



States Say Economic Crisis is Hitting Senior Services Hard

Nearly 80 Percent Have Waiting Lists For Home-Delivered Meals

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WASHINGTON, DC – The National Association of State Units on Aging (NASUA) released the findings today of its fourth economic survey of the state units on aging in the last year. The survey conducted in May 2009 revealed that despite the funding provided by the American Recovery and Reinvestment Act of 2009 (ARRA), 60 percent of states must reduce their agencies' budgets for FY10.

While ARRA funding appeared to have the effect of allowing states to maintain services for food and nutrition programs, over 20 percent of the states indicated that they will have to resort to cutting back services to consumers. Those services include Older Americans Act programs, disability programs, Medicaid, and home- and community-based services and supports.

“The short-term problem for older adults and individuals with disabilities is the need for food, shelter and health care,” said Patricia Polansky, Assistant Commissioner of the New Jersey Division of Aging & Community Services and NASUA’s President, “Our survey once again demonstrates increases in requests for services to fulfill those needs for our most vulnerable citizens.”

The states are overwhelmed by increasing demand for home and community based services. Nearly 80 percent reported having waiting lists for home-delivered meals and over 50 percent reported waiting lists for personal care, homemaker services, and respite care. Yet as they attempt to cope with increased need, all of the responding states anticipate continued significant budget cuts. Over 30 percent of states indicated cuts of between six to ten percent and nearly 12 percent indicated that they will have to make cuts of between 11 and 15 percent for FY10.

Several state leaders indicated that the cuts would mean many individuals who currently receive services to meet basic nutritional needs, and provide respite care and homemaker services will end up in full-time nursing care at a much greater cost.

“Long term services and support programs are the critical lifeline that keeps many older Americans across the country in their homes and communities, rather than in institutional settings, where the costs are significantly higher. Shifting people from self-sufficiency to Medicaid isn’t a solution – it’s the problem,” said Irene Collins, Commissioner of the Alabama Department of Senior Services and incoming President of NASUA.

Another troubling finding was that many states saw an increase in calls to adult protective services. Seventy percent of states saw a rise in calls related to financial exploitation.

The vast majority of Governors and state unit on aging directors reported that they focused their budget cuts on areas that will not affect direct services as they looked to protect basic services such as supporting food, shelter, and basic medical care. As a result, 81 percent of states will cut back on administration in FY10. Nearly 50 percent will have additional furloughs in FY10 and over 80 percent will continue the hiring freezes first imposed several years ago. Travel will be restricted even within state borders for some states, and layoffs will continue as well.

While over 70 percent of states that responded to the survey indicated it was too soon to analyze the impact of ARRA funding, they expressed fear that once ARRA funding runs out there will be a steep cliff for the states, not only with respect to the AoA food and nutrition program, but also for all of the Medicaid funding. States are concerned that the only way they balanced their FY09 budgets was by using ARRA funding to backfill. But once that funding is exhausted, there will be an even larger gap to fill.

“NASUA recognizes that governors and legislators are now confronting very difficult choices, but further reductions in nutrition, transportation, heating assistance and home-based services would be catastrophic in terms of human suffering, not to mention fiscally counter-productive,” said Martha Roherty, NASUA’s Executive Director. “We would urge Congress to consider a moderate investment in state based programs in order to preserve the fragile lifeline that now keeps frail and vulnerable individuals in their homes and that produces significant long-term savings.”

A report on the survey is available at www.nasua.org.

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The National Association of State Units on Aging (NASUA), founded in 1964, represents the nation’s 56 officially designated state and territorial agencies on aging. The Association’s principal mission is to support visionary state leadership, advance state systems innovation and articulate a national policy on home and community based services for older adults and individuals with disabilities. NASUA supports the inclusion of Project 2020 (S. 1257) in health care reform to provide a lifeline for the most vulnerable populations during economic crises while saving state and federal health dollars.

For more information on long term services and supports and PROJECT 2020 go to:
http://www.nasua.org/issues/federal_policy/project_2020.html