

House Aging and Older Adult Informational Hearing

On Hold Harmless

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Provided by

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Good Morning. I would like to thank Chairperson Hennessey and Minority Chairperson Samuelson for the opportunity to speak about Hold Harmless and the impact it has had and continues to have on the older residents of Monroe County.

My name is Patty Fretz and I am the Administrator for the Monroe County Area Agency on Aging. Monroe County AAA is a county agency that employs 31 staff and the operating budget is \$2,707,642, of which \$1,655,963 is from Lottery funds.

Hold Harmless has been a topic of conversation within the Pennsylvania Association of Area Agencies on Aging for years. It is easier for those counties who have had tremendous population growth to advocate for eliminating the Hold Harmless legislation. And it is difficult, even impossible for counties with decreasing population growth to agree with this elimination. However, at the very least, there needs to be a consensus on a new formula that accurately reflects the major population shifts that have occurred in the two decades since the "hold harmless" provision was adopted by the General Assembly. Lottery and Older Americans Act dollars must be distributed in a manner that will guarantee that Pennsylvania seniors have uniform and equitable access to services, no matter where they reside in the Commonwealth.

Hold Harmless is helpful for the Area Agency on Aging network as a whole. The total allocation should be held harmless for the Area Agencies on Aging network but the amount that each AAA receives should be adjusted regularly as the population changes. This would insure that the AAA network would never lose money but the allocation for each AAA could be adjusted as their population changes.

When I think about eliminating Hold Harmless totally, it brings concerns to mind. At least in 2012-13 \$251,275,475 of Lottery funds were allocated for the 52 AAAs. It was in the 2006-07 state budget that Lottery revenue was first used to supplement the PA Department of Public Welfare's Long Term Living Services. Prior to that year welfare services were funded by the general fund. This past year (2011-2012) \$178,438,000 was budgeted from the State Lottery for services through the DPW. Without some type of guarantee for the funds for AAAs as a whole, in the future these funds could be reallocated to different departments within the Commonwealth essentially reducing the funding to Area Agencies on Aging.

Due to the proximity to New Jersey and New York, many older adults have chosen or their family has chosen to relocate in Monroe County resulting in an increased demand for services. The 2010 census shows that the total population of Monroe County was 169,842 and the over 60 population was 31, 534 which was an increase of 38.6% since 2000. The over 85 population was 2,348, an increase of 49.5% in the same 10 years. By the year 2015 the over 85 population is expected to grow another 12.75%. Counties seeing a decrease in their over 60 population continue to receive the same amount in their PennCare (Lottery) funding. As you know, this is due to the Hold Harmless.

The allocation formula for the distribution of funds to each Area Agency on Aging is based on a formula that was approved by the Administration on Aging in 2004. The formula

included 60+ in poverty, 60+ rural, 60+ minority, 75+ and 60+. Despite the fact that the population of Monroe County increased, our budget increased very little because there was very little new money available. Because Hold Harmless states that no AAA may receive less state funding than it received in the preceding year, those counties that lost population continued and continue today to work with a larger per capita budget to serve older residents. Based on the 2012-13 block grant allocation, Monroe County is funded at the rate of \$52.51 per person over the age of 60. The funding across the state ranges from a low of \$40.68 to a high of \$216.80 per person over 60. Bucks and Chester are at the bottom of the list. Monroe County receives less funding for each older adult that lives in Monroe County than almost any other county in the state.

When the Center for Medicare and Medicaid Services (CMS) reviewed Pennsylvania's Medical Assistance Waiver Programs a few years ago, one of their concerns was consistency across all counties in providing the same services to individuals with the same needs within the Medical Assistance Waiver Programs. Pennsylvania should follow CMS's lead regarding consistency within their state funded services. This does happen in the Waiver Programs which is a medical assistance funded program, but not in the Lottery Funded Services due to Hold Harmless.

The needs of our older population that we serve continue to grow. Monroe County's waiting list continues to grow. The Area Agencies on Aging's "Options Programs" are funded through the PA Lottery and provide home and community based services to older residents. These services include but are not limited to: home delivered meals, congregate meals and senior community center services, volunteer services, transportation, legal assistance, Protective Services, ombudsman, information and referral and personal care. At one time

Monroe County AAA was able to offer respite care and home support (homemaking service), however we had to make decisions when funding did not keep up with the population growth and we chose providing more people with personal care services and eliminated home support and respite. We are not accepting new guardianship responsibilities because of the cost of providing this service.

Besides not offering respite care and home support the Monroe County Area Agency on Aging does not provide counseling, Home Health, home modifications, Medical Equipment/Supplies/Assistive Devices, domiciliary care, and little in the way of outreach and or overnight shelter. Some other AAAs in the Commonwealth are able to offer these services.

Lottery funded AAA services prevent the need for the more costly services. For example by providing proper nutrition or a medical alert system, it can keep older residents in their own homes rather than having to relocate to a more costly facility. This is where older residents want to be, in their own homes. When AAA's have waiting lists, many older residents find themselves unable to receive the services they need to keep their situation stable.

Waiting lists are not the true indicator of those needing services. Many times, the older resident needs services, such as personal care or home delivered meals after a hospitalization. They need the help at that time not necessarily 6 to 12 months down the road when funds become available if they ever become available. For this reason many people do not want to put their name on a waiting list.

In conclusion, all older residents of Pennsylvania should be able to receive equitable and consistent services when needs are identified regardless of the county in which they live. Hold Harmless as it is today does not allow this to happen.

Thank you for allowing me to speak today.