

Testimony of Acting Secretary Robin Lipson
Executive Office of Elder Affairs
Joint Hearing of the House and Senate Committees on Ways and Means
March 11, 2019

Good afternoon Vice Chair Garlick, Senator Rush and distinguished members of the Joint Committee on Ways and Means. My name is Robin Lipson and I am the current Acting Secretary of the Executive Office of Elder Affairs (EOEA). Thank you for the opportunity to provide testimony on Governor Baker's recommended Fiscal Year 2020 (FY20) budget for the programs and services administered by the Executive Office of Elder Affairs (EOEA).

The Executive Office of Elder Affairs promotes the independence, empowerment, and well-being of older adults, aging individuals with disabilities, and their caregivers. Our vision is that older adults and their caregivers will have access to the resources they need to live well and thrive in every community in the Commonwealth. EOEA is the Commonwealth's designated agency on aging, receiving federal funding from the Older Americans Act, as well as state funding. EOEA uses these funds to provide programs, including State Home Care, Adult Protective Services, Assisted Living Certification, as well as Nutrition and Supportive Housing Programs. In order to provide these services across the Commonwealth to all residents, we work closely with fellow state agencies, as well as partners in the aging network including the regional Area Agencies on Aging, the 26 Aging Services Access Points, and the 350 local Councils on Aging.

Governor Baker's budget strongly supports EOEA's ongoing work and mission, while providing new resources to address the opportunities and challenges created by a rapidly aging population. House 1 maintains the increases included in the Fiscal Year 2019 GAA and proposes a 1.32% increase, representing an added \$7,236,176 for the Executive Office of Elder Affairs in Fiscal Year 2020.

As many of you may know, in April 2017, Governor Baker signed Executive Order 576 to establish the Governor's Council to Address Aging in Massachusetts with the goal of thinking differently and innovatively about our aging population. In their first two years of work, through expert panels, listening sessions, and workgroups, the Council heard about the benefits and potential obstacles to aging well in Massachusetts, including:

- Massachusetts' population over the age of 65 will increase from 15% in 2015 to an expected 21% in 2030 and older people are the fastest growing segment of our population. Additionally, between 2010 and 2030, the number of residents over the age 85 will increase by more than a third.
- In terms of economic security, according to a report by UMass Boston's Gerontology Institute, 61% of single older residents of Massachusetts live below the Elder Economic Security Index and 1 in 3 low-income older residents of Massachusetts spend over 20% of their income on health care.
- The ability to get to medical appointments and other locations in the community is incredibly important to remaining independent and connected. We learned from AAA's study on Senior Driving that older adults across the United States are outliving their ability to drive safely by an average of 7-10 years, a fact that heightens the importance of transportation options.
- We are also ever cognizant of the increasing concerns regarding behavioral and mental health across the age continuum. The 2018 Massachusetts Healthy Aging Data Report notes that 3 in 10 older residents have been diagnosed with depression and 6% of residents over the age of 65 are living with some form of substance use disorder.
- We confirmed that nearly everyone will be a caregiver at some point in their lives and this has an impact beyond the family unit. The Harvard Business School recently released a report about the impact of caregivers in the workplace to both the employee and employer. Almost a third of workers—and more senior executives—say their careers have been adversely affected by caregiving obligations.

- We also confirmed the importance of housing and supportive onsite services that allow older residents to age and thrive in the communities where they live. We learned that according to a recent study by the University of Pennsylvania the number of adults over the age of 65 experiencing homelessness in the City of Boston will almost triple in the coming years, growing from roughly 570 in 2017 to an estimated 1,560 by 2030.

After listening, learning and discussing these issues, in December 2018 the Governor's Council to Address Aging in Massachusetts released 28 recommendations with dozens of corresponding action steps within a framework that helps us to think differently about aging in Massachusetts. The framework used by the Council focuses on ensuring that Massachusetts remains a great place to grow up and grow older together with three principles woven throughout:

- Strengthening access, equity and inclusion,
- Leveraging innovation and technology, and
- Always listening to community and resident voices.

The framework, which I will refer to throughout this testimony, sets out an aspirational future for Massachusetts to:

- Ensure Access and Affordability of Services;
- Improve Economic Security;
- Promote Age-Friendly Communities; and
- Facilitate Connection and Engagement.

Ensure Access and Affordability of Services

As with our fellow EOHHS agencies, EOEa is committed to ensuring access and affordability of services. I will focus on two programs, the State Home Care Program and the Adult Protective Services Program, which are vital in supporting our families, friends and neighbors as they age in the community. As our demographics continue to shift to an older population with a diverse set of needs, both of programs require additional funding to meet increased acuity and ensure access and affordability.

State Home Care Program – The State Home Care Program currently serves approximately 46,500 consumers every month and plays a critical role in supporting individuals as they age safely in their communities. We have six different programs to account for differences in clinical care needs and income eligibility. EOEa contracts with 26 not-for-profit agencies, Aging Services Access Points (ASAPs) that are responsible for determining eligibility and for arranging and monitoring home care services, as well as administering a variety of other programs and services to support older people and their caregivers. Home care services may include personal care, homemaking, medication management, falls prevention, and a variety of other interventions. We estimate that 36% of the consumers served in our home care program are currently at a nursing facility level of care. By ensuring that the necessary services are delivered in the home, consumers spend an average of 2.5 years longer in the community after being determined clinically eligible for a skilled nursing facility.

House 1 includes \$4.3 M for the Community Choices program for MassHealth eligible consumers, which represents a 2% increase over FY19 anticipated spending. This increase supports the rising acuity of existing consumers, such as additional behavioral health needs and the need for 24-hour care. EOEa projects it will serve 8,200 unduplicated consumers through the Community Choices Program in FY20. Community Choices consumers have an average service plan that costs less than \$3,000 per month compared to the average MassHealth cost of a nursing facility of \$6,300 per month. Additionally, EOEa is requesting an additional \$1.9 M for the State Home Care Program over the FY19 anticipated spending due to projected caseload growth. We are projecting the Home Care Basic programs will grow by 0.7% and the Enhanced Community Options Program (ECOP) will grow by 3.6% in FY20.

We understand that due to demographic shifts and the increase in options for long term care, the nursing home industry faces challenges. We also know that nursing homes remain an important part of the continuum of long-term care services offered. EOEA is committed to partnering with our fellow EOHHS agencies and stakeholders in efforts to design and roll out long term reforms to the nursing home industry.

Protective Services Program – As more people age in the community, including an increase in residents living with dementia, the Adult Protective Services Program is critical to promoting the safety and security of older residents. EOEA is requesting an additional \$1.1 M for the program, which represents a 4% increase over FY19 GAA. This increase supports the additional 6.5% reports received in the Adult Protective Services program and a 3.4% increase in active cases in the Money Management Program, which helps older adults manage their finances and prevent financial exploitation. Case increases are due to both an aging population and to an improved reporting system which began with the introduction of the Central Intake Unit in July 2017. Once the Intake Unit receives a report, each of the 20 Protective Services Agencies across the Commonwealth are responsible for screening reports, conducting investigations, and developing a service plan to alleviate the abusive situation. EOEA projects the number of reports of abuse will increase from 36,676 in FY19 to nearly 39,060 in FY20. We also project that the program will complete approximately 1,154 more investigations in FY20 resulting in an estimated 11,281 substantiated cases. This past year, EOEA implemented a new training program for the Protective Service investigators on a tool to evaluate decisional capacity, these trainings will continue in 2019 and provide an important foundation when assessing for elder abuse or exploitation. I am also very pleased to note that the proposed increase in funding for protective services continues the Administration's investments in strengthening the program, investments that have resulted in the most sweeping improvements in the program's history and the highest funding ever.

Health and human service workers make up the largest occupational group in the Commonwealth and continue to be a major economic driver. However, we know that recruitment and retention of a qualified, well-trained workforce continues to be a challenge. These issues remain a priority for EOEA and our partner agencies in order to ensure we all have the opportunity to age in the communities of our choice with the support of programs, such as home care and protective services that rely on direct care workers.

Improve Economic Security

As we are living longer and the cost of living is rising, there is an impact on the long term economic realities for all residents. Health care, including prescriptions and co-payments, as well as housing are large contributors to individual economic security in Massachusetts. EOEA and our partners offer programs and services to help improve financial circumstances.

Prescription Advantage – The Medicare Part D coverage gap, often referred to as the “donut hole” has been narrowing each year since the Affordable Care Act was passed in 2010. This gradual closure has had a direct effect on Prescription Advantage's contribution for member cost sharing (pharmacy co-payments). This gradual closure means it takes longer for Prescription Advantage members to reach the gap, therefore Prescription Advantage co-pay assistance may not begin until later in the year. As a result, the Prescription Advantage Program has a proposed 10.9% decrease from the Fiscal Year 2019 GAA. Even with the reduced need, EOEA projects it will serve 37,680 consumers through the Prescription Advantage program in Fiscal Year 2020.

Medicare Saving Program Proposal – The Governor’s budget includes a proposal in MassHealth which will improve the economic security for older residents who currently spend large portions of their income on health care. Under the Medicare Security Program (MSP), MassHealth and the federal government share the cost of assisting older adults with premiums and out-of-pocket costs in Medicare Parts A and B, which cover hospital and medical services. MSP participants automatically qualify for federal subsidies for Medicare Part D drug coverage, which eliminate premiums, deductibles, and most cost-sharing (including elimination of the “donut hole”) for low-income older residents. Overall, approximately 40,000 older people will benefit from this expansion.

Housing – Housing is a vital component of an individual’s economic security. EOEa administers two programs that provide supportive services in housing, and the Governor’s Fiscal Year 2020 budget maintains funding for both the Supportive and Congregate Housing Programs. A study by LeadingAge found that people living in senior housing across the United States with an available service coordinator were 18% less likely to be admitted to the hospital than people living in a community housing without a service coordinator. The Supportive Housing Program funds resident service coordinators in 41 sites across the Commonwealth and offers a range of comprehensive 24/7 services, including care coordination, personal care, housekeeping, meals, and shopping. The Congregate Housing Program is available at 43 locations largely operated by public housing authorities and provides a shared living environment with services for residents. Additionally, the Governor’s Budget maintains funding for an elder homeless placement program to directly assist at-risk older residents. EOEa also certifies Assisted Living Residences (ALRs), including those with memory care units, which creates a continuum of housing with services for residents.

Promote Age-Friendly Communities

The Governor’s budget recognizes the value and importance of communities across the Commonwealth in supporting each of us as we age. Through age- and dementia-friendly communities, we see opportunities for residents to remain active and engaged members of the communities where they have worked, raised their family, and are now growing older. Age- and dementia-friendly communities aim to better the community for people of all ages, including improved transportation, housing options, parks and outdoor spaces, and community and health services, as well as the promotion of employment and volunteer opportunities and social activities and events. These communities encourage respect for older people and their knowledge, skills, resources, and contributions. Through statewide efforts, the Administration continues to promote age- and dementia-friendly initiatives throughout the Commonwealth.

Councils on Aging – The backbone of age- and dementia-friendly communities are the 350 local Councils on Aging (COAs) which offer a community focal point for social and supportive services for older adults, families and caregivers in the cities and towns across the Commonwealth. The Administration has committed to continuing to support local municipalities at \$12 per older resident.

I am pleased to report that the Commonwealth has also taken two significant non-budget related steps in promoting age- and dementia friendly communities.

Community Compact Best Practices – In Fiscal Year 2019, the Baker-Polito Administration introduced a new best practice area for the Community Compact Program, Age and Dementia Friendly Best Practices. This program directly supports cities and towns across the Commonwealth as they start or expand age- and dementia-friendly initiatives.

Age-Friendly State Designation – In January 2018, Governor Baker announced that Massachusetts was the second state in the nation to be accepted into AARP’s Network of Age-Friendly States and Communities. After a year of planning with stakeholders, the Commonwealth, along with our partner organizations submitted a multiyear statewide action plan. This plan strategically supports, aligns and coordinates local, regional, and statewide efforts to make every part of the Commonwealth a great place to grow up and grow older together.

Facilitate Connection and Engagement

The final pillar of the framework is to facilitate connection and engagement. Recent studies report that loneliness and social isolation are as significant health factors as obesity and smoking. EOEA administers programs that impact engagement, as well as partners with other agencies to ensure that older residents have the tools and resources to remain engaged in their community through work or volunteerism. Both the EOEA Nutrition Program and the Geriatric Mental Health Program directly facilitate connection and engagement and reduce loneliness and social isolation.

Nutrition Program – Governor Baker’s budget proposes an additional \$2.4 M for the Nutrition Program, which has seen an increase in demand coupled with an increase in operational costs due to rising wages, higher material costs for raw food products and produce, and overall improved offerings for cultural and dietary needs. The average cost per fresh catered meal will rise from the longstanding \$6.24 per meal to \$8.36 per catered meal in FY20. In addition to the increase in the cost per catered meal, we also anticipate that more older residents will turn to their local Councils on Aging for meals at a congregate meal site. We project the program will provide an additional 290,000 meals in FY20 to support not only food security but facilitate connection and engagement for many older residents. This funding increase is vital for EOEA to continue to meet the nutritional needs of older adults across the Commonwealth.

Geriatric Mental Health – Governor Baker’s budget proposes reinstating a former account for Geriatric Mental Health Services. The \$500,000 proposed has been earmarked in the DMH budget for the past few fiscal years and successfully supports the five Elder Mental Health Outreach Teams (EMHOTs). EMHOTs increase access to mental health services for older adults who are isolated at home, living in difficult situations and likely not served by the existing behavioral health system. The program features close collaboration between behavioral health clinicians and community outreach staff who conduct mental health screenings.

Conclusion

Governor Baker’s recommended Fiscal Year 2020 budget enables EOEA to continue to efficiently and effectively meet the needs of older residents and their caregivers across the Commonwealth. By ensuring access and affordability of services, improving economic security, promoting age- and dementia friendly communities, and facilitating connection and engagement, we believe that Massachusetts will continue to lead the country in policies, programs and services for older people. By increasing funding to the Nutrition Program, sustaining and supporting ongoing enrollment in the State Home Care Program, and supporting increased caseloads for the Adult Protective Services Program, the Governor’s budget promotes choice and ability to age in community. By maintaining funding for key programs, such as, Councils on Aging, housing with services, and Geriatric Mental Health, the Governor’s proposed budget ensures that EOEA’s vision becomes a reality – the vision that older adults, aging individuals living with disabilities and their caregivers will have access to the resources they need to live well and thrive in every community in the Commonwealth. Through this proposed budget and our work across the state, we continue to celebrate that we are an aging society. Thank you.