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### Date: April 6, 2017

### **TO:** Senate Appropriations Committee

# **RE:** Comments on H.518, FY 2018 Appropriations Act, as it Affects Older Vermonters, Family Caregivers and the DAIL Budget

We focus our concerns on the potential reduction or elimination of state and federal funds that are essential to the maintenance of services that support Vermont's policy objectives in serving the fast-growing population of individuals over the age of 60 who wish to live at home. These include not only the services provided directly by the Area Agencies on Aging (AAA), but also those delivered by our community-based providers.

## A. The State and Federal Cutting Process Undermines the Stability and Capacity of Potentially Affected Community Partners to Deliver Services and Retain Staff.

The House Budget, H.518, aggravates the uncertainties attending the impending federal budget decisions by delegating to the executive branch the authority to reach budget reduction targets by selecting from grants to community partners. See, Sec. B.1103 \$1,250,000 in General Fund/year for FY 2018 and 2019. It is unclear to what extent the general fund reduction to these grants would also include a loss of federal match, resulting in increased loss of services to vulnerable older adults and their caregivers.

### 1. Potential AHS Cuts to Community Partner Grants

- The Low-Income Home Energy Assistance Program (LIHEAP) GRANTS TO AAA: Area Agencies on Aging assist people to apply for LIHEAP each year. This cut would mean reduction in our staffing and fewer people applying for or receiving this valuable assistance, leaving them to seek crisis fuel or go without heat in the winter.
- **DEMENTIA RESPITE GRANTS to AAAS:** 95% of this grant goes directly to supporting those who care for people with dementia, which is rapidly becoming a major public health crisis. Giving the caregivers a break may make the difference in their ability to keep their loved one at home rather than in a nursing facility, which is more expensive and not what people want.
- **GENERAL AAA GRANTS:** The AAA receive variety of state grants to support meals on wheels, case management, working with people who are self-neglecting, etc. Given sequestration and other cutbacks, any further cuts will seriously erode our ability to continue to provide services.

- ELDER CARE CLINICIAN: This supports the mental health agencies to provide clinicians to work with older Vermonters who are experiencing mental health issues, grief, loss or anxiety, in their homes. The grant hasn't increased since inception, yet the need continues to grow, as our population ages. If this program is lost or cut severely, we can expect higher utilization of nursing home care, as many frail elders with mental health conditions would be unable to remain at home.
- **MEDICAID AND 3SQUARES:** Similar to LIHEAP, the AAA receive a grant from the state to assist older Vermonters with applications for these programs, both of which provide needed funding and/or services for low-income seniors. These grants may have some federal funding included in them.
- **RETIRED SENIOR VOLUNTEER PROGRAM.** This program supports several AAA and other non-profits to recruit and train volunteers to fill the gaps in many areas of need, including transportation, exercise programs, home assistance, meals on wheels drivers, meal site assistance, etc.

#### **B.** The Choices for Care Budget Should Include Actual Proposals to Achieve Parity in the Provider Reimbursements for Home and Community Based Providers and Institutional Care Settings.

- H.518 includes language in Section E.308.1 (c), directing DAIL, JFO and interested stakeholders to analyze wage levels for home and community based service providers in Choices for Care as compared to market rates and develop a process for calculating wage increases for providers and report to the Legislature in January 2018. In addition, in subsection (d), DAIL is charged with proposing that the Choices for Care Program be codified in the Vermont Statutes Annotated, to address "issues of parity among care providers and care settings in the Choices for Care program."
- This legislative directive does not go far enough and should direct DAIL to specifically state what steps should be taken within the Choices for Care budget to arrive at parity among the providers within the Choices for Care program and a timeline for achieving, together with the costs, of this result.

### The Choices for Care Budget Should Include an Amount that Supports the Inclusion of Home Delivered Meals as a Covered Service Under Choices for Care.

• Given the irrefutable evidence of the importance of nutrition for older Americans to remain healthy and to live in their communities, Vermont needs to include home delivered meals in its long-term care global commitment waiver. It is important to remember that nutrition services are already covered for individuals in more restrictive settings, such as nursing homes, because it is built in to their rates. It not only makes no sense from a policy perspective to treat individuals who choose to live at home differently but also discriminates against them; they are not treated equitably.