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Update on Federal Aging, Disability, & LTSS Policy

Autumn Campbell, HCBS Conference

August 29, 2018



Connecting You to Community Services



Aging and Disability
BUSINESS INSTITUTE

Connecting Communities and Health Care



Planning and Capacity Bdg.



Aging and Disability Partnership

for Managed Long-Term Services and Supports

Discussion Topics

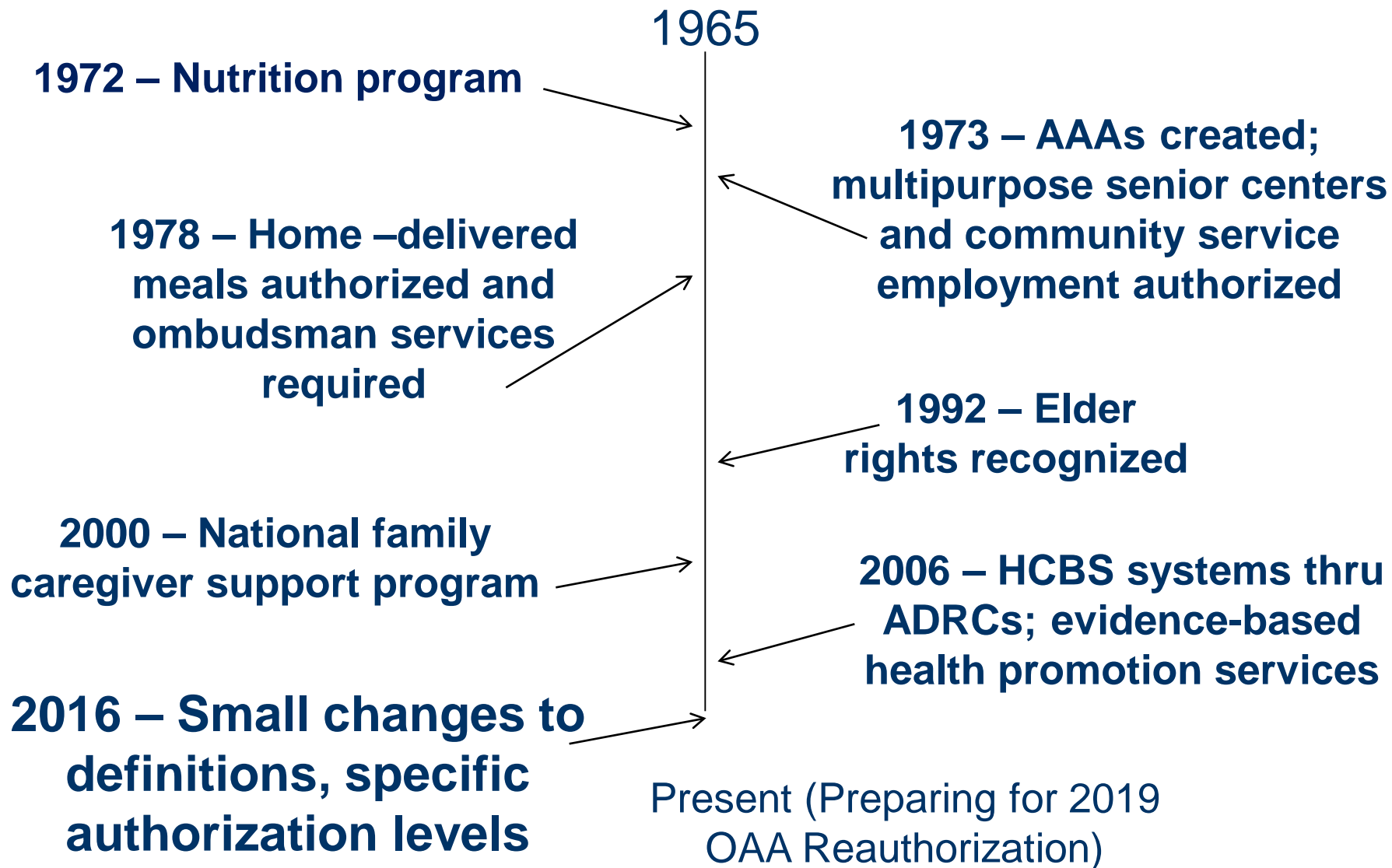
- Older Americans Act Reauthorization
- Federal Budget and Funding for Aging Programs
- Emerging Opportunities in Health Care
- A Look Into the Crystal Ball

Older Americans Act of 1965, P.L. 89-73, July 14, 1965



Lyndon Johnson signing the OAA, July 14, 1965.

Timeline of Major Amendments



Funding and Coordination of the Aging Network



Nationwide Network with a Local Flavor

- In 2017, there are 622 AAAs serving older adults in virtually every community in the nation.
- In a few small or sparsely populated states, the state serves the AAA function.
- The OAA is foundational for all AAAs, but **because the law calls for local control and decision-making, AAAs adapt to the unique demands of their communities** to provide innovative programs that support the health and independence of older adults.

All AAAs offer five core services under the OAA:



includes abuse prevention and long-term care ombudsman programs

The average AAA offers more than a dozen additional services. The most common non-core services offered by AAAs are:

- Insurance Counseling (85%)
- Case Management (82%)
- Senior Medicare Patrol (44%)

Older Americans Act Reauthorization


(current law expires Sept. 30, 2019)

n4a Process on OAA

- **June-August:** Preparatory phase—hearing from the field; developing high-level approach
- **July-August:** Comprehensive survey of n4a members
- **Currently:** Review survey results, develop initial priorities.
- **November 6:** Election will inform specific advocacy strategy
- **Early 2019:** Release n4a OAA reauthorization priorities to new Congress and start advocating!

Coalition Process on OAA

- **May-August:** Leadership Council of Aging Organizations (LCAO) reviewing 2011 coalition priorities
- **September-October:** n4a taking a leading role in negotiations to determine and elevate priorities among the 72-member coalition
- **November-January:** Approve comprehensive list of LCAO priorities and identify top few to highlight for the Hill. Determine coalition advocacy strategy.
- **Early 2019:** Release LCAO OAA reauthorization priorities to new Congress and start advocating!



CALLING
ALL
n4a
MEMBERS!

If you're a AAA or Title VI director, and your agency is a member of n4a, don't forget to fill out our **Older Americans Act Reauthorization Survey by August 10.** We want your input on n4a's reauthorization priorities!

Go to www.n4a.org/OAAsurvey no later than **August 10.**

Topics included:

Rising Demand
Eligibility
Flexibility
Transfer Authority
Targeting
Cost-Sharing
Data Collection
Private Pay
ADRCs

Other Evolving Issues:

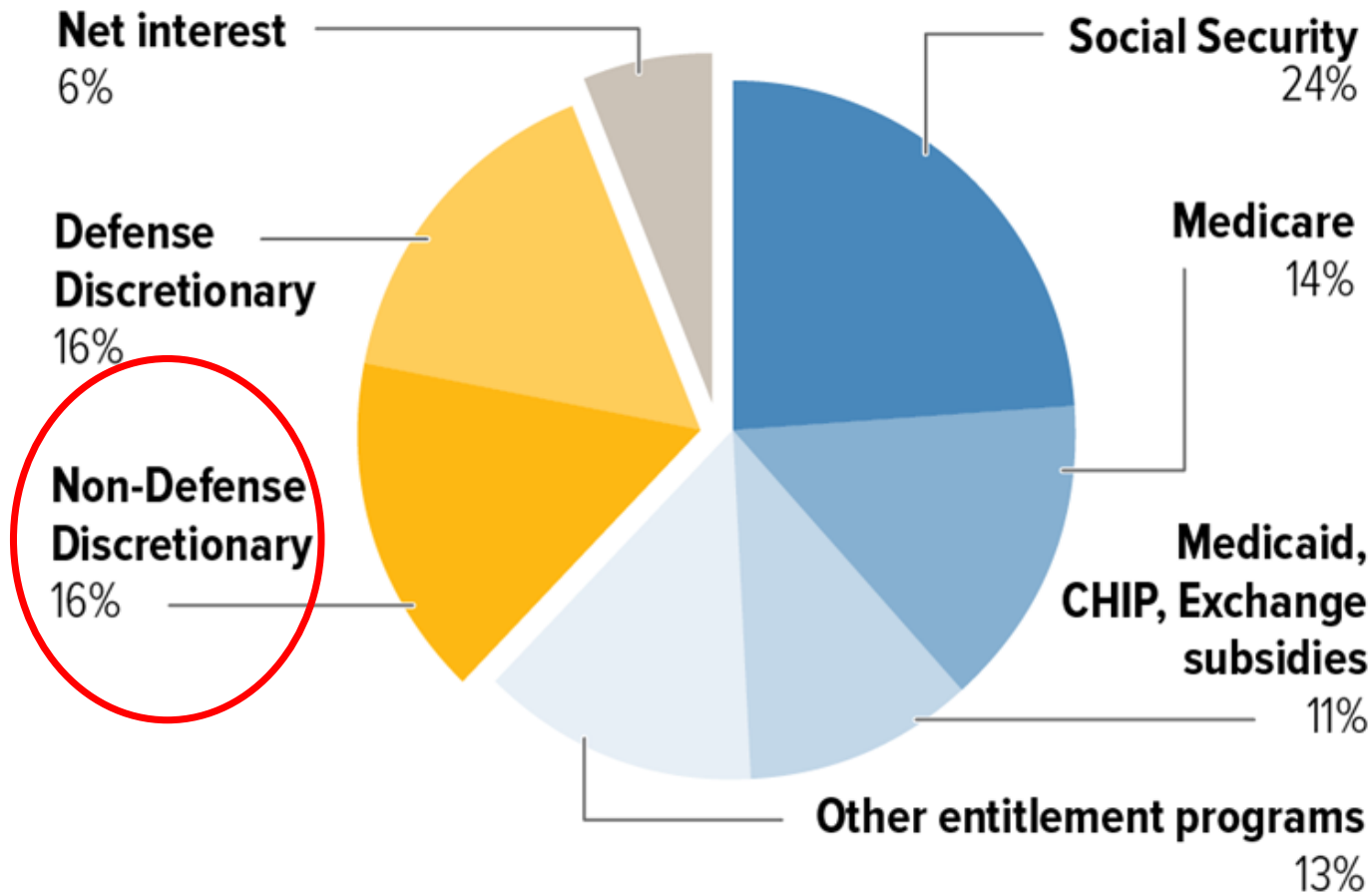
- Opioids
- Dementia
- Kindship Care
- Transportation, etc.

Federal Budget and Funding for Aging Programs





Most of the Federal Budget = Defense, Social Security and Major Health Programs



Source: Congressional Budget Office

The Administration's Recent Budgets

- Deep cuts to Non-Defense Discretionary (domestic) programs (>40 percent/10 years)
- Deep cuts/reforms to Mandatory Programs targeted at low-income beneficiaries (Medicaid, Medicare, SSDI, SNAP, TANF)
- Tax breaks targeted toward high-income earners/corporations
- Ambitious assumptions about economic growth necessary to balance budget in 10 years

Trump Budget and Older Adults...

- “Flat” funds most core OAA programs
- Cuts/eliminates critical domestic programs serving older adults
 - SCSEP, SHIP, SSBG, CDBG, CSBG, LIHEAP, Housing, Transportation
- Guts Medicaid (states will limit HCBS)
- Repeals ACA (higher premiums, double uninsured rate among pre-Medicare population)
- Nutrition assistance eliminated for 1 million seniors
- Cuts SSDI for 6 million people over 55

...BUT Congress Is Where the Action Is

Theory:

- Budget resolutions passed by both chambers, agreed to; sets high-level spending limits
- Appropriators develop 12 bills, move through committee and to floor
- Everything done and signed by President by Sept. 30

Reality:

- After five CRs, two shut-downs and significant compromises, final FY 2018 funding passed in March 2018 (nearly six months into FY)



Bipartisan Budget Agreement for FY 2018-2019

Highlights

- **Rejected major cuts** to domestic programs President requested in FY 18-19
- **Increased discretionary caps** (for defense and non-defense) by \$300 billion over two years
- Included the CHRONIC Care Act
- Closed the Part D Donut Hole in 2019
- Included \$80 billion in disaster relief funding
- 10-year reauthorization of CHIP
- Funding for opioid response

What Happened in 2018?

Older Americans Act **BIG INCREASES!**

- + \$35 million for Title III B Supportive Services
- + \$40 million for III C 1 Congregate Nutrition
- + \$19 million for III C 2 Home-Delivered Meals
- + \$5 million for III D Preventative Health
- + \$30 million for III E National Family Caregiver Support Program
- + \$4 million for Title VI Native American
- + \$1 million for Title VII Ombudsman

[HUD Section 202 +\$105 million, Service Coords +\$90 mil]

FY 2018 Final Levels

Other Administration for Community Living Programs

- State Health Insurance Programs preserved with \$2 million increase to \$49 million
- Elder Justice (APS) Initiative, 20% boost to \$12 million
- Aging and Disability Resource Centers boosted 32% to \$8 million
- CDSMP level at \$8 million, Falls Prevention level at \$5 million (Prevention and Public Health Fund)
- Lifespan Respite up 22% to \$4.1 million
- Holocaust Survivors doubled to \$5 million

FY 2018 Final Levels

Other Agencies, Proposed for Elimination

- OAA Title V Senior Community Services Employment Program level funded at \$400 million (Dept. of Labor)
- Social Services Block Grant, \$1.7 billion
- Community Services Block Grant, \$715 million
- Low-Income Home Energy Asst, boosted \$240 million to \$3.6 billion
- Senior Corps, \$202 million
- Community Development Block Grant, \$3.24 billion, a boost of \$235 million

What About FY 2019?

An FY 2018 Redux for OAA/Aging Programs:

- Overall budget questions answered for now (through FY 2019)
- House and Senate are speeding through process
- OAA/Aging Program funding proposals largely flat at FY 2018 levels
- Likely facing at least one CR through election

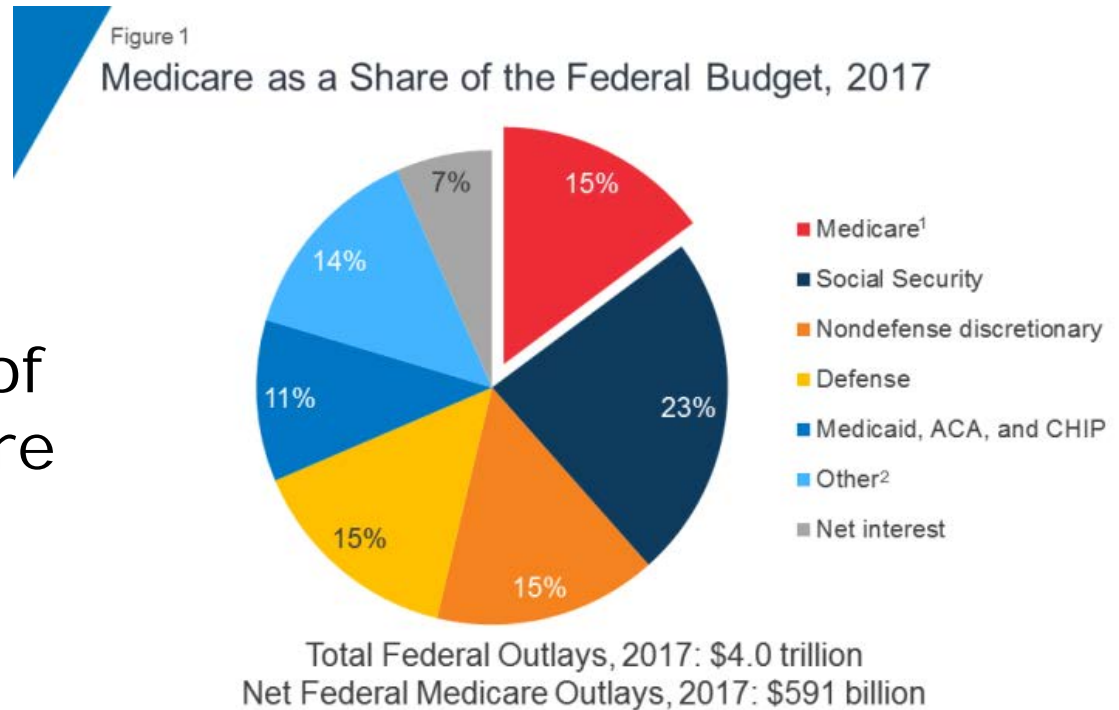
What About FY 2019?

Key Differences Between House/Senate Bills:

- Senate had more NDD \$\$
- Key Aging Programs in House
 - House increased Title VI funding by 8 percent
 - Included \$5 million for Caregiver Corps demo
 - Cut Section 202 Housing
- Key Aging Programs in Senate
 - Funding for RAISE Family Caregivers & Grandparents raising Grandchildren Acts
 - Make other small increases (OAA Title VI, RAISE)
 - Increases funding for CSBG (\$10 million) and LIHEAP (\$50 million)

Medicare: New Opportunities Abound?

- Medicare largest federal health care program
- Health happens at home: 80 percent of health care costs are attributed to SDOH
- Traditionally, Medicare has not touched these factors



NOTE: All amounts are for federal fiscal year 2017. ¹Consists of mandatory Medicare spending minus income from premiums and other offsetting receipts. ²Includes spending on other mandatory outlays minus income from offsetting receipts. ACA is Affordable Care Act. CHIP is Children's Health Insurance Program.
SOURCE: KFF analysis of federal spending from Congressional Budget Office, The Budget and Economic Outlook, 2018 to 2028 (April 2018).

Medicaid/ACA Reform Proposals Stalled

- ACA repeal/replace efforts stalled in Congress
- No FY 2019 Congressional budget = No reconciliation proposals = No actionable Medicaid threats from Congress
- Action/traction at this point is at the State and Administration level
- Possible action on bipartisan programs such as MFP
- Elections will be consequential

A Look Into the Crystal Ball



In the Year 2018...

Funding for OAA/Aging Programs

- Likely CR at FY 2018 levels through the election
- Ultimately solace in budget agreement
- Fights over budget caps will start again next year

Health Care Proposals

- Limited legislative traction due to election
- Administrative action will continue to undermine ACA and target Medicaid
- Some potential: MFP, Opioids

OAA Reauthorization

- Education is important through the end of the year
- Potentially high priority in early 2019—election will determine strategy





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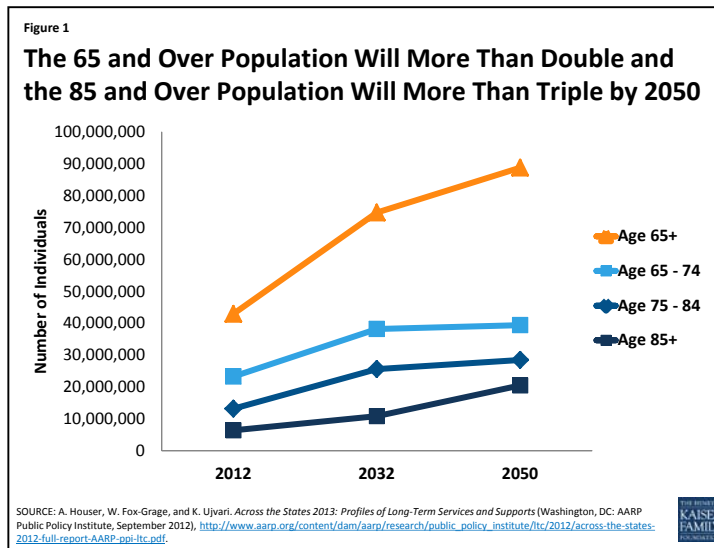
Update on Federal Aging, Disability, & Long Term Services and Supports (LTSS) Policy

Dan Berland, NASDDDS

August 29, 2018

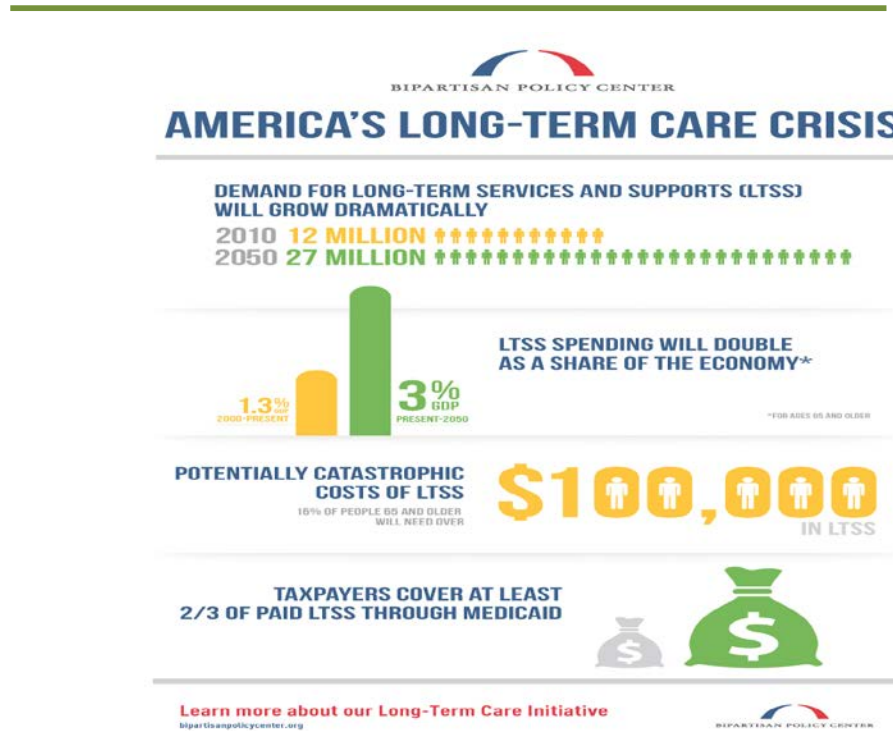
NASDDDS
National Association of State Directors of
Developmental Disabilities Services

Demographics: Demand



NASDDDS
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Demographics: Demand, cont'd



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State Efforts

In response to the ~~demographic and economic realities~~ and the emerging Federal expectations, states are focusing on:

- Supporting Families
- Relationship Based Services
- Employment and Meaningful Community Engagement Supports

Health and Welfare

- Office of Inspector General 2016 Health and Welfare audits
- CMS/ACA/OIG Joint Report
- GAO Report on Assisted Living
- CMS State Work Group

Recommendations

- Standardizing definitions and processes
- Implement Model Practices: State Incident Management and Investigation • Incident Management Audits • State Mortality Reviews • State Quality Assurance
- SWAT team

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HCBS Rule

- Effective March 17, 2014: Person centered planning, conflict free case management
- Settings rule effective March 17th, 2022

As of August 22, 2018:

- 42 States have initial STP approval: AL, AK, AR, AZ, CA, CO, CT, DC, DE, GA, HI, ID, IN, IA, KY, LA, MD, MI, MN, MS, MO, MT, NE, NH, NM, NC, ND, OH, OK, OR, PA, RI, SC, SD, TN, UT, VT, VA, WA, WV, WI, WY
- 9 States have initial and final STP approval: AK, AR, DC, DE, KY, OK, TN, WA, WY
- CMS/State Working Group on Heightened Scrutiny

NASDDDS
National Association of State Directors of
Developmental Disabilities Services

Employment

- WIOA Offers opportunities and challenges for Medicaid HCBS programs
- Department of Education likely to revise definition of Competitive Integrated Employment
 - Remove Work Unit language
- Continuing discussion about eliminating 14C (subminimum wage)

ABLE Accounts

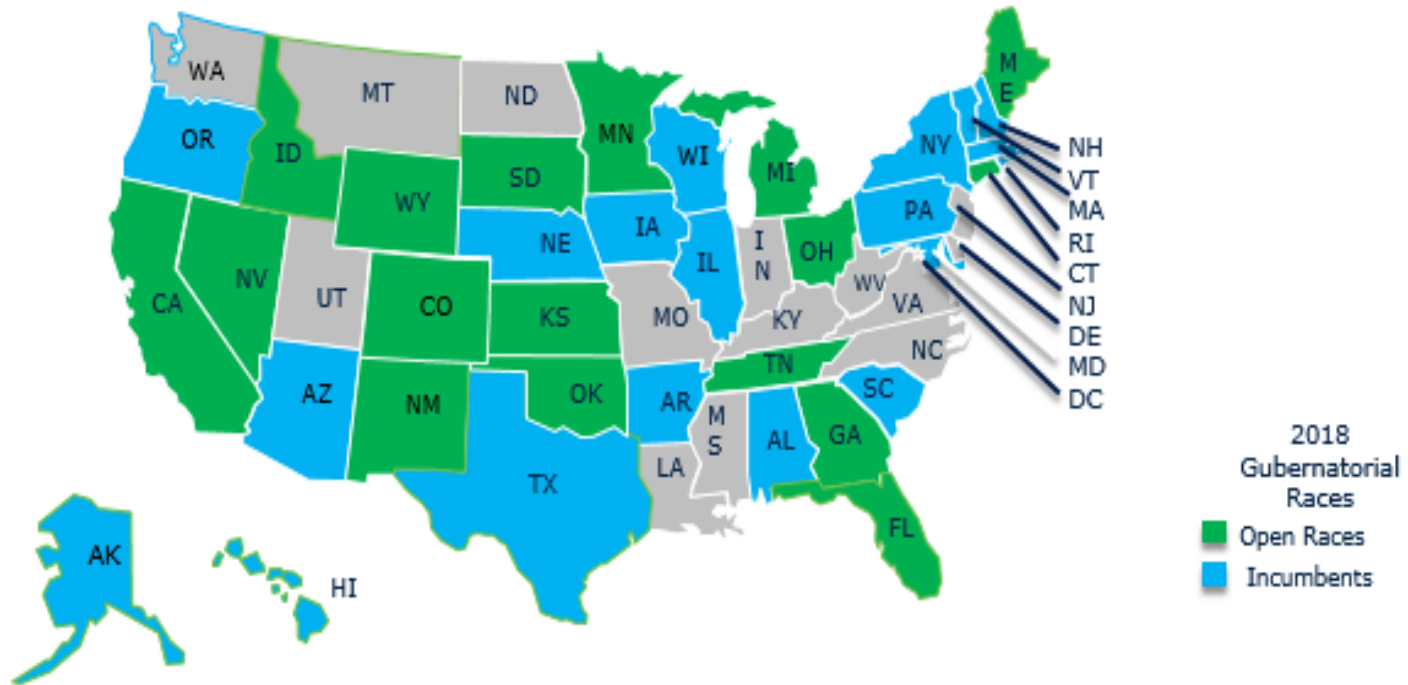
- Created in 2014
- Tax-advantaged savings accounts for individuals with disabilities
- As of June 2018 there are 37 ABLE programs nationwide
- Funds can be used for a wide variety of expenses and do not affect eligibility for SSI or Medicaid (as long as \$100,000 or less)
- \$15,000 annual contribution limit; states set overall limit
- Onset of disability must have occurred prior to age 26
- ABLE Age Adjustment Act



FEDERAL POLICY UPDATES

Damon Terzaghi
August 29, 2018

Elections at the State Level Matter Too



Source: NASUAD Analysis National Governors Association (NGA)

**Northern Mariana Islands and the Virgin Islands have an incumbent up for reelection, and Guam has an open race.

OAA Reauthorization

Background

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- The OAA was last reauthorized in April 2016
- Reauthorized for 3 years, through FY2019
- Largely a “clean reauthorization” with few sticking points, aside from funding formula (e.g., hold harmless)
- NASUAD supported a clean reauthorization, as the Act had been lacking authorization since it expired in 2011
 - ▣ Programs were kept funded via the annual appropriations process
- NASUAD is interested in discussing more substantive changes in the next reauthorization
 - ▣ Engaged in a process with states to develop recommendations:
 - Reviewed prior recommendations
 - Discussed priorities in NASUAD Aging & Disability Policy Committee
 - Reviewed by Board of Directors
 - Approved by full membership

Recommendations

- Creating new statutory authority for state demonstrations that would enable participating states to try innovative approaches with their OAA funding;
- Granting states with flexibility to determine the distribution of funding for home-delivered meals and congregate nutrition;
- Providing funding and direction for the National Institute on Disability, Independent Living, and Rehabilitation Research to pilot outcome measurement activities;
- Provide states with the option to grant the right to first refusal to a unit of general purpose local government instead of the requirement;
- Include flexibility regarding the EBP requirements, including a potential rural or frontier exemption and clarification that screening and referrals are acceptable uses of funds;

Recommendations (cont.)

- Establish a dedicated federal source of APS funding with adequate resources to serve vulnerable older adults and people with disabilities:
 - Use data collected by ACL to inform funding levels and establish criteria that build upon existing ACL model guidelines;
- Increase minimum state administrative allotment to \$750,000 with increased funding to prevent impact on services;
- Remove congregate and home-delivered meals from the services excluded from optional cost-sharing provisions;
- Provide for state involvement in SCSEP national procurement process to ensure states' voices are heard and to promote equity between grantees;
- Move SCSEP and ODEP from DOL to ACL, and create new ACL employment division;
- Enact technical changes to ensure that the Administration for Community Living is able to equally serve all older adults and persons with disabilities.

Medicaid

Money Follows the Person

- Program expired in 2016; all states will be out of money by the end of 2018
- Bipartisan, bicameral effort to reauthorize legislation (Portman/Cantwell in Senate; Guthrie/Dingell in House)
- Changes the institutional residency period from 90 days residing in an institution to 60 days
- Continue “qualified residence” criteria under current MFP instead of aligning it with the HCBS settings rule.
- Length of reauthorization still a question: possibly 1 year
- Energy and Commerce Hearing on September 5th, with NASUAD participation

Other Current Policy Issues in Medicaid

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- As the push to repeal the ACA has dissipated, focus has shifted to state-level actions and reforms in Medicaid and, to a lesser extent, the Exchanges
- Questions center around:
 - What is the role of the Medicaid program?
 - Where does Medicaid overlap with private insurance? Where does it have different objectives, goals, and desired outcomes?
- Key policy debates & 1115 proposals testing these philosophical propositions:
 - Work requirements & time-limits on enrollment for adults without disabilities
 - Retroactive eligibility waivers
 - Non-emergency Medical Transportation
 - Exchange-based Medicaid delivery
 - Expansion to “Pre-LTSS” populations
 - Caregiver Support
- Important states to watch:

Indiana	Wisconsin	Kentucky	Many Others!
Arizona	Arkansas	Washington	



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