure would significantly diminish the effectiveness of the program.

The national sponsors have made unique and significant contributions to the SCSEP. Combined, they have over 200 years' experience in administering the SCSEP. These organizations have demonstrated an exceptional ability to reach out to the grassroots level of communities, serving some of the most disadvantaged members of our society in terms of educational attainment, economic status, and outmoded work skills. In addition, their performance in placing participants in unsubsidized employment has consistently exceeded the performance of State-administered programs.

One of the justifications that has been made for elimination of the national grants is that a recent General Accounting Office report alleged that such organizations had excessive administrative costs and exceeded the program's 13.5 percent administrative cost limit. The Department believes this allegation is erroneous since the classification of costs by the national sponsors was in accordance with the Department's guidance.

We believe the national sponsors and the States have complementary roles under the program that should be maintained. The unique experience and skills of national sponsors are valuable assets that are critical to serving our common and overriding objective -- providing high quality employment services to older Americans.

Recently, the Urban Institute completed a study, commissioned by the Department of Labor, of the effects of proposed legislative changes on the SCSEP program and the population it serves. The study (copies of which have been provided to your staff) found that:

- "[SCSEP] is a well-run and successful program that provides valuable opportunities to low-income elderly, valuable services to the community, and exceeds the twenty percent unsubsidized job placement goal."
- "It is impossible to determine whether allocating all SCSEP funds directly to states and eliminating national grants to nonprofit sponsors is a better alternative to operating the SCSEP in its current form. Our analysis of possible program impacts indicates that based on current program performance, unsubsidized placements would decline, total number of individuals served would decline, and program enrollees would be more likely to work in agencies serving the elderly rather than the community at large."
- "The legislative proposals increase the administrative burden on states and national sponsors by requiring the implementation of a competitive proposal process...."
- "Efficiencies may be lost if certain functions are carried out at the state level rather than at a regional or national level. Examples include staff training and technical assistance, management and financial information systems, and research and development."

In sum, certain of the changes being proposed could result in a program that is less efficiently administered, has a reduced emphasis on unsubsidized placements, and serves fewer low-income elderly.

We have some additional concerns relating to issues such as the transition provisions and the distribution of program positions that we would be pleased to discuss with your staff prior to markup.

As sponsors of the legislation have correctly pointed out, the reauthorization should improve seniors' quality of life and extend their ability to live independently so that both families and the nation will benefit. The Department subscribes to that basic set of principles, and would be happy to work with the Committee to achieve these objectives as they apply to the SCSEP.

The Office of Management and Budget advises that there is no objection to the submission of this letter to the Congress.

Sincerely

Robert B. Reich

THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

DEC 7 1995

The Honorable William Goodling
Chairman, Committee on Economic
and Educational Opportunities
U.S. House of Representatives
Washington, DC 20515

Dear Mr. Chairman:

We take this opportunity to inform you of the views of the Department of Health and Human Services (HHS) on H.R. 2570, which amends the Older Americans Act of 1965 (OAA).

We support your efforts to reauthorize the Act and look forward to continuing to work cooperatively with the Congress in a bipartisan manner to achieve consensus on an issue that has historically enjoyed strong bipartisan support. We applaud aspects of your bill that incorporate Administration recommendations to streamline the operation of State programs under the Act, provide flexibility to the States by eliminating unnecessary Federal requirements, and enhance customer orientation. We are encouraged by recent efforts that have been made at the Subcommittee level that meet these goals, and we look forward to ongoing dialogue on issues of mutual interest and concern.

However, we have some key concerns about other provisions of H.R. 2570 that eliminate or weaken critical safeguards the Act provides for America's elderly.

Protecting the Vulnerable

The OAA has been a critical source of protections and services for the most vulnerable Americans. We are therefore greatly concerned that H.R. 2570 would eliminate from the OAA the separate title for Elder Rights Protection for Vulnerable Older Individuals that was established in 1992 to ensure attention and funding for particularly vulnerable older individuals. We urge you to retain this title and its specific authorizations for long-term care ombudsman programs; the prevention of elder abuse, neglect, and exploitation; elder rights and legal assistance development; and outreach, counseling, and assistance. We are encouraged by recent efforts aimed at protecting important programs that prevent elder abuse and exploitation, as well as the critical importance of the long-term care ombudsman programs within this Department's Administration on Aging (AoA) and across the country.

The OAA is the second largest public source of funding for legal services for the elderly. We believe it is also essential to retain OAA's requirement in area plans to provide funding for legal services for the elderly.

Focusing Resources on Those in Greatest Need

We are also very concerned about proposed amendments that would eliminate provisions of the OAA designed to ensure that a fair share of funds available under the Act are used to meet the needs of low-income minority older individuals who are among those with greatest social and economic needs. The legislative history of the provisions added by the 1984 amendments to the Act, and of several subsequent revisions, indicates both that the needs of minority elderly are more severe than those of low-income elderly as a whole, and that these individuals suffer greater social isolation and face greater barriers to receiving needed services. Data on this matter in the intervening years continue to document the compelling need for the provisions, indicating disproportionately greater need for, and lower rates of participation by minority elderly in, the programs and services under the OAA. In addition, services for members of recognized American Indian tribes and Alaskan native villages are consistent with the Federal Government's historical and unique legal relationship with Indian tribes and Alaskan Native villages.

We are heartened by the discussions that have ensued at the Subcommittee level about the significance and importance of the OAA programs for Native Americans, and in particular the retention of the Office for American Indian, Alaskan Native and Native Hawaiian Programs, as established in statute. A far larger proportion of Native American elderly than of the elderly as a whole are low-income and in need of supportive services. For a variety of reasons, including cultural differences and the remoteness of many Indian reservations and Alaska native villages, Native Americans have in many instances not been adequately served by programs administered by States. It was recognition of these facts that motivated the addition of title VI to the Act in 1978. Tribal governments have now administered effective title VI programs for many years. Eliminating title VI of the OAA (which provides for direct grants to tribal organizations) and folding services for Native Americans into title III (the authority for grants to States), as originally proposed in H.R. 2570, would do tremendous damage to these successful programs. We appreciate the willingness of the Subcommittee to have ongoing dialogue about this, and hope you will agree to restore these key provisions of the Act.

Preparing for an Aging Society

The elimination of a distinct and separate title IV (Training, Research, and Discretionary Projects and Programs) and its related funding severely jeopardizes our ability to prepare for the dramatic demographic changes coming in the next century. Title IV has been used to test and develop the majority of OAA programs and services upon which older persons and their families rely to maintain their independence and dignity.

Such successful programs include: the area agency on aging concept; home and community-based long-term care services; congregate and home-delivered meals; long-term care ombudsmen to help protect older persons from abuse and exploitation; adult day care, including the well-known On Lok model; and information and referral systems to connect older persons and their families to the services they need. It is important to retain research and demonstration authority with dedicated funding in order to face the growing challenges of an aging society. While we appreciate the Subcommittee's recognition of the importance of retaining the Eldercare Locator, this should not be funded at the expense of other essential functions.

Cost Sharing by Program Beneficiaries

Like the Administration proposal, H.R. 2570 would allow States to utilize cost sharing. The Administration, however, is very concerned by your proposal to permit States the option of requiring cost sharing in the nutrition program. Nutrition programs are, in many respects, the cornerstone of the Act because they address a host of issues of the elderly ranging from socialization to maintaining good nutrition. The nutrition program is very popular and visible in communities throughout our country. Its popularity has traditionally been due to the fact that it is not an income-based "welfare" program and the sense of ownership shared by individual older people and communities. As a result, contributions have consistently been high, with $171 million being collected in FY 1993. To permit States the option to require cost sharing as a condition of receiving and participating in the service would drastically change the combination of components which has resulted in the program's success.

Consolidation of Nutrition Programs

We strongly recommend that the Committee revise H.R. 2570 to parallel the Administrations's proposal for transferring the Nutrition Program for the Elderly (NPE) from the Department of Agriculture (USDA) to HHS. H.R. 2570 continues, and in some respects, complicates USDA's involvement in administering Older Americans Act nutrition programs without apparent gain for program operators or participants. For instance, USDA would still be required to continue making commodities available. In addition, H.R. 2570 would make funds under section 32 of P.L. 74-320 available for these programs if discretionary appropriations to USDA for such purposes are less than 1/3 of amounts appropriated under section 395(a)(2) of the OAA, as added by H.R. 2570.

OMB has advised that any transfer from section 32 would be scored as discretionary. The Labor/HHS appropriations bill would be scored for the full 1/3 transfer if it is enacted prior to an Agriculture appropriations bill. USDA will be providing more detailed comments regarding its concerns with H.R. 2570.

Senior Employment Programs

To prepare for our aging society, we must maintain our commitment to provide training and employment opportunities to low-income seniors. The Senior Community Service Employment Program (SCSEP) under title V of the OAA serves this need. The provision in H.R. 2570 transferring the administration of the program from the Department of Labor to AoA is consistent with the Administration's bill and streamlines the Federal applications and planning processes with which States must deal. We are mindful of the concerns expressed by the Comptroller General about this program, and we will work with the Congress to make improvements to the program. However, the Administration believes the program should continue to be carried out through grants to both the States and national sponsors. We strongly oppose the elimination of direct grants to national sponsors and believe that such a measure would significantly diminish the effectiveness of the program. The national sponsors have many years of experience in administering the SCSEP and have demonstrated an exceptional ability to reach out to the grassroots level of communities. In addition, their performance in placing participants in unsubsidized employment has consistently exceeded the performance of State-administered programs. Because of the experiences of States and national contractors, each is able to address distinct interests and target populations of eligible participants and to develop differing employment prospects and training opportunities.

Senior Volunteer Programs

H.R. 2570 would move the National Senior Volunteer Programs -- Foster Grandparents, Senior Companions, and RSVP (Retired and Senior Volunteer Program) -- from the Corporation for National and Community Service (CNCS) to AoA. In addition, it would move the CNCS's field structure -- its State Offices -- from CNCS to administration by AoA. These programs, and the field structure to support them and other volunteer service programs, should remain with the CNCS.

The National Service Volunteer Programs are not programs of service for the elderly, but rather programs in which active seniors volunteer to serve all segments of their communities. The National Senior Volunteer Programs offer opportunities for Americans age 55 and older to make significant contributions to their communities utilizing their lifetime of experience to serve children and peers and serve in thousands of other volunteer positions throughout their communities. The Senior Volunteer

Program sponsors are generally outside the traditional aging network. They include a broad range of social service organizations such as United Way, the American Red Cross, Catholic Charities, and Lutheran Social Services. A transfer of the Senior Volunteer Programs to AoA would be disruptive to the network and support system that enables these programs to thrive.

These views outline our principal concerns with H.R. 2570. Additional concerns include the elimination of the Federal Council on Aging, as well as the authority to convene a White House Conference on Aging.

In summary, this Department looks forward to working with the Congress in a bipartisan manner to achieve our common goals of streamlining and consolidating functions within the OAA in order to provide State and local flexibility in the administration of its programs, while improving upon services to its senior customers. We are encouraged by the willingness of the members of the Committee to continue discussions on these important programs, and hope that we may continue to work together to reach a mutually agreed upon reauthorization bill.

The Office of Management and Budget advises that there is no objection to the transmittal of this report to Congress from the standpoint of the Administration's program.

Sincerely,

Donna E. Shalala

THE SECRETARY OF HEALTH AND HUMAN SERVICES
WASHINGTON, D.C. 20201

APR 16 1996

The Honorable Nancy Landon Kassebaum
Chairman, Committee on Labor
and Human Resources
United States Senate
Washington, DC 20510

Dear Madam Chairman:

We take this opportunity to inform you of the views of the Department of Health and Human Services (HHS) on S. 1643, which amends the Older Americans Act of 1965 (OAA).

We support your efforts to reauthorize the Act -- legislation that has historically enjoyed bipartisan support -- and look forward to continuing to work with you and your colleagues to achieve consensus on this important matter. We applaud aspects of S. 1643 that incorporate Administration recommendations to streamline the Act through the consolidation of title III and to enhance state and local flexibility through new waiver authority and the elimination of certain Federal requirements. We welcome consolidation of responsibility for aging programs through the transfer of the Senior Community Service Employment Program (SCSEP) from the Department of Labor (DOL) to HHS' Administration on Aging (AoA). We are in accord with the state option to permit or require cost sharing for a number of services for elderly individuals above an income threshold, the authorization of a nationwide toll-free eldercare telephone line, and provisions for the protection of vulnerable elderly individuals. We are encouraged by these and other provisions of S. 1643.

However, we are concerned about other provisions of S. 1643 that eliminate or weaken essential safeguards the Act now provides for America's elderly.

<u>Protecting the Vulnerable</u>

The OAA has been a primary source of funds for critical protections and services for vulnerable older Americans. We believe it is important to retain the ombudsman, elder abuse, legal services, and outreach and counseling programs as separate components with specific authorizations as in current law. By eliminating the Elder Rights Protection for Vulnerable Older Individuals title, we are concerned that your bill will not guarantee comprehensive elder rights protections.

Preparing for an Aging Society

Title IV of the OAA (Training, Research, and Discretionary Projects and Programs) has been used consistently over the years to test and develop the majority of OAA programs and services upon which older persons and their families rely to maintain their independence and dignity. Such successful programs include the area agency on aging concept; home and community-based long-term care services; congregate and home-delivered meals; long-term care ombudsmen to help protect older persons from abuse and exploitation; adult day care; and information and referral systems to connect older persons and their families to the services they need.

While we applaud your recognition of the importance of innovative approaches and best practices, the provisions of S. 1643 are not an adequate substitute for the programmatic and fiscal authorizations in the current Act. It is important to retain specific research and demonstration authority and funding if we are to face the growing challenges of an aging society.

Consolidation of Nutrition Programs

We welcome the increased authorization of funds for nutrition services, including nutrition services for Native Americans. Nutrition programs would be further enhanced by transferring the Nutrition Program for the Elderly from the Department of Agriculture to AoA, as recommended in the Administration's bill. We hope you will incorporate this transfer into S. 1643.

Senior Employment Programs

To prepare for our aging society, we must maintain our commitment to provide training and employment opportunities to low-income seniors. The Senior Community Service Employment Program (SCSEP) provides these services to thousands of low-income seniors. The provision in S. 1643 transferring the administration of the program from the Department of Labor to AoA is consistent with the Administration's bill, and this consolidation will further the goal of bringing aging programs together under AoA. This Department is committed to ensuring the effective and efficient operation of this program.

We strongly oppose the elimination of the authority to provide direct grants to national sponsors and believe that such an action would significantly diminish the effectiveness of the program. The national sponsors have many years of experience in administering the SCSEP and have demonstrated an exceptional ability to reach out to diverse communities. The Administration believes the program should continue to be carried out through grants to both the states and national sponsors because both are able to address distinct interests and target populations and to develop differing employment prospects and training opportunities.

The Administration also is concerned about the extension of cost sharing to the nutrition program, and by the elimination of the Federal Council on Aging as well as the authority to convene a White House Conference on Aging. While we appreciate the willingness of the Committee to incorporate low-income minority targeting language in the bill, we would prefer retention of current law as contained in the Administration's proposal.

We all share a strong commitment to improving services to seniors. We appreciate the efforts of you and your Committee to work toward a bipartisan reauthorization that will move us closer to achieving this common goal.

The Office of Management and Budget advises that there is no objection to the transmittal of this report to Congress from the standpoint of the Administration's program.

Sincerely,

Donna E Shalala

Donna E. Shalala

OLDER AMERICANS ACT

This week, the House Economic and Educational Opportunities Act reported out, on party lines, the Republican proposal for reauthorization of the Older Americans Act. All Democratic amendments were defeated, also on party lines.

Provisions of the reauthorization bill that we oppose include: elimination of the role of national contractors (such as AARP and NCSC) in the Senior Community Service Employment Program; transfer of the National Senior Volunteer Corps from the Corporation for National Service to the Administration on Aging; and elimination of all current targeting to low-income minority elderly.

Another provision on which the Administration has remained silent, but is very contentious in Congress -- in fact has resulted in the indefinite postponement of the Senate markup -- is the House bill's proposal to change the formula used to allocated funds to states under the Title III nutrition and supportive service programs. Currently the Act allocates funds based on a state's population of persons aged 60 years and older, but states are also guaranteed a base amount (a hold harmless formula). The bill would change the formula to a strictly population based formula, over a five year period, eliminating the hold harmless provision. New York, Pennsylvania and Iowa are three of the potentially big losers under the proposed change.

3011 Hillyer Place, N.W.
Wash, D.C. 20009

#'s in Sen Service Corps
Add EIC

Older Ams Act

Reauth:

Admin = streamline, ↑'d flex to state + locals thru elimin'ty fed'l reqts; transfer SCSEP + USDA Nutr Progs

+ cost-sharing (we support except for nutrition)
+ move of Sr Vol progs
+ weakens inc targeting

Congress: elim direct grants to national sponsors (diminishes current success in targeting + prov'g E+T)

- elim T VII - ombudsman, elder abuse prevention, elder rts + counseling + outreach + legal assistance

Approp:

828 M

Structure

T. I Objectives / Defs - Focuses on devlpt of coord'd hcb services delivery system, senior ctrs

II Establishes AoA

Grants for State + Community Progs on Aging for in-home + supportive services, - disease prev + h prom, respite

III - Supportive + Nutrition program is largest of OAA progs
- congregate, Meals on Wheels

IV ~~Native Ams~~; training + rsrch - grants to states + locals - incl'g for + eldercare locator

V - Comm'ty Service Emplmt

VI Native Ams

VII Elder Abuse Prev; Elder Rts + legal assistance
Omb'men

Sr Ctrs - sources of hot meals + camaraderie - h promo actvs
nutrl counslg
- allow srs to live at home in communis
- ~~prevent unecc'y hosp~~

TV - Particips work in progs such as ed, literacy, s.a., h'lessness
child + spousal abuse, child + adult day care

E.g:

NY P'ship for H'less: 95 formerly h'less SCSEP particips
perform clerical, sec'l + maint work

Grandparents - Ass Help avail:

AFDC - as g'p-headed family or only for grandkid
Probs: establ'g role as "caretaker relative"
+ complex inc, assets, hhold size rules

MEDICAID
- don't need legal custody

Food Stamps

SSI - gps can

6/9 Moya

What are H/S Proposing?
- Repub staffs not forthcoming - Have been briefed → they say heading in same direction
- Rumors that Gregg block granting ⇒ rumor 2 hrgs - 6/27, 29.
- Goodling should be fine → very supportive
hrg - Tuesday 6/13, 6/28 → quasi-commitment for Fernand
(intro'g bill next 10 days - 2 wks)

Budget resolutions didn't cut, except for TV -
- 95 Rescission cuts T. IV (Rsrch, training) $994K + TV → cut 944 410 → 396M

T.V
Steve Spinner - lead
Stephanie Novachek
Barbara Allen - Mikulski
Cont

* testifying?

THE WHITE HOUSE
WASHINGTON

color → Mich
control pul
color

Wkly
- Chicago
- ~~Wkly~~ OAA - Reauth. -
perhaps w/20 of
new bill

— Maya → politics
401-4543
+ A
+ TV

Hill → comm pple
wkd w/states + OAA

i: dpc/data/weekly.mb

— Respond to WHCoA Resolutions? dpc
— Disab commnty? pos?
⇒ Cost-sharing
— Cons-directed services: what defines?
⇒ - indefinite hold → NPR: David Neal
* Larry Smedley → NCSC - 624-9549
Don Snider
- AoA met w/ contractors 6/7
much concern: funding ↓'s...
but reality: leg. battle tough!
DOL might need to submit bill to transfer

TV contractors have been all over
the Hill (cre: Kass hrg.)
Bl Agreed to NCSC → Larry Kreese
(bl group - all funding progs

6/8

OAA Reauthorization - Conversation w/ Moya

also brf'd/wkd w/ states + AAAs

HHS brf'd relevant comm staff on concepts

H: Goodling + Clay — no neg. reactions

S: 2 mtgs - Gregg/Kass

- Mikulski → Q's on cost-sharing, REGO II (moving USDA nutr progs)

supports Δ's/moving OAA into 21st cent

- gen'l Q's on

Perf p'ships (pple don't understand) groups also concerned - how would be admin'd

HHS tried to balance maintaining successful pts of Act + strlining, consolid'g

- Potential R criticisms:

1) don't collapse Title III supportive services

2) listing of priority services

+

waiver auth's

- D/Advocate criticisms:

· cost-sharing (response: fiscal restraints; states + AAAs have wanted this flex)

· Elim of per-meal cash or commodities assistance prog at USDA → subst w/ cash incentives admin'd by AoA - based on proportion of meals provided/ + Hab...

Primary supporters

opponents

Brfg of groups - which ones, when?

Auth. levels

NAAAA (NYA)

NASUA

NA Nutr + Aging Services Progms

THE OLDER AMERICANS ACT

The Older Americans Act (OAA) became law in 1965, the same year as passage of Medicare and Medicaid. Title I of the OAA sets forth an ambitious set of goals in the areas of income security, health care, community services, employment, housing, and research, among others. It has never been possible to realize fully each of those goals, but major contributions have been made in the areas covered under the OAA's two principal operating titles: social and nutritional services (Title III) and older worker community employment opportunities (Title V). Not only have these programs grown considerably since their inception, their growth has also been accompanied by the development of an "aging network" of state, sub-state, and private agencies planning for and delivering services authorized under the OAA. Today, these services are funded in the amount of $1.3 billion annually.

I. OVERVIEW OF MAJOR ISSUES AND POLICY CONSIDERATIONS

The principal policy issues under the OAA have long centered on the delivery of services, eligibility for services, and the financing of services.

Delivery of Services. The major service delivery development under the OAA has been the creation of the aging network. Initially, the OAA led to the establishment of the U.S. Administration on Aging in Washington and the state units on aging, which were responsible for dispensing modest amounts of grant money to community groups for services. Major amendments in 1972 mandated the establishment of sub-state area agencies on aging throughout the country now numbering nearly 700. The creation of these agencies and growing budgets under the OAA led in turn to the involvement of thousands of service providers or so-called vendor agencies. The "aging network" thus consists of agencies extending from the federal government down to the state, sub-state and community level. It has proven to be an important presence not only in social service delivery but also in advocacy activity on behalf of older persons at each of these different levels. The popularity of OAA services and the presence of the aging network were instrumental in preventing the OAA from being consolidated in a social services block grant during the early years of the Reagan Administration.

Eligibility for Services. Under the OAA, all persons over the age of 60 are formally eligible for services. No means-test to determine the income and assets of recipients has ever been imposed. However, because the OAA expenditures are limited by fixed appropriation levels (unlike open-ended "entitlement" programs, such as Social Security and Medicare), there has never been money sufficient to help all of those who might wish to be served. Several administrative tools have been put in place to deal with this dilemma. For nearly twenty years, OAA benefits have been "targeted" toward different groups within the overall older population: the socially and economically disadvantaged, members of minority groups, rural elders, and, more recently, functionally impaired elders. Most OAA dollars now are directed toward individuals in these categories.

Financing of services. Because the need for services is growing and federal appropriations for the OAA are not, states are trying to come up with ways to stretch resources. One way has been to solicit contributions from program participants. At meal sites and elsewhere, this is done on a voluntary basis. The federal government and states are also actively considering adding a "cost-sharing" provision to the OAA, whereby service recipients would pay for a portion of the service costs on a sliding scale based on their self-declared income. This method is widely used in the Medicaid "waiver" and state-only community-based care programs, but has not yet been permitted under the OAA.

II. ASSESSMENT OF CURRENT SITUATION

Brief Background History. The OAA has gone through four fairly distinct stages since in its enactment: (1) fragile beginnings; (2) explosive growth; (3) program consolidation; and (4) partial integration into the arena of home and community-based services. During the OAA's first five years, appropriations were extremely modest, and by the time of the White House Conference on Aging in 1971, there was some talk of actually rescinding it. However, in the wake of that White House Conference, expenditure grew rapidly, rising from $20 million in 1971, to $212 million in 1973, to $551 million in 1977, and to $951 million in 1981. During this same period, area agencies on aging also came to blanket the country. Consolidation marked most of the 1980s, with the network being more established and its operations more formalized and bureaucratized.

The fourth phase, beginning in the late 1980s, has seen the involvement of aging network agencies in the heretofore separate world of community-based long-term care service delivery. The growth in the very old population has forced greater attention on functional limitations and cognitive impairments, problems that increase with very advanced age. Today, the aging network is more focused than ever on these issues, and a growing number of network agencies are also administering Medicaid and state-only dollars used to fund community-based long-term care services. For the OAA and the network, the change in service emphasis is subtle but nonetheless important. Whereas 20 years ago, the principal program emphasis under the OAA was to assist older persons living in their own homes access to the community, today the emphasis is on allowing older persons to remain in their own homes rather than be placed in more expensive and less desirable institutional settings.

Review of Resources. Materials about the OAA and the aging network can be found from those network agencies themselves; indeed, these agencies themselves are to serve as resources. Two principal trade associations of network agencies are the National Association of State Units on Aging (NASUA) and the National Association of Area Agencies on Aging (N4A). Different provider interests also have national organizations, such as the National Association of Nutrition and Aging Services Programs. Very much to be kept in mind is that the area agencies are to serve as "focal points" and resource centers in their respective planning and service areas.

III. PROJECTIONS FOR THE FUTURE

Assessment of Resources to Meet Expected Needs. Especially in light of the 1994 Congressional elections, the OAA and the aging network may be facing a turbulent future. Efforts to consolidate a number of social programs and create a small number of block grants may include or affect the OAA. Were so-called "functional block grants" established, a population-based law such as the OAA could, in theory, virtually disappear, with its components being placed into generic services programs such as transportation, legal, home care, nutrition. However, the creation of an "aging services block grant" might lead to expansion of the OAA as authorizations in laws were placed in a broadened "OAA."

What does seem certain is that the OAA (or its successor, should there be one) will continue to concentrate efforts on behalf of the seriously impaired elderly. This would not be intended to deny the needs and concerns of younger and healthier older Americans, but would be placing limited resources where they are seen as the most essential. Programs designed for the more able old will increasingly need to generate support from their local communities and from the private sector.

Opportunities for Future Public and Private Programs. For the foreseeable future, the government role in aging and other social arenas will not be an expansive one, and there will be a continuing emphasis on targeting benefits where they are deemed to be most critical. The OAA has grown over the years and has provided a broad range of services to many older persons. The presence and resilience of an "aging network" has been noteworthy as cutbacks have occurred in numerous other program areas; indeed, advocates for other vulnerable populations -- children and the mentally ill, for example -- have openly envied the aging network and have occasionally attempted to create such networks in their own arenas, but only with limited success. In fact, one doubts that even an OAA or an aging network could be created from scratch today, but the capacity that has grown over the years has made them both a durable presence in the world of social services.

In part because the prospects for expanded public programs are dim (and the problems they address continue to grow), there will be renewed emphasis on support from the private sector, from individual older persons, and from their families. These moves stem in part from there being more economically secure elderly than long was the case and in part because of a new emphasis on self-reliance in American political discourse. We can be sure that many of these elders will be asked to cover more of their own needs, whether it be for OAA-like services or for health care and other services as well. Cost-sharing in the form of higher premiums, co-payments, deductibles, user fees, and contributions seem certain to be part of the future. How extensive they are and how deeply they cut are matters to be watched with great care.

OLDER AMERICANS ACT OF 1995
The Administration's Proposal for Reauthorization
Explanatory Overview

A variety of factors were considered as the Administration on Aging began to develop its legislative proposal to reauthorize the Older Americans Act. As we approached the 14th reauthorization in the statute's history, and possibly the last before the year 2000, we acknowledged the fundamental truth that there will be a number of trends that will define the aging population in the 21st century. These trends have served as the cornerstone and basis for the development of our proposal.

These trends include the fact that the next century's large senior population will be more geographically disbursed and more mobile, with far different attitudes about grower older and being older. This population of seniors will also redefine the parameters of old age---marking the onset of aging at far later stages.

As we enter the next century, we will find older individuals who are more selective about what they will need and want, and who will probably have higher expectations about how to obtain those services. They will be a tremendously diverse group--not only along ethnic and racial lines, but also in terms of wide-ranging income disparities. As we observe more seniors who are healthy and active in their later years, there will also be many more older Americans who are functionally disabled.

These trends all serve to highlight the need to create a more flexible and, most of all, adaptable network of services that adjusts to the specific needs and demands of the 21st century. In addition, we can reasonably expect that public resources will be finite and that we will need to use public dollars in more creative and effective ways. At the same time, we can assume that State and local government will expect and seize upon discretion and authorization in how they configure their services for older Americans.

As these trends and changes unfold, it has become apparent that we need to be more creative and efficient in how we coordinate various categorical programs and services throughout the Federal, State, and local government. From a Federal perspective, it seems clear that more integrated and coordinated service delivery systems (the single point of entry/one stop shopping concept) are essential in providing consumers (older Americans and their caregivers) easier access to services available to them.

Some States and communities have already embraced a coordinated system for Older Americans Act programs, other social service programs, home and community-based long-term care, and acute and medically-based care. It is our belief that the Federal government has the responsibility for facilitating and encouraging this type of approach, and we have attempted to portray this position in our reauthorization proposal.

Within these scenarios, there are other dynamics that will become increasingly influential in how the aging network, comprised of State and area agencies on aging, tribal organizations, community providers, the private sector, volunteers, and caregivers, will respond to a more diverse and older society in the future. These include:

* the even greater demands on, and desires of, caregivers and families to have a range of choices and opportunities about how they will care for others and themselves as they grow older, more frail, or disabled.

* the growth in the numbers of disabled individuals at all ages in the general population.

These two indicators point toward the critical need to expand a home and community-based system that will offer caregivers and family members a series of options for service delivery, including a better coordinated system that can draw upon multiple sources of funding, and also establish public/private partnerships which build on the increasing role of the State and local communities.

The Administration on Aging took these factors into account when it began to develop its reauthorization proposal for the Older Americans Act. Recognizing that for thirty years this statute has been the foundation for a comprehensive system of home and community-based care -- the glue that holds the other programs together -- the Administration has sought to enhance and expand the Act's ability to serve seniors as well as the non-elderly and the disabled, and to fill the needs of caregivers and family members who struggle to provide for these individuals.

The changes we have proposed also incorporate the Administration on Aging's National goals, adapted from Titles III and VII of the Older Americans Act, as outlined below:

1. Secure and maintain maximum independence and dignity in a home environment for older individuals capable of self care with appropriate supportive services;

2. Remove individual and social barriers to economic and personal independence for older individuals;

3. Provide a continuum of care for vulnerable older individuals;

4. Secure the opportunity for older individuals to receive managed care in home and community based long-term care services;

5. Protect the rights of vulnerable older individuals and to prevent elder abuse, neglect and exploitation.

Our proposal includes the principles of Performance Partnerships as a means of building the necessary components to comply with the Government Performance Partnership Act, passed by the Congress in 1993. GPRA requires that performance measures be used as the basis upon which to justify future appropriations for programs. Performance Partnerships are an important component of the Vice President's Reinventing Government Initiative, which includes provisions to improve the current Federal grant system.

The Administration on Aging has focused on an enhanced partnership with the aging network, one which further devolves responsibility to, and joins hands with, States, local communities and service providers to develop solutions to the issues collectively facing older persons today, as well as anticipating the needs of a future aging society. While performance partnerships encourage increased flexibility, we are also responding to the concerns of Congress by ensuring an appropriate level of accountability.

Further evidence of the essential nature of the Older Americans Act can be found in the resolutions that come forth from the 1995 White House Conference on Aging. At this national forum, the fourth White House Conference on Aging in history, the 2,217 delegates overwhelmingly endorsed the Act, stressing the importance of this legislation in preparing our Nation for the 21st century.

The Administration's proposal reflects these adopted resolutions, building on the legislation's prior successes, while moving the Act towards the future. Our proposal offers a sensible consolidation of programs and streamlining processes, and greater freedom of action by the States and area agencies on aging. Finally, our recommended changes preserve and protect the integrity of the Act by keeping all seven titles intact, but works within those titles to augment, streamline, and clarify the Act's original intent.

The Administration on Aging has arrived at this reauthorization proposal by responding to issues raised by older persons, the aging network, advisory board members, and delegates to the White House Conference on Aging, who have consistently urged us to focus on protecting the character of the Act, while strengthening its effectiveness.

We believe we have taken the right approach that will carry older Americans and the nation, carefully and thoughtfully into the 21st century.

JUSTIFICATION FOR EACH TITLE WITHIN THE THE OLDER AMERICANS ACT

OVERVIEW

We chose to retain all seven titles in the Older Americans Act because of a belief in the integrity and significance of each component within the Act. The choice to retain the titles was affirmed by the aging network consisting of State Units on Aging, Area Agencies on Aging, Tribal Organizations, service providers, individual older people, delegates to the White House Conference on Aging, and other representatives of older individuals and their interests. Their strong desire to "Keep the Act Intact" and to preserve its integrity was articulated most recently in the recommendations from the White House Conference on Aging in response to proposals to block grant various programs funded under the Act. There were strong statements that the Older Americans Act has been a successful piece of federal legislation which has enjoyed thirty years of popular bipartisan support. Many concerns have been expressed over attempts to dismantle the components of the Act.

OAA DELINEATION

TITLE I: DECLARATION OF OBJECTIVES; DEFINITIONS

- Objectives of the Act

TITLE II: ADMINISTRATION ON AGING

- Establishment of AoA
- Functions of Assistant Secretary
- Establishes Federal Council on Aging
- General Administration of ACT

JUSTIFICATION FOR EACH TITLE WITHIN THE THE OLDER AMERICANS ACT

TITLE I - DECLARATION OF OBJECTIVES; DEFINITIONS

The objectives in the Act were retained without change. We believe they are still appropriate for the aging network. They focus on the traditional American concept of an individual's dignity in our democratic society.

TITLE II - ADMINISTRATION ON AGING

We have added authority for the Assistant Secretary to negotiate performance partnerships with the States for the purpose of streamlining, adding flexibility, enhancing quality, accountability and choice. We will be focusing on building an enhanced partnership with the network, one which further devolves responsibility and joins hands with the States and others throughout the network to develop solutions to the issues collectively faced by older individuals today and those to be faced by a future aging society.

Additionally, we added authority for the permanent establishment of the National Eldercare Locator. This has been a demonstration funded under Title IV which has proven to be very successful. We are transferring the funding from Title IV to Title II for the operation of the service.

TITLE III: GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

Part A -- General Provisions:

- State Units on Aging
- Area Agencies on Aging
- Advisory Councils on Aging

Part B -- Supportive Services and Senior Centers ($306 million)

- Transportation
- Homemaker/chore
- Personal Care
- Information and Assistance
- Senior Centers

Part C -- Nutrition Program for the Elderly

- Congregate Nutrition Services ($376 million)
- Home-Delivered Nutrition Services ($94 million)
- School-Based Meals -- (Unfunded)

Part D -- In-Home Services for Frail Elderly ($9 million)

- Homemaker and home health aides
- Chore Maintenance
- Personal Care
- Minor home modification
- Respite

Part E -- Special Needs (UNFUNDED)

Part F -- Disease Prevention/Health Promotion ($17 million)

- Information at senior centers, meal sites, & home-delivered meals programs
- Health risk assessments

TITLE III - GRANTS FOR STATE AND COMMUNITY PROGRAMS ON AGING

Title III is retained. In order to restore flexibility of State and Area Agencies on Aging to respond to differing and changing local needs, we eliminated the following categorical sub-part programs and put the authority for them under the supportive services part:

- **D - In-Home Services for Frail Older Individuals**
- **F - Disease Prevention and Health Promotion Services**
- **E - Additional Assistance for Special Needs of Older Individuals**
- **G - Supportive Activities for Caretakers Who Provide In-Home Services to Frail Older Individuals.**

This will restore the primary focus by integrating them back into the two broad categories of nutrition and supportive services while eliminating the need for separate grant allocations, reports, and funding formulas.

For Part C - Nutrition Program for the Elderly, we consolidated by eliminating the unfunded subpart for school-based meals, but granted authority for States to perform this function under the congregate nutrition services subpart. We then transferred authority from USDA to AoA for the meal reimbursement program, but modified the manner in which it is administered to lessen the administrative burdens on States and local agencies.

Consistent with the principles of performance partnerships, we have eliminated nearly one-half of the list of items which States and Area Agencies must illustrate in their plans, or which are categorized

- Health screening (hypertension, glaucoma, cholesterol, vision, hearing, diabetes and nutrition screening)
- Prevention and reduction of alcohol, substance abuse, smoking cessation
- Physical fitness
- Prevention of depression
- Medication management
- Gerontological counseling

Part G -- Supportive Activities for Caretakers of Frail In-Home Service Recipients
- Including victims of Alzheimer's
- How to obtain respite services
- How to participate in support groups

TITLE IV: TRAINING, RESEARCH AND DISCRETIONARY PROJECTS AND PROGRAMS ($26 million)
Part A -- Education and Training
Part B -- Research, Demonstrations & Other Activities

as the federal government prescribing "how to" achieve certain national goals. The goal of the reauthorization proposal was on enhancing the efficiency and effectiveness of administration at the local level.

The proposal balances the distinct interests of the partners in the aging network. Additional flexibility is granted through enhanced waiver authority. Additionally, there is recognition of and facilitation for the aging network to continue to be innovative in the design and delivery of home and community-based services. Authority is granted to permit cost-sharing for selected services and to focus on developing consumer-directed service systems.

TITLE IV - TRAINING, RESEARCH, AND DISCRETIONARY PROJECTS AND PROGRAMS

We focused on four principles:
- Simplifying and Condensing
- Restoring Discretion
- Updating and Modernizing the Language
- Reconstructing and Balancing the Functions

As a result we eliminated the specificity and categorized functions into the following broad areas:
- Education and Training
- Research, Development and Demonstrations
- Centers
- Information Dissemination and Related Activities

TITLE V: COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

TITLE VI: GRANTS FOR NATIVE AMERICANS ($17 million)
Part A -- Indian Program
Part B -- Native Hawaiian Program

TITLE VII: VULNERABLE ELDER RIGHTS PROTECTION
Subtitle A: State Provisions
- Chapter 1 -- General State Provisions
- Chapter 2 -- State Long-Term Care Ombudsman Program ($4.5 million)
- Chapter 3 -- Elder Abuse, Neglect and Exploitation ($4.7 million)
- Chapter 4 -- Elder Rights and Legal Assistance Development
- Chapter 5 -- Outreach, Counseling, and Assistance Program ($2 million)

Subtitle B: Native American Organization Provisions

TITLE V - COMMUNITY SERVICE EMPLOYMENT FOR OLDER AMERICANS

We retained separate authority for the Senior Community Service Employment Program, but transferred the administration of it from the Department of Labor to the Administration on Aging.

TITLE VI - GRANTS FOR NATIVE AMERICANS

We retained separate authority for the program without making changes to the statute. Enhancements for Native Americans include authority to receive disaster assistance and the removal of barriers for coordination with Title III.

TITLE VII - VULNERABLE ELDER RIGHTS PROTECTION

We retained separate authority for this title to highlight its significance and the importance of focusing on protecting the rights of vulnerable older individuals who reside in the community and in institutional settings.

National Eldercare Locator Service

Description: Create a Permanent Statutory Authority for the Support, Development and Operation of the National Eldercare Locator Service

Current Law: The Older Americans Act (Act), Section 202(a)(24), exhorts the Assistant Secretary for Aging to establish information and assistance services as priority services for older individuals. Section 306(a), which defines area agency on aging plans requires the provision of information and assistance services to assure access to services in the planning and service area. However, there is no provision in the Act which supports the operation of a national consumer-oriented aging services information service.

Proposal: A new statutory authority would be created under Title II of the Act to authorize the Assistant Secretary for Aging, directly or through contracts, grants, or cooperative agreements, to develop, support and operate the National Eldercare Locator Service. The new statutory authority would authorize the Assistant Secretary for Aging to use such sums as may be necessary, but not to exceed ~~$1,000,000 for each fiscal year, from funds appropriated to carry out the responsibilities of the Administration on Aging.~~

Rationale: Since August 1, 1990 AoA has, under a cooperative agreement, supported the operation of the National Eldercare Locator Service (Locator) with Title IV funds. The Locator is a national toll-free number designed to help identify community resources for seniors anywhere in the United States. This grant expired after three years but was competitively offered again through September 29, 1997.

Continuing the use of Title IV demonstration funds is inappropriate since the Locator has proven to be an effective, useful and popular means to locate services.

Effect on Beneficiaries: The volume of calls and the size of the locator database has steadily grown over the years of its existence. The locator now receives approximately 4,000 calls a month. Since service began, the Locator has responded to 34,396 calls with the volume of calls increasing steadily. The database now contains over 20,000 items including state units on aging, state special purpose agencies, area agencies on aging, local information and referral services, and local special purpose agencies. This growth has increased the effectiveness of the Locator to provide useful information to the elderly which is reflected in the increased volume of calls. Statutory authority to provide stable funding of the Locator will prove to be an effective investment in government service to the expanding elderly population as we enter the 21st century.

Federalism Impact: None.

Cost Sharing

Description: Allow State Agencies to Require Recipients of Certain Services Funded Under the Older Americans Act (Act) to Pay Part of the Cost of the Service

Current Law: Eligibility for programs and services authorized under Title III of the Act is established on an individual basis with age being the sole criterion. Section 102(38) defines the term "older individual" as an individual who is 60 years of age or older. The purpose of Title III of the Act is "...the development and implementation of comprehensive and coordinated systems to serve older individuals [section 301(a)(1)]. Thus, all persons 60 years of age or older are eligible to participate in Title III programs and services. The Act does, however, require state and area agencies to develop state and area plans based on needs assessments which take into account the needs of those older persons in greatest social and economic need with particular attention to low-income minority individuals. The Act and current regulations require that recipients be given an opportunity to contribute voluntarily to offset the cost of a service received. The level of contributions in nutrition services programs is substantial, $171 million as against a total of $470 million in OAA funds.

Proposal: Allow states the option of requiring recipients to pay part of the cost of the services. Exempt low-income individuals from cost sharing and use a sliding fee scale for clients above an income level specified by each state. Exclude from cost sharing information and assistance, outreach, and case management services; ombudsman and protective services; and congregate and home-delivered nutrition services.

Rationale: Historically, eligibility for services funded through the Act has been limited to the criterion of age 60 and above. However, the Act has increasingly emphasized the targeting of services to those in greatest economic or social need with particular attention to low-income minority individuals. In October, 1989, the General Accounting Office (GAO) published a study of cost sharing in non-Act funded state programs which use cost sharing. The GAO study reports that states that use cost sharing find that,"...it (1) allows them to serve more elderly clients and broaden the range of services provided and (2) is more likely to reduce than increase the possible welfare stigma associated with agency provided services." A related study by the HHS Office of the Inspector General found that nearly ninety percent of elderly client participants in programs with required cost sharing considered it fair that they pay something for the service. Required cost sharing would permit more effective targeting of the services to those elderly most in need, and would produce program income to provide a greater supply of services. Nutrition services are to be exempt because voluntary donations and volunteer services in these programs are substantial and may be impacted adversely by any requirement to determine income for cost sharing purposes. Additionally, such a proposal is consistent with the Administration's position on individual responsibility and with the practices of many states in programs supported with state funds.

Effect on Beneficiaries: The number of beneficiaries would increase. More of the services would be provided to those elderly most in need. Those elderly able to pay all or part of the cost of the service could continue to receive services on an equitable basis.

Federalism Impact: This proposal would provide state agencies with additional flexibility to meet critical needs for community based services to the elderly.

Coordination With Providers of Services for the Disabled

Description: Require Area Agencies on Aging to Coordinate Planning, Identification, Assessment of Needs, and Service for Older Individuals With Disabilities With Local Agencies With Primary Responsibility for Individuals with Disabilities

Current Law: Under section 307(a)(25) State plans are to provide "...assurances that the state will coordinate planning, identification, assessment of needs, and service for older individuals with disabilities with particular attention to individuals with severe disabilities with the state agencies with primary responsibility for individuals with disabilities, including severe disabilities, and develop collaborative programs, where appropriate, to meet the needs of older individuals with disabilities." There is not a comparable provision with respect to the area plan.

Proposal: With the concurrence of the State, the area plan is to provide assurances similar to the assurances required of states with respect to services for elderly and disabled individuals.

Rationale: It is not clear in the Older Americans Act that area agencies on aging have the authority or the obligation to develop coordinated services with agencies that develop or provide services for disabled individuals. This change would facilitate the developing partnership between the aging and disability communities. It will assure that common needs are addressed and that communication and coordination occurs. The amendment will enhance the capacity of the aging network to develop coordinated home and community-based care.

Effect on Beneficiaries: Services for elderly and disabled individuals would be better coordinated, hence more effective and efficient.

Federalism Impact: This proposal would provide state agencies with additional flexibility to meet the needs of elderly and disabled individuals.

American Indian Eligibility Age for Services

Description: Enhance Coordination and Access for Older American Indians by Permitting the Tribal Eligibility Age to Apply for Non-Tribal Services

Current Law: Under title III of the Older Americas Act (Act) eligibility is granted to those older persons 60+, whereas under title VI, each tribe has the option to decide who is considered elderly, and thereby eligible to receive services. The 1992 amendments to the Act emphasized in various sections the need to promote coordination between titles III and VI.

Proposal: To enhance coordination between titles III and VI, language should be added to section 306 (18) to the effect: "For the purposes of coordination of services, the area agency on aging will use the age determined by the tribal organization under title VI as the eligible age for title III services."

Rationale: Originally the minimum age for title VI services was set at 60. However, due to the life expectancy of Indians as compared to the general population that requirement was amended in 1981 to allow tribes the option to lower the age. The two separate eligibility requirements in titles III and VI often prevent Indian participation in title III programs and inhibit coordination between the two titles. The congressional intent of promoting coordination between the programs was fourfold: (1) to discourage the perception on the part of area agencies that title VI is a totally separate program, and as a consequence, older Indians should not participate in title III services; (2) to clarify that Indians receiving title VI services are eligible for title III services; (3) to maximize the utilization of resources earmarked for particular services (nutrition, transportation, in-home and access) to avoid service duplication in specific geographic locations near Indian reservations; and (4) to promote a comprehensive coordinated service delivery system for all older individuals.

Effect on Beneficiaries: A greater number of Indians would be served.

Federalism Impact: States, tribes and local area agencies and service providers would have the flexibility to enhance coordination between the two titles of the Act and develop service agreements and arrangements at the local level.

Award of Funds for Benefits Counseling Program

Description: Eliminate Statutory Conflict in the Benefits Counseling Program Under "Allotments for Vulnerable Elder Rights Protection Activities" and Simplify Language

Current Law: Section 705(a)(7) of the Older Americans Act (Act) requires states to make Federal funds for benefits counseling available to area agencies on aging and describes the procedure to be followed in awarding funds. This provision is in conflict with section 741(d), which stipulates that a state agency on aging may operate the program directly or under a contract or other arrangement with a variety of types of agencies or organizations, including area agencies on aging.

Proposal: Delete section 705(a)(7) and add to section 741(d) the following requirement, taken from the current section 705(a)(7):

> if the State awards funds to local entities, priority will be given to funding local programs in areas with high concentration of individuals with greatest social and economic need where outreach and counseling on benefits is inadequate.

Rationale: The two provisions directly contradict each other. Also, the elaborate procedure for award of funds to area agencies on aging which is outlined in section 705(a)(7) is too cumbersome for the small amount of monies involved (two million dollars in FY 1994). The proposed statutory change would resolve this conflict. The apparent intent of section 705(a)(7) can be retained in section 741(d) through addition of the proposed language to section 741(d). More specific guidance about award of funds to area agencies can be added to section 741(d) in future years if, the program expands to the point that such guidance is needed.

Effect on Beneficiaries: Increased clarity for state officials who must implement the outreach and benefits counseling program.

Federalism Impact: Provides maximum flexibility to the states in developing and operating the outreach and benefits counseling program.

School-Based Meals for Volunteer Older Individuals and Multigenerational Programs

Description: Repeal Sections 338, 338A, and 338B Establishing and Implementing the School-Based Meals for Volunteer Older Individuals and Multigenerational Programs and Modify Language in Section 331 to Include Provision of This Program

Current Law: Section 338 establishes the School-Based Meals for Volunteer Older Individuals and Multigenerational Programs and Sections 338A and 338B delineate the application and selection of providers, and reporting processes. Section 331 provides for the establishment and operation of nutrition projects to provide congregate nutrition services.

Proposal: Repeal Sections 338, 338A and 338B. Modify language in Section 331 to include the provisions of Section 338(a)(1),(2),(3),(4), and (5).

Rationale: Although Congress established the School-Based Meals for Volunteer Older Individuals and Multigenerational Programs through Sections 338, 338A, and 338B in the 1992 amendments, Congress did not appropriate any funds to establish or operate the new program. This proposal consolidates the School-Based Meals for Volunteer Older Individuals and Multigenerational Programs and Congregate Nutrition Services. By incorporating the School-Based Meals Program into the primary congregate nutrition services program, the Act will be streamlined; redundancy will be reduced; administration simplified; flexibility at the State, area agency on aging and local service provider levels will be increased and intergenerational opportunities will be promoted.

Effect on Beneficiaries: Provides increased flexibility at the State, area agency on aging and local service provider level; increased opportunities for intergenerational programming.

Federalism Impact: Provides increased flexibility.

Nutrition Services Incentive Program

Description: Repeal Section 311, Availability of Surplus Commodities and Amend the Act In Titles III and VI to Establish a System for Rewarding Performance

Current Law: Section 311 requires the Secretary of Agriculture to provide support in the form of commodities or cash-in-lieu of commodities to a recipient of a grant or contract to be used for nutrition services in compliance with the provisions of Title III of the Older Americans Act. This support is provided on a per-meal reimbursement basis as the Nutrition Program for the Elderly and is administered by the Food and Consumer Services of the United States Department of Agriculture (USDA) through State and Territory distributing agencies as well as Tribes.

Proposal: Amend Section 311 of the Act to provide for a Nutrition Services Incentive Program. The Nutrition Services Incentive Program would be administered by the Department of Health and Human Services, Administration on Aging.

The purpose of the Nutrition Services Incentive Program is to provide incentives to States, Territories and Tribes to enhance their meal service program. States, Territories and Tribes would receive additional funds for meal service at the beginning of the fiscal year based on their prior year's performance.

A formula will be used to determine the funds that each State, Territory or Tribe would receive. Of the total appropriation, not more than 3% will be set-aside for Tribes. The remaining amount will be distributed to States and Territories according to formula. The following formulae describe the distribution of funds for States, Territories, and Tribes:

$A =$ the total Federal appropriation
$S =$ the monetary amount set-aside for Tribes, 3% of the total Federal appropriation
$A\text{-}S =$ the monetary amount remaining for States and Territories, 97% of the total Federal appropriation
$SM_p =$ total meals served nationally under Title III in the previous year
$sm_p =$ total meals served in the individual State or Territory under Title III in the previous year
$TM_p =$ total meals served nationally by the Tribes under Title VI in the previous year
$tm_p =$ total meals served by the individual Tribe under Title VI in the previous year

The formula to be used to determine the incentive award provided to each State or Territory is as follows:

$\frac{sm_p}{SM_p} \times A\text{-}S =$ the amount of the incentive award for the current year

The formula to be used to determine the incentive award provided to each Tribe is as follows:

$\frac{tm_p}{TM_p} \times S$ = the amount of the incentive award for the current year

All meals served in the Nutrition Services Incentive Program would be required to meet the same standards of quality as other meals served in the Elderly Nutrition Program.

Rationale: Currently the Administration on Aging Elderly Nutrition Program and United States Department of Agriculture Nutrition Program for the Elderly are administered separately at Federal level. This proposal would consolidate within the Administration on Aging the administration of both programs.

Through this consolidation, Federal administration would be streamlined; administration and reporting by States, Territories, Tribes, area agencies on aging and local service providers would be streamlined and simplified; and flexibility at State, Territory, Tribe, area agency on aging, and local service provider level would be increased.

The establishment of the Nutrition Services Incentive Program will increase program accountability, increase service to program participants, enhance local decision making and reward program efficiency, effectiveness, innovation, and creativity.

Effect on Beneficiaries: Increased service to program participants; streamlined and simplified administration and reporting by States, Territories, and Tribes; increased flexibility at all levels of the service system.

Federalism Impact: Streamlined Federal administration and reporting.

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Consolidate Parts D, E, F, and G into Part B

Description: Eliminate Separate Program Authorities for Parts D, E, F, G and Consolidate These Programs Under Part B - Supportive Services and Senior Centers

Current Law: Title III authorizes funds to State and area agencies for a broad array in-home and supportive services. The Act under Sec. 341(a) authorizes states to provide in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims. Under Sec. 361(a), states are authorized to provide disease prevention and health promotion services and information. Supportive activities for caretakers who provide in-home services to frail older individuals (including older individuals who are victims of Alzheimer's disease or related disorders with neurological and organic brain dysfunction) is authorized under Sec. 381. All of these services are also authorized under Part B - Supportive Services and Senior Centers. States award funds to area agencies on aging under an intrastate funding formula. Part F, unlike other title III service components, requires state agencies to give funding priority to areas of the state that are medically underserved and where there are large concentrations of economically needy older individuals.

Proposal: Amend title III-B, Sec. 321 to include the following in the list of permissible services: (1) in-home services to frail older individuals, including in-home supportive services for older individuals who are victims of Alzheimer disease and related disorders with neurological and organic brain dysfunction, and to the families of such victims; (2) disease prevention and health promotion services and information; (3) supportive activities for caretakers who provide in-home services to frail older individuals (including older individuals who are victims of Alzheimer's disease or related disorders with neurological and organic brain dysfunction); and (4) supportive services to meet the special needs of grandparents.

Rationale: In 1987 and 1992 separate authorities for Parts D and G were added to title III in order to expand the Act's commitment to home and community-based supportive services and focus new resources in this area. It was believed that these separate authorities would allow State and Area Agencies on Aging to build upon their efforts to develop home and community-based long-term care systems. Additionally, the separate authorization for disease prevention and health promotion expanded the types of activities which were authorized and required states to give funding priority to areas of the state that are medically underserved and where there are large concentrations of economically needy older individuals.

Streamlining title III by incorporating Parts D, E, F, and G into Part B eliminates unnecessary funding and reporting requirements and provides for a more effective and efficient approach to service delivery. This change recognizes the development of the aging network in the provision of home and community-based services and provides State and Area Agencies on Aging more flexibility in developing a comprehensive and coordinated service system.

Effect on Beneficiaries: Older individuals would receive services which are more tailored to their needs through a more comprehensive and coordinated approach to service delivery.

Federalism Impact: States would receive additional flexibility in the development of statewide programs that are more reflective of the resources available at the state and local levels.

Consumer-Directed Services

Description: Enhances customer choice by authorizing the selection of independent providers and payment by voucher or cash

Current law: In the OAA there is not explicit authorization for the use of independent providers, including family members, and the use of cash or vouchers for payment of these providers by the customer.

Proposal: Allow the states the option of having clients who are authorized for title III services that are identified by the state for this purpose to select independent providers meeting requirements determined by the state. Allow the states the option of area agencies on aging contracting with these independent providers or, alternatively, issue a voucher or cash to the clients in an amount to be determined by the state. Allow the state the option of including qualified family members as eligible for payment by voucher or cash for these services.

how protect from unscrupulous providers

Rationale: Currently supportive and nutrition services are provided under contract or grant by provider agencies except where the service is provided directly by area agency staff. Advantages of permitting clients to select independent providers include enhancing customer choice and satisfaction as well as increasing the supply of providers and cost savings. Advantages of vouchers for services and cash include further enabling clients and cost savings since the amount is usually less than the cost of the service. Payment of family members enhances caregiving by compensating family members in part for the loss of other earnings. Several states, including Colorado, Wisconsin and Pennsylvania use cash benefits in state funded services programs. Since some of these options may not be appropriate for all services and all clients, it is proposed to authorize the states to develop policy in this area.

Effect on Beneficiaries: Enables customer driven services.

Federalism Impact: This proposal would provide state agencies with additional flexibility to meet critical needs for home and community-based services for the elderly.

Performance Partnerships

Description: Amend the Older Americans Act to provide for performance partnerships.

Current law: The Act sets forth numerous requirements to be in area plans and enumerates assurances to be in the state plan as a condition for receiving funds.

Proposal: As a means of achieving the Administration's goals related to Reinventing Government and the manner in which federal grants are administered, we propose to remove many of the prescriptive requirements and assurances which fall into the categories of unnecessary specificity, and federal directions to states and local entities on how to achieve national goals and principles. The areas which are retained are then reorganized and grouped logically to include:

Reorganization and Revisions

As amended, section 306(a) would contain the following paragraphs:

The first five would reorganize elements of current law, and add language providing for integration of performance partnerships into area plans. They would provide requirements concerning:

(1) services provided;

(2) priority services;

(3) determination of needs;

(4) performance partnership objectives; and

(5) objectives for services to older individuals with greatest need.

Paragraph (6) (policy development) would include:

(6)(A) (current (6)(D)) (area agency as advocate and focal point for older individuals),

(6)(B) (current (6)(F)) (advisory council), and

(6)(C) (current (6)(C)) (views of recipients to be taken into account in policy development).

Paragraph (7) (community-based long-term care (LTC) services), would include elements of current (6)(I) and (6)(K).

Paragraph (8) (current (20)) (case management services).

Paragraph (9) (current (11)) (maintenance of effort for LTC Ombudsman program).

Paragraph (10) (current (6)(P)) (grievance procedure).

Paragraph (11) (current (6)(N), (18), and (19)) (services to Native Americans).

Paragraph (12) (current (17)) (special menus in nutrition programs).

Section 104(b) amends section 306(b) of the Act to eliminate procedural requirements for State agency waivers of area plan requirements.

AND for States the following items are retained:

Reorganization and Revisions

As amended, section 307(a) would contain the following paragraphs:

(1) area plans and performance partnerships (current (1) and (2), and new requirements).

(2) determination of service needs (current (3)(A) (evaluation of need), (9) (information and assistance services), and (22) (minimum expenditures on priority services).

(3) intra-State funding requirements (current (3)(B) (maintaining rural funding), (29) and (37) (rural services and costs thereof), and (33) (intra-State funding formula).

(4) evaluations and public hearings (current (8)).

(5) hearing for area agencies and providers; grievance procedures (current (5) and (43)).

(6) reports (current (6)).

(7) fiscal controls (current (7)).

(8) restriction on direct provision of services (current (10)).

(9) LTC Ombudsman program (current (12) and (21)).

(10) nutrition services (current (13)), with the following subparagraphs: (A); (B) (current (C): (C) (current (F); (D) (current (G); (E) (current (I); (F) (current (J); (G) (current (K); and (H) (current (L)).

(11) legal assistance (current (15) and (18)).

(12) prevention of abuse (current (16).

(13) older individuals of limited English-speaking ability (current (20)).

(14) special needs populations (current (23)).

(15) outreach (current (24)).

(16) older individuals with severe disabilities (current (25)).

(17) community-based services (current (26) and (44)).

(18) title VII program (current (30)).

(19) outreach to providers (current (32)).

(20) older Native Americans (current (34) and (35).

(21) case management providers (current (36).

Rationale: Under this proposal the Secretary in conjunction with the States, local governments, providers, consumers and families will develop national goals and, in conjunction with the States, performance measures and performance agreements specifying the program goals that the State will focus on, the State-specific performance targets, and the timeframes for achieving them. We propose the repeal of numerous assurances and requirements, the end of some instances of micro-management of State and local agencies. We propose retention only of provisions for which there has been general support or strong commitment by interest groups.

This proposal for performance partnerships formalizes de facto partnerships between Federal, State and local public and private sector agencies in the planning and delivery of services to vulnerable older individuals.

Effect on Beneficiaries: With bottoms-up planning and priority-setting, beneficiaries will be assured of the best use of limited resources.

Federalism Impact: This proposal would provide flexibility to state and local agencies through participation in the development of goals and objectives, targets and timeframes for achieving these objectives and targets.

Community Service Employment for Older Americans

Description: Change all references, in Title V, from the "Secretary" of the U.S. Department of Labor to Assistant Secretary for Aging.

Current Law: Sec. 502. (a) In order to foster and promote useful part-time opportunities in community service activities for unemployed low-income persons who are fifty-five years old or older and who have poor employment prospects, the Secretary of Labor (hereinafter in this title referred to as the "Secretary") is authorized to establish an older American community service employment program.

Proposal: The Community Service Employment Program for older Americans, commonly known as the Senior Community Service Employment Program (SCSEP), as mandated under Title V of the Older Americans Act, be administered by the Assistant Secretary for Aging in the Department of Health and Human Services. Delete the exception in section 201(a) and change all references in Title V sections 502 (a), 502 (b)(1) (c), 503 (a)(1), (a)(2), (b)(1), (b)(2), (c),(e) and (f) from the "Secretary" of the U.S. Department of Labor to Assistant Secretary for Aging. Delete all provisions to consultation with the Assistant Secretary and in Section 505 (a),(b),(c), and (d)(2) change references from the "Secretary" or other title to agency.

Additionally, the proposal is to phase in a reduction of the federal share, thereby gradually increasing the match rate for states and contractors.

Rationale: The Assistant Secretary for Aging heads the Administration on Aging (AoA) which is the focal point and advocacy agency for older persons and their concerns at the federal level. The AoA administers all other titles mandated by the Older Americans Act. The proposal would ensure national responsiveness to local community needs. It would allow greater flexibility to consolidate, coordinate, link and expand limited resources to enhance community service and employment and training for low income seniors. The phased-in reduction of the federal share is added as a means of producing federal cost savings.

Effect on Beneficiaries: A greater opportunity for low-income older people to remain productive and independent under coordinated national leadership, stability, and expertise of over three decades in the aging network.

Federal Impact: The proposal would allow the Assistant Secretary for Aging to implement a more comprehensive service delivery system and greater flexibility in addressing and allocating resources for all segments of the aging population across America.

OAA Waiver Provision

Description: Authorize that the Assistant Secretary, on application by the state, may waive specified provisions of the OAA and implementing regulations.

Current law : There is not a provision to waive any of the statutory requirements.

Proposal: Add in title II the following new subsection in section 202 or section 205:

On application by the state agency the Assistant Secretary is authorized to waive the provisions in the Act enumerated in (see below) and implementing regulations. The application shall provide evidence of (a) legislative endorsement if required by the state; (b) consultation with the area agencies on aging; (c) prior publication and comments, a summary of which is attached to the application; and (d) a demonstration of the consequences, both favorable and unfavorable for older Americans, if the application should be approved.

The application may request a waiver of any of the following provisions of the Act and implementing regulations:
(a) statewideness with the purpose of demonstrating innovative approaches to assist the elderly (section 305(a)(1));
(b) restrictions on transfers between title III Parts B and C and between subpart 1 and subpart 2 of Part C (section 308(b)(4));
(c) maintenance of effort (section 309(c)) down to the minimum match level;
(d) hold harmless of residents of rural areas (section 307 (b)(2);
(e) state plan requirements (section 307)
(f) area plan requirements (section 306)

Rationale:

Since the conditions in each state are unique, there must be the flexibility to waive a general provision that may not be applicable or appropriate in a specific state.

The waiver of statewideness empowers the state to demonstrate a different approach in a defined area of the state that, if successful, may be followed up with an application for a waiver of the requirement in all areas of the state. For instance, in one or more PSAs the state may provide services through agencies other than through area agencies, or services may be provided to persons under 60 years of age, or cost sharing may be required, or cash may be offered in lieu of services.

Transfers between title III Parts B and C have been restricted from a maximum of 30 percent in 1993 to 20 percent in 1996. In view of stable appropriations and decreasing purchasing power of appropriated funds, this waiver provides flexibility to the states for setting priorities.

The waiver of the maintenance of effort provision recognizes that states confront at times budgetary constraints and protects the elderly from becoming subject to the consequences of a precipitous decrease in resources.

The waiver of the hold harmless for rural residents is currently in section 307(b)(2).

The waiver of state and area plan requirements addresses primarily any one or more of the assurances required of the state or the area agency.

Effect on Beneficiaries: Beneficiaries would benefit from increased availability of appropriate services meeting identified needs.

Federalism Impact: This proposal would provide state agencies with additional flexibility to meet critical needs and remove barriers to innovative state solutions to issues.

Serving Home and Community-based LTC Consumers

Description: Clarify That State and Area Agencies on Aging Are Not Prohibited From Providing Services to Other Populations As Long As The Source of Funds Is Not OAA Funds

Current Law: Currently there is not any authority in the Act for state and area agencies to serve other populations in addition to the elderly with sources of funds other than those made available through the Older Americans Act.

Proposal: Add language which clarifies that States and Area Agencies are not prohibited from engaging in activities or providing services to benefit other than older individuals as long as the funds used are not Older Americans Act funds.

Rationale: The proposed language will provide clarification with respect to the functions of state and area agencies and remove any perceived restrictions on providing services to other populations as long as the source of funds is not OAA funds.

Effect on Beneficiaries: Extends the functions of state and area agencies to other than elderly individuals, enhances the capability of these agencies, and hence may indirectly benefit older individuals.

Federalism Impact: Removes perceived restrictions in the Act and increases state flexibility.

Title IV - Training, Research, and Discretionary Projects and Programs

Description: Reorganize and streamline Title IV of the Older Americans Act.

Current Law: Title IV has evolved over time into an array of specific items and areas for funding, without a fair degree of balance or an appropriate level of discretion for maintaining the ability to address current issues in the field of aging.

Proposal: To overhaul Title IV through a rewrite of the authority for discretionary funding of research, demonstration, training, education, dissemination and utilization activities. The proposal removes the specificity and grants authority to fund projects in four global categories: (1) Education and Training; (2) Research, Development and Demonstrations; (3) Centers; and (4) Information Dissemination and Related Activities.

Rationale: Title IV is a 1973 merger of two different titles of the original Act that was passed in 1965, and is not yet seamless in its consolidation. One of the artifacts of this merger is the differential treatment of education and training. In the purpose section, education and training is singled-out among all identified functions for priority targeting to special populations. To be equitable and consistent, targeting should be applied equally to all functions of Title IV.

The current scope of Title IV needs revisions to adjust to the maturity of the field of aging and the sophistication of programs: (1) the function of technical assistance should be recognized as an important aspect of implementation of practice and policy given the trend in Title IV funding to support resource and technical assistance centers focused on programs authorized in Titles III, VI, and VII. Adding technical assistance as a function would serve as an introduction to the proposed establishment of a new Title IV section for centers. (2) The research function has not been greatly modified since the establishment of the National Institute on Aging in the early 1970's and should reflect emphasis on its applied focus, hence the modifier applied research. (3) Policy analysis is a function quite apart from standard research methods and experimentation, but is an important function supporting responsibilities of the Assistant Secretary for Aging and the agency as expressed in Title II.

Effect on Beneficiaries: The proposed changes would make legislation more consistent with existing practice and permit a direct statutory link with the program sections under the Act.

Federalism Impact: Negligible

The White House Conference on Aging of 2005

Description: Authorize a White House Conference on Aging to be Convened in the Year 2005

Current Law: Section 202 (a) of the (Technical Amendments of) Older Americans Act of 1993 states that not later than May 31, 1995, the President shall convene the White House Conference on Aging in order to develop recommendations for additional research and action in the field of aging which will further policy set forth in subsection (b).

Proposal: Provide the authority to call a White House Conference on Aging and authorize the President to convene the Conference not later than [redacted]

Rationale: Historically, a White House Conference on Aging is convened every ten years in order to develop recommendations which will guide aging policy for the nation for the following decade. White House Conferences on Aging were held in 1961, 1971, and 1981. The 1991 White House Conference on Aging was called by the previous Administration for 1993 but its planning was discontinued due to lack of funding support by the Congress. The 1995 White House Conference on Aging was the first such Conference to be authorized by Congress. This Conference was the last White House Conference on Aging of the 20th century and its recommendations will guide our nation into the 21st Century, a time when there will be a doubling of the aging population, a phenomenon which

Naomi Tinklepaugh

6/19 Larry Matlack - Branch Chief for Labor

1. TV will be moved to AOA
2. $40 M cut, phased in from '97-2002 ($370M 2002)
   match will be ↑'d from 10-16%, phased in
3. Ken recommending that annct to Elaine be part of
   AOA Reauth testimony

Maya
- formal ltr from DOC re

10-Yr Budget: AoA not sp'ly mentioned
- nothing targeted in HUD - Adam Hoffberg
5-1094
in Transp - Sharon Barkeloo
5-3308

95 - $875,725,000
(3,941,000 ↑ over 94)

Ken OAA - funded @ '96 level
3, 5, 7, 9% ↓ in outyrs

fine to do an event -
esp'ly ~~around~~ highlighting SCSEP
- say we support, but not going to fight tooth & nail agst any cut

Match - have to ta
- 14M resc in prog → 3% cut - up to 16.5%
8.5/10

NPR won't do Labor roll-out

H / Kasich
- incorporates elderly into F600 (altho Act in F500)

S / Domenici
- doesn't specify either

But,

U.S. HOUSE OF REPRESENTATIVES
ECONOMIC AND EDUCATIONAL OPPORTUNITIES COMMITTEE

2181 Rayburn House Office Building
Washington, D.C. 20515

NEWS RELEASE

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For Immediate Release
Monday, June 26, 1995

SUBCOMMITTEE REVISITS OLDER AMERICANS ACT AS REAUTHORIZATION DATE NEARS

WASHINGTON, D.C. -- The Subcommittee on Early Childhood, Youth and Families has scheduled its third hearing on the Older Americans Act (OAA) for Wednesday, June 28, 1995 at 10:00 a.m. in room 2261 of the Rayburn House Office Building. Set to expire October 1, 1995, the OAA was created in 1965 to address concerns over a lack of community social services for seniors and a desire to improve the status and quality of life for America's senior population.

Subcommittee Chairman Randy "Duke" Cunningham (R-CA) said he intends the hearing to continue Congress' review of current programs within the OAA "with an increased focus on flexibility and consolidation options. Our hearings so far have pointed towards sending the authority, money, and freedom to creatively serve our 'chronologically gifted' population directly to local communities."

Hearing witnesses are expected to recommend areas for consolidation and improvement within the Older Americans Act.

Witnesses will include:

Panel I

Representative Connie Morella (R-MD)
Representative Ralph Regula (R-OH)
Representative Joe Kennedy (R-MA)
Representative Ron Wyden (D-OR)
Co-chairs of the House Older Americans Caucus

Panel II

Fernando Torres-Gil
Assistant Secretary
Administration on Aging

-MORE-

Panel III

Barbara Harris
Former Associate Director
Senior Citizen Service of Greater Tarrant County
Dallas-Ft. Worth, Texas

Judy Williams
Director
N. West Arkansas Area Agency on Aging

Peggy O'Neil
Director
Bucks County Area Agency on Aging

Ed Bill
State of Michigan
Michigan Office of Services to the Aging

James Martin and former Representative Roger Zion (R-IND)
Chairman and Honorary Chairman
60+ Association
Arlington, Virginia

Elizabeth Boehner
Director Elderly Affairs
Family Service of Montgomery County, Maryland

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DEPARTMENT OF HEALTH & HUMAN SERVICES

Office of the Secretary

Washington, D.C. 20201

STATEMENT OF

FERNANDO M. TORRES-GIL

ASSISTANT SECRETARY FOR AGING

DEPARTMENT OF HEALTH AND HUMAN SERVICES

before the

SUBCOMMITTEE ON EARLY CHILDHOOD, YOUTH AND FAMILIES

of the

HOUSE COMMITTEE ON ECONOMIC AND EDUCATIONAL OPPORTUNITIES

Wednesday, June 28, 1995

Mr. Chairman, I appreciate this opportunity to testify before you and the Members of the Subcommittee today on a topic that is very important to this Administration -- the Older Americans Act and the critical services its programs provide on a daily basis to millions of senior citizens across our Nation.

As the first Assistant Secretary for Aging in the U.S. Department of Health and Human Services with responsibility for the Older Americans Act, I am honored to participate in today's Subcommittee hearing. On behalf of Secretary Donna Shalala as well as myself, I want to commend you for your leadership and your commitment to this important legislation.

1995 has been an important and busy year for the Administration, the Department of Health and Human Services (HHS), the Administration on Aging (AoA) and for all who work on behalf of the elderly. Early last month, during Older Americans Month, we were pleased to see President Clinton convene the 1995 White House Conference on Aging, a seminal and historic event which brought together nearly 3000 delegates from all over the country to share views on key issues affecting the aging of our population. This year we also salute the 60th anniversary of Social Security and the 30th anniversaries of Medicare and Medicaid, programs that have provided economic and health security for so many Americans. Finally, 1995 is also a time when we commemorate the 30th anniversary of the Older Americans Act, a time-tested program whose success is still being measured daily with every senior citizen whose life it improves and every family it assists. It is a program that achieved prominence by providing important services to millions of elderly which permits them to maintain their autonomy in a home or community setting. It is a program that has always complemented Social Security, Medicare and Medicaid through its creation of Federal, State and community focal points aimed at serving the needs of older Americans.

In 1959 more than 35 percent of older Americans lived in poverty. In 1965, Congress responded to this challenge and to the growing numbers of older Americans by enacting the Older Americans Act. The Older Americans Act has been assisting older Americans to retain their independence and their dignity ever since, and over the last three decades, Congress has given its bipartisan support and encouragement.

The Older Americans Act has provided an ideal medium by which the Federal government may assist in improving the lives of older Americans in direct coordination and cooperation with State and local governments and the private sector. It is an exemplary example of a public-private partnership that relies upon senior citizen input and local needs. Its programs range from training and research projects to efforts to protect the rights of vulnerable elders. The Older Americans Act also includes the critical nutritional and supportive services provided to older Americans in communities and tribal reservations across America. It is these services that enable seniors to be self-reliant, healthy, productive and contributing members of their communities.

It is not always easy to measure the success of the programs funded by the Older Americans Act and other State and local organizations. However, in 1993 more than three million older people received nutritional assistance, either by dining at congregate settings or by receiving home-delivered meals. More than three million older people and their caregivers received information and assistance and were impacted by outreach activities. In 1993, more than 800,000 older people received more than 40 million rides to medical appointments, clinics and senior centers. Almost 150,000 older people were provided with disease prevention and health promotion services, and more than 70,000 frail older people and their caregivers received in-home services such as homemaking, home modification and adult day care. It is important to note that all Older Americans Act programs give special priority to the vulnerable elderly, those individuals who are low-income and minority, functionally and cognitively-disabled elderly and rural elderly.

The Administration on Aging does not presume to take credit for performing these herculean tasks alone. We rely heavily upon our "aging network" who are our partners in providing home and community-based services for older Americans. This network is made up of 57 State Units on Aging, 657 area agencies on aging, 228 Native American and Native Hawaiian tribal organizations, 5000 senior centers and more than 27,000 local service providers. The Older Americans Act established this network with a focus on the development of a comprehensive and coordinated service delivery system and advocacy for effective systems to address the needs and protect the rights of older individuals. It is with these partners, some of whom you have before you today, that we have advanced throughout the years, working together to improve the quality of life for older Americans.

As you know, 1995 also marks the year for the reauthorization of the Older Americans Act. We in the Administration on Aging are looking at this occurrence as a unique opportunity to build upon the strengths and successes of the Older Americans Act while at the same time embrace the changes necessary to take our Nation closer to the 21st century, a time when there will be a doubling of the aging population.

The Administration on Aging understands that we must change with the times, that we can no longer be satisfied with the status quo, that we must acknowledge that there are pressures and constraints upon all of us that cause us to re-examine our priorities. However, it is important to note that without question, this Administration is committed to ensuring that the

Older Americans Act maintains its excellent traditions and preserves the core principles that have guided its success for three decades.

While we have enjoyed those thirty years of success, we do believe we need to make some refinements to the Act which will further support and strengthen the capacity of its network. We must build upon the successful components of the Act and its network. These elements include grass roots support, citizen input, bottom-up planning and coordination of services.

Therefore, as we plan our reauthorization package, we will be preserving those components. We want to further enhance and facilitate more of an expansion of these factors to meet the demands associated with a growing aging population. I always appreciate the opportunity to inform people about the important demographic trends that will influence the future of aging well into the next century. The present and future trends are compelling and challenging. The 1990 Census indicates that people 65 and over account for 12 percent (32 million people) of the population. By the year 2030, one in five Americans will be over 65 years of age, as opposed to one in eight Americans today, though some believe that these numbers are conservative estimates. As the first of the "baby boom" generation reaches retirement age in the next decade, it is critical that we as a Nation are prepared for the impact this aging cohort will have on future generations. We need to ensure that the aging network, through the Older Americans Act, is prepared to take on this challenge. We need to provide the tools by which those who provide the critical services to our elderly can achieve that goal and the Older Americans Act is a very important tool in that process.

During my first two years as Assistant Secretary, I have been working diligently along with Secretary Shalala to strengthen the capacity of the aging network for addressing long-term care needs. These are major issues that confront society now and will continue to confront society in the future. The aging network has been laying the foundation for long-term care for many years. At a hearing early last year before the Senate Committee on Labor and Human Resources Subcommittee on Aging, there was discussion of what the phrase "long-term care" really means. To the Administration on Aging and the aging network, it is the continuum of life and of care for our loved ones which gives them the choices and opportunities to live their lives within their community, near their family and their friends. This continuum includes a number of different social services. The aging network, through its hundreds of innovative programs, has been offering such services for many years, and has the capacity to provide even more with help and support from many sources.

Now is a time for reflection and for careful thought to consider how we will ensure that the Nation has the capacity to provide the needed services for the new generation of elderly. We must enable the national aging network to ensure that its "service systems" are in place.

In preparation for this year's reauthorization, we will be attempting to focus on increased flexibility to States, area agencies on aging, providers -- the network -- by taking into account and balancing the distinct interests of all the partners. We will focus on streamlining, integrating, reordering, reorganizing, and consolidating for increased clarity, efficiency and effectiveness in administration. Further, we will focus on reducing unnecessary specificity. In exchange, we plan to incorporate the principles of Performance Partnerships as a means of building the necessary components to comply with the Government Performance and Results Act (GPRA) passed by the Congress in 1993. GPRA requires that performance measures be used as the basis upon which to justify future appropriations for programs.

The goals of increasing flexibility, streamlining operations and eliminating unnecessary Federal requirements while strengthening the partnership of Federal and State governments in delivering essential services to older Americans are also in fulfillment of the purposes of the Vice President's National Performance Review. We have achieved this through listening and responding to the issues raised by older persons, advisory council members, board members, delegates to the White House Conference on Aging, and so many other representatives of older individuals. We have been conducting forums, meeting regularly with our partners and stakeholders, and holding training sessions with relevant members of the aging network. They have consistently urged us to focus on preserving the integrity of the Act, while enhancing its effectiveness.

We will be focusing on building an enhanced partnership with the network, one which further devolves responsibility and joins hands with the States and others throughout the network to develop solutions to the issues collectively faced by older individuals today and those to be faced by a future aging society.

While granting more flexibility to the network, we will also be responding to the Congress by ensuring an appropriate level of accountability through performance measures and data. We plan to eliminate many prescriptive requirements concerning program administration, service delivery, and other matters for the State grant program under title III of the Act. We will institute performance partnership agreements under which the State and area agencies, working with the Administration on Aging, would identify specific performance objectives which are key to meeting the needs of seniors, and would regularly monitor progress toward accomplishment of these objectives.

In order to restore the flexibility of State and area agencies on aging to respond to differing and changing local needs, we would propose eliminating various categorical sub-part programs and would restore the primary focus by integrating them back into the two broad categories of nutrition services and supportive services.

The separate authority for State grants for vulnerable elder rights protection under title VII of the Act would be retained, and requirements for performance partnerships added.

We also will propose to make revisions to the authority for research, development and demonstrations under title IV of the Act to eliminate unnecessary prescriptiveness and to improve its focus on activities appropriate to meeting our Nation's changing needs for its elderly.

Title VI of the Act, providing for grants for Native Americans, would be retained without significant change. However, support of Indian tribes under the Act is increased by permitting title VI grantees to participate in the nutrition services incentive awards program and to receive disaster relief payments.

We are also proposing to extend the authorization of title V, the Senior Community Service Employment Program (SCSEP), through FY 1998. As you are aware, this program provides low-income individuals age 55 or older with part-time employment in a wide variety of useful community service activities. To promote consolidation in the delivery of services to older Americans, we propose the transfer of the responsibility for the administration of the SCSEP program from the Secretary of Labor to the Secretary of Health and Human Services. Let me emphasize that the SCSEP program will be retained in its current form and current grant proportions between the States and aging network contractors will not change. As part of this transfer, we will continue to coordinate with the Department of Labor on employment opportunities for older workers.

It is important to note that the Older Americans Act of 1965 grew out of the 1961 White House Conference on Aging. With that history in mind, we were very pleased that the delegates to the recent 1995 White House Conference on Aging adopted, among their top five resolutions, two resolutions aimed at preserving and protecting the integrity and advocacy of the Older Americans Act. This endorsement was a clear affirmation of the support this program still enjoys after so many years.

The future of the Older Americans Act is promising because one thing is certain. The constituency to which it is dedicated is only going to get larger. We have a great deal to do now to prepare us for the 21st century. Together, the aging network must continue its advocacy and coordination to build an effective home and community-based care system on behalf of the elderly and the disabled and must enact social change at every level. It must continue to be resourceful in order to meet the many and ever-changing needs of those it serves. AoA must continue to show leadership and support for its efforts. We must continue to make the greatest use of Federal funds available in coordination with other multiple resources which must be called upon, if we are to meet the needs of this country's burgeoning elderly population.

The reauthorization of the Older Americans Act programs provides an opportunity to renew and strengthen critical services. As the legislative process begins for the 14th reauthorization of the Older Americans Act, I am confident that we can work together to develop a consensus on the direction that the Act should take into the next century. We look to you and your colleagues in Congress, to the States, to the network and to our senior consumers for guidance and support as we work together to meet the challenges that are ahead. This is an opportunity to be responsive to the needs of our constituents -- seniors and their families -- and to anticipate properly the impending increase in the older population. The needs of our seniors are changing, and we must make the appropriate changes to accommodate those needs. We will be responsive to their requests in our reauthorization proposal.

I do thank you for your continued support for activities conducted under the Older Americans Act. These activities also support the Department of Health and Human Services' themes of independence, prevention, customer service, and modern effective management. This will enhance independence and self-sufficiency of the aging population today as well as tomorrow.

I thank you again for this opportunity to testify and will gladly respond to any questions you might have.