

As the General Assembly works to enact a budget for FY 2011-12, many decisions that directly impact older Pennsylvanians must be made. It is a formidable task during these difficult economic times to fund the many needs of the Commonwealth with scarce resources. Please understand that older Pennsylvanians with limited income have suffered disproportionately in this economy and are ill equipped to endure further sacrifices. Older adults with multiple health problems are at particular risk of experiencing adverse effects if the final budget does not adequately help address their basic needs. CARIE encourages the use of the budget surplus to mitigate some of the proposed cuts. In fact, prudent use of surplus dollars will help save Pennsylvania money. Here are a few issues of concern that we hope you will consider:

Aging Waiver

Pennsylvania's Aging Waiver provides home and community-based services to older Pennsylvanians aged 60 and over who are otherwise medically and financially eligible for Medicaid-funded nursing home care. Pennsylvania ranks just 44th nationally in Medicaid spending for alternatives to nursing homes to help older adults live independently. The Aging Waiver program is a critical resource for Pennsylvania to use in its rebalancing efforts. Governor Corbett proposes capping this program even though there is growing need for these services. Further, under the Governor's proposal there will be a waiting list for the Aging Waiver program for the first time next fiscal year. Even more alarming are proposals being discussed in the legislature that would cut the program by 1,000 slots or more. Although Pennsylvania is making progress on rebalancing its long term system of care, inadequate access to the Aging Waiver will cause some consumers to seek nursing home placement as an alternative to getting care at home. Funding the Aging Waiver to keep pace with the growing aging population is essential to maintain the positive trend of rebalancing and to reverse the institutional bias that currently exists in Pennsylvania. Home and community-based care is more cost effective for the state and preferable for consumers. **CARIE recommends funding the Aging Waiver to keep pace with the growing need or at a minimum, the amount proposed by the Governor.**

Options Program

The Options program provides older Pennsylvanians who are not eligible for Medicaid with much needed home and community-based care. These services often prevent or delay a decline in the individual's level of functioning that ultimately prevents or delays his or her need for Medicaid. In some cases, because of inadequate funding, AAAs are not able to address potentially dangerous situations or provide care to prevent deterioration in health that results in the need for more costly care. **CARIE recommends increasing funding for Options by at least \$10 million in Lottery dollars to help reduce or eliminate waiting lists in many counties.** The Governor's 2011-12 budget projects over \$100 million in the Lottery Fund's ending balance, some of which should be used to eliminate waiting lists without spending tax dollars or jeopardizing the Lottery Fund.

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Transportation

The House budget proposes a \$1 round trip co-pay for Medicaid transportation. Medicaid recipients can only use Medicaid transportation for transport to non-emergency medical appointments. On average, older adults comprise slightly over 25% of Medicaid transportation riders. Even though a \$1 co-pay may seem reasonable to some, it will present a problem for low-income riders who have multiple medical appointments in a month. For example, individuals on dialysis or those undergoing treatment for cancer often need to travel three times per week or more for treatment. According to the American Cancer Society, transportation is consistently identified along with financial assistance as the first or second most important patient need. The one-dollar co-pay could prove prohibitive to consumers getting the treatment they need, which could therefore cost the state more if as a result their health deteriorates and leads to hospital or nursing home care. **CARIE recommends abolishing the \$1 co-pay or capping out-of-pocket costs to no more than \$3 per month.**

Dentures

The Governor is proposing cutting Medicaid coverage for dentures. Having teeth is essential to proper nutrition. While statistics show that people are keeping their own teeth longer as they age, 20% of those age 65-74 and 34% over the age of 85 do not have their natural teeth. Many residents in nursing facilities rely on Medicaid coverage to cover the costs of dentures. Without coverage for dentures, those without teeth will be relegated to a lifetime diet of pureed foods, potentially compromising their nutritional needs. The lack of teeth could also compromise the economic security of elders who depend upon employment to meet their financial needs. Age discrimination exists in the workplace. According to the Urban Institute, only 18% of people over the age of 62 are likely to find employment within a year once laid off from a job. Not having teeth would make it difficult to gain employment, even for low wage job opportunities. **CARIE recommends continued coverage of dentures.**

LIFE Program

The Living Independently for the Elderly (LIFE) program combines Medicare and Medicaid funding to provide older adults comprehensive health and long term services and supports, which allows them to live at home and avoid nursing home placement. Nationally, the program is known as the Program of All-inclusive Care for the Elderly, or PACE. Adult Day Services are a critical component to the success of the LIFE program. In Pennsylvania, LIFE began in 1998 and since that time has offered an important alternative to nursing home care. The Governor proposed an increase in funding for the LIFE program. However, the House's proposed cut of about \$26 million in state funds would jeopardize the care of LIFE consumers and the viability of the program. **CARIE supports the Governor's budget proposal for the LIFE program.**

Tobacco Settlement Fund

CARIE participated in the thoughtful open process that occurred during the Ridge Administration to determine how Pennsylvania should use the annual revenues from the tobacco settlement. The Tobacco Settlement Act (Act 77 of 2001) rightly established that funding be dedicated to health related purposes. **CARIE opposes moving tobacco settlement revenue to the General Fund.**

Human Services Development Fund

The Human Services Development Fund is an important financial resource that counties use to fill gaps in their budgets. **CARIE hopes that the final budget will reflect a restoration of funding for the Human Services Development Fund** and that it will not eliminate funding as proposed by Governor Corbett.

About CARIE

CARIE is a non-profit organization providing free education, consultation and problem-solving services for older adults and family caregivers, training for professional caregivers, and systemic advocacy on behalf of vulnerable elders since 1977. Each year CARIE helps several thousand older persons understand benefits and rights, assess options and access services to improve their health and well-being.

Thank you for any assistance you can provide to help older Pennsylvanians. Should you have any questions or need additional information, please contact CARIE's Executive Director Diane Menio at (267) 546-3434 or menio@carie.org.