

RE-INVEST FUNDING IN THE OLDER CALIFORNIANS ACT

The Older Californians Act created a variety of innovative and effective programs that are critical to the delivery of services to older adults and people with disabilities. Despite their proven success, *all* State funding was eliminated during the State budget crisis over one decade ago. This recommendation calls for the reinvestment of the programs that were previously funded. The recommendation also encourages funding for programs within the act that never received funds.

OVERVIEW of the COMMUNITY BASED SERVICE PROGRAMS AND THEIR IMPACTS

- **Linkages: Re-invest Funding at \$9 million**
The Linkages program provides limited case management and options counseling to functionally impaired adults who are at risk of institutionalization. Linkages clients did not need to be eligible for Medi-Cal, but historically many of them were or very close to spending down and becoming Medi-Cal eligible. Clients who aren't eligible for programs such as MSSP, APS, and other organizations serving at risk adults are typical sources of referrals. Before funding was eliminated, Linkages was provided through 36 sites throughout the State and served an estimated 5,600 individuals at an average per client cost of \$1,400 annually.
Linkages was previously funded at \$7.9 million per year.
- **Respite Purchase of Services: Re-invest Funding at \$500,000**
The Respite Purchase of Services Program provides immediate temporary relief to caregivers of frail elderly or functionally impaired adults who are at risk of institutional placement and aren't receiving respite services from other programs. Historically, some 700 families received short-term respite services with nearly 18,000 hours of care provided. Elimination of this program denied critical respite for those individuals or families who were exhausted from caring 24/7 for a functionally impaired family member.
Respite Purchase of Services was previously funded at \$317,000 per year.
- **Alzheimer's Day Care Resource Centers: Re-invest Funding at \$4.5 million**
The ADCRC program provides licensed Adult Day Care (ADC) and Adult Day Health Care (ADHC) centers with funds to support an enhanced infrastructure (specialized staffing, training, education and caregiver support systems) required to meet the needs of persons with moderate to severe levels of dementia. These clients have complex behavioral issues that require more intensive levels of supervision and hands-on care. There were once 56

ADCRCs in California that served approximately 3,200 frail older persons at an annual per person cost under \$2,000 per year. Approximately 33 percent of the clients had severe cognitive impairment, 38 percent were 85 or older and over 33 percent poor. The elimination of this program resulted in many clients being placed in an institution or nursing facility, at the cost of \$85,000 or more per person. If each center averts Skilled Nursing Facility placement of just two Medi-Cal eligible individuals per *year*, the program more than offsets the State's related expenses. Averting the placement of just three such persons in an entire year provides a net savings to the state of over \$2.5 million. Historically, it is estimated that 25% of program participants fell into this category.

ADCRC's were previously funded at \$3.8 million per year.

- **Brown Bag: Re-invest Funding at \$600,000**

The Brown Bag Program provided food to some 27,000 low-income seniors at 600 Brown Bag sites throughout California. Nearly 675,000 bags of food were distributed annually. While the Elderly Nutrition Program provides daily meals, the Brown Bag Program provided staples that were used throughout the week. The distribution of food was arranged by the area agency on aging and its subcontractors, utilizing 25 providers and nearly 3,900 volunteers. Every state dollar invested the program leveraged another \$40 dollars from the local community. Eliminating the Brown Bag Program resulted in over \$21 million dollars of food and services being taken away from seniors – seniors who were living independently and struggling to meet their nutritional needs.

Brown Bag Programs were previously funded at \$541,000 per year.

- **Senior Companion: Re-invest Funding at \$400,000**

The Senior Companion Program engages senior volunteers to provide supportive services and assistance to at-risk older persons. The volunteers were a vital support system, allowing the older client to remain in the community. For a small stipend these volunteers were also a resource to many other home and community-based programs, helping the homebound client with chores, housekeeping, and shopping. Elimination of the Senior Companion Programs resulted in the closure or downsizing of existing programs, with hundreds of frail adults being isolated and at losing the assistance with many tasks related to their health and safety. The elimination of the State funding also took away the supplemental income the volunteers (all were required to be low income) were receiving from the program

stipends. The loss of these volunteers resulted in new individuals becoming IHSS consumers, or needing an increase in their IHSS hours.
Senior Companion Programs were previously funded at \$317,000 per year

AREA AGING ON AGING BASELINE ALLOCATIONS (invest \$3.3 million)

The Older Californians Act provides zero state funds for the basic operation of AAA oversight duties and responsibilities. It does establish a \$50,000 per year baseline distribution of federal dollars, plus a complex formula for how other federal funds are allocated. No adjustment to this baseline allocation has ever been made since its original establishment in the last century.

The combination of exponential growth in the older adult population, increased cost of doing business, and new opportunities (such as leading efforts to create Age-Friendly Communities), plus the development of California's Master Plan for Aging, AAAs need to be strengthened now more than ever. It is therefore recommended that the State of California increase the \$50,000 baseline allocation to each of the 33 AAAs by \$100,000 each (for a total of \$150,000 each, and a cost to the State of \$3.3 million per year. Relatively small programs within the AAA network (Ombudsman) have received General Fund augmentations to bring them to a minimum of \$100,000 per program. This increase would be consistent with recent actions in older adult program operations, and is critical to AAA operations and leadership.

The Older Californians Act (OCA) also provides guidance for other senior programs, including Home Delivered Meals, Senior Legal Services, Information and Education, Senior Wellness, Home Modification, and Senior Volunteerism, among others. The OCA discusses the creation of single points of entry, breaking down funding silos, and injury prevention as integral parts of a coordinated system of health and wellness. All of these programs and ideas could further reduce other state costs, but no historical funding was ever provided for them under the OCA. Providing budget control language that establishes block grants for these programs would create the flexibility for local communities to use these funds innovatively and integrate them with other local networks of care, and I would recommend such action as well.

PROGRAMS NOT FUNDED WITHIN THE ACT

Senior Volunteerism: Invest \$1.8 Million

Volunteers are the heart and soul of many community programs, and are part of the model of keeping older adults engaged with their community. These volunteer

engagements are not only critical to the success of the programs being served, but counter loneliness and isolation of those volunteering. Loneliness and isolation has been estimated to have health care costs equivalent to smoking half a pack of cigarettes per day. The OCA includes a volunteer component, but it has never been funded, despite several programs being designed to operate via a highly trained volunteer workforce! 10% of these funds would be allocated to the California Department of Aging to develop oversight and reporting guidelines to this new program. The balance would be distributed equally among the State's 33 Area Agencies on Aging.

FINAL OVERVIEW

The TOTAL investment of only \$20.1 million in this proposal will restore and augment critical services to older adults to a level that brings effective programs back at an adjusted for inflation level, with the addition of two areas critical for success; strengthening Area Agencies on Aging, and increasing senior volunteerism. Many (if not all) of these funds will reduce state costs and create revenue positive investments. Equally important, these investments will improve the quality of life for Older Adults throughout the State of California and support Governor Newsom's goals in his creation of a Master Plan for Aging.