

The Aging Network

The LTC Fundamentals series is produced by The SCAN Foundation to highlight and describe the organization and financing of long-term care (LTC) in California. This LTC Fundamentals Brief provides a background on the origination of the aging network and its composition as well as the policies that support it at the federal and state levels. Furthermore, this brief describes the services and supports the aging network provides to older Californians.

Introduction

The population of California is growing rapidly and is expected to double by 2030 due in large part to the aging of the baby boomers.¹ Almost seven out of 10 seniors will have substantial needs for supportive care as they age, including assistance with activities of daily living such as eating, bathing, and dressing.² Among those currently receiving long-term care (LTC) services, most prefer to receive them in their homes and communities versus institutional settings such as nursing homes. The aging network and the services it provides have played a critical role in helping individuals that require assistance to remain in their homes. Since 1965, this network, consisting of a group of national, state, and local entities, has continued to evolve as a system through which community-based social services and supports are provided to older adults. This brief describes in detail the aging network, the federal and state legislation that established and clarified the aging network's role in California, and the aging network's impact on services and supports for seniors in the state.

What is the Aging Network?

The aging network consists of federal, state, and local entities that work together to ensure services and supports are made available to older Americans. Included among this group are the federal

Administration on Aging (AoA), 56 State Units on Aging (SUAs), 629 Area Agencies on Aging (AAAs), 244 tribal and Native American organizations, and two organizations serving native Hawaiians, as well as many local service provider organizations.⁵ Established by the Older Americans Act of 1965 (OAA), the AoA, located organizationally within the U.S. Department of Health and Human Services, directs the aging network at the federal level. The AoA provides federal leadership and establishes the priorities carried out through the broad network of states and local agencies that provide aging services.⁶

The OAA also established SUAs, which provide leadership to entities within the state aging networks. They are responsible for developing state-wide plans on aging and guide the division of their state into planning and service areas, which are geographic regions consisting of one or more counties within the state. Furthermore, SUAs designate the AAAs that plan, coordinate, and administer programs and services within a particular planning and service area. The AAAs may provide OAA services directly or contract with a wide variety of community providers to deliver them.⁷

The California Department of Aging (CDA), within the California Health and Human Services Agency, is California's designated SUA. Every five years, the Department develops California's State Plan on Aging and works with the 33 AAAs across the state to implement it.⁸ A variety of organizations serve as AAAs

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in California. In the most populous areas of the state, most of the AAAs are county and/or city government agencies; in other areas they may be private non-profit entities, organizations established by Joint Powers Agreements, and one AAA is a university foundation.⁸

The Older Americans Act of 1965

The OAA, enacted in the same year as the Medicare and Medicaid programs, has been pivotal in broadening the array and reach of supportive social services to older Americans through the aging network. The OAA was established with the intent to ensure access to such services for older adults who specifically wish to age in their homes and communities rather than in an institution.

The OAA consists of seven Titles that lay out its specific activities and services (see Table 1). The focus of this brief is primarily on Title III, which authorizes funds to be allocated across the aging network for a number of tangible services and supports for older Americans. Additionally, Title III authorizes funding for senior centers, which are community focal points where older adults can come together for services and activities, encouraging their involvement in and with their communities. These centers are operated by non-profit organizations, as well as city and county governments and may contract with AAAs to provide supportive services.^{7,11}

Among its many accomplishments, the OAA established federal funding to support social services for older Americans that did not previously exist. It is part of a

comprehensive plan to support and care for adults age 60 and older regardless of income or assets. Additionally, the OAA requires states to target these services to those with the greatest economic or social need, as well as those at risk of institutionalization.^{9,10*} However, in contrast to the mandatory and generous funding of Medicare and Medicaid, OAA services are funded through a smaller amount of discretionary dollars that is very limited in comparison to need. Although these resources were never intended to meet all of the social service needs for older individuals, they can assist states in leveraging other federal, state, and local resources.⁹

Distributed as grants to states, funding for Title III services accounts for the largest share of OAA funds. Of the \$2.33 billion appropriated to OAA programs and services in FY 2010, 59 percent or \$1.36 billion was dedicated to funding Title III.^{9,12} With the exception of the National Family Caregiver Program, Title III funds are generally allocated to each state, specifically their SUA, based on a formula that considers the proportion of adults age 60 and older within the state relative to the rest of the nation. The allocation formula for the caregiver program considers the proportion of adults age 70 and older.

The OAA has been reauthorized every three to five years since enactment. The current authorization of the OAA is set to expire at the end of FY 2011, with Administration officials and stakeholders alike seeking its reauthorization.⁷ Throughout 2010, AoA hosted a series of listening sessions and other forums to solicit input from stakeholders on what should be considered in reauthorizing the OAA with over 400 individuals from 48 States and Territories participating. Themes expressed included

* Under the OAA, the term “greatest economic need” refers to the need resulting from having an income level at or below the poverty level established by the Office of Management and Budget. The term “greatest social need” refers to the need caused by non-economic factors that include physical and mental disabilities, language barriers, and cultural, social, or geographical isolation including that caused by racial or ethnic status which restricts an individual’s ability to perform normal daily tasks or which threatens such individuals’ capacity to live independently.

TABLE 1 Older Americans Act Titles

Title I	Declaration of Objectives for Older Americans – establishes a set of principles directed toward improving the lives of older Americans.
Title II	Establishes the Administration on Aging – defines functions of the Assistant Secretary for Aging; creates the National Eldercare Locator Service; establishes national resource centers for long-term care ombudsmen services and elder abuse prevention activities, and a national center to support enrollment in benefit programs; disseminates grants to establish Aging and Disability Resource Centers, nursing home diversion and community living projects; grants to implement evidence-based disease prevention and health promotion activities.
Title III	Grants for State and Community Programs on Aging – established State Units on Aging and Area Agencies on Aging; authorizes funds to pursue supportive services, including transportation, information and assistance, legal assistance, case management, assistance with homemaker tasks and personal care, adult day health care, nutrition services (including home-delivered and congregate meals), disease prevention and health promotion, senior center activities, and the National Family Caregiver Program.
Title IV	Activities for Health, Independence, and Longevity – focuses on training, research and demonstration projects in aging; provides technical assistance to improve service provision.
Title V	Community Service Senior Opportunities Act – operated by the Department of Labor; provides employment for low-income unemployed adults age 55 and older.
Title VI	Grants for Native Americans – promotes the delivery of services to American Indians, Alaska Natives, and Native Hawaiians comparable to those in Title III.
Title VII	Allotments for Vulnerable Elder Rights Protection Activities – authorizes the long-term care ombudsman and prevention of elder abuse, neglect, and exploitation programs.

Source: Older Americans Act Amendments of 2006 (P.L. 109-365), (2006).

the importance of home- and community-based services and the aging network infrastructure in responding to the needs and preferences of older individuals to remain in their homes and communities; the critical need to integrate medical and human services; and the value of the aging network's role in advocating for the needs of older Americans.¹³

The Older Californians Acts of 1980 and 1996

While the OAA provides a foundation for the aging network at the federal level, the Older Californians Act (OCA) further clarifies

the intent of the OAA at the state level and expands the set of services provided through the aging network in California. The OCA, as originally enacted in 1980, centralized the provision of supportive services for seniors at the state level, with the primary responsibility assigned to the CDA. Additionally, it authorized California state General Fund expenditures to supplement federal OAA funding to provide additional services within the state. In 1996, the Mello-Granlund Older Californians Act ("Mello-Granlund OCA") was enacted, superseding the OCA of 1980. The Mello-Granlund OCA directed the CDA to maintain oversight responsibility for the provision of OAA and OCA programs and services within the state, but transferred from the CDA to the AAAs

day-to-day administrative responsibilities for certain programs, including the Health Insurance Counseling and Advocacy Program, the Alzheimer's Day Care-Resource Center Program, the Brown Bag Program, the Foster Grandparent Program, the Linkages Program, and the Senior Companion Program.^{4,14}

The Mello-Granlund OCA also called for the creation or reconfirmation of oversight and advisory bodies within the state's aging network. These include the California Commission on Aging, the Triple-A Council of California, and the California Senior Legislature.⁴ Though specified in state law by the Mello-Granlund OCA, these entities are funded by sources other than the state's General Fund.:

- California Commission on Aging – serves as the principal advocate within the state on behalf of older individuals and is the principal advisory body to the Governor, State Legislature, as well as State, Federal, and local departments on legislation and regulations concerning the programs and services that affect this population.¹⁵ Among its responsibilities, the Commission monitors the implementation of the State Plan on Aging and also administers the Triple-A Council of California. The California Commission on Aging is supported by federal OAA funds.¹⁶
- Triple-A Council – promotes communication and collaboration among local AAA advisory councils and key state partners for the purposes of information exchange and advocacy. The Triple-A Council is funded by state taxpayer contributions and other donations.¹⁷
- California Senior Legislature – gathers ideas for legislation at the state and federal levels, formulating them into proposals to members of the Legislature or the Congress in advocating for seniors. The California Senior Legislature is funded by state taxpayer contributions and other donations.¹⁸

California Aging Network Services

The OAA and OCA programs administered through California's aging network are described in Table 2.

How are Aging Network Services Funded in California?

Federal Funding – For OAA-authorized programs, CDA allocates the federal funds it receives to AAAs based on a state-determined formula approved by AoA.⁹ This formula takes into account not only the geographical distribution of individuals age 60 and older, but also the degree of economic and social need reflected by such variables as poverty and race/ethnicity.⁸ For some programs, states and local communities are required to match their federal allocations, either as funding or in-kind support and may also provide additional funds beyond their required match. For California, this match ranges from five to 25 percent of General Fund or local funds, where required.¹⁹ In FY 2008, service expenditures for OAA Title III services delivered in California totalled over \$91 million. That year, California accounted for over 1 million (10 percent) of the 10 million clients that received OAA Title III services nationally. A little over eight percent of these individuals were from minority groups, approximately 9.4 percent had incomes below the poverty level, and almost three percent resided in rural areas. Almost 18,000 individuals benefiting from these services were caregivers for older adults.²⁰

State Funding – As with OAA-funded programs, state funds authorized by the OCA are allocated to AAAs and other community-based organizations and require a match of additional funds or in-kind contributions.¹⁹ At their outset, OCA-

“The Older Californians Act (OCA) further clarifies the intent of the OAA at the state level and expands the set of services provided through the aging network in California.”

TABLE 2**Older Americans Act & Older Californians Act - Authorized Programs Administered Through California's Aging Network**

Health Insurance Counseling and Advocacy Program (HICAP)	HICAP offers consumer counseling on Medicare, Medicare supplement policies, Health Maintenance Organizations (HMOs) and long-term care insurance. Local HICAP offices provide free community education and confidential individual counseling statewide. ¹⁹
Senior Community Service Employment Program (SCSEP)	SCSEP provides part-time work-based training opportunities, personal and job-related counseling, and job referrals at local community service agencies for older workers who have poor employment prospects. ¹⁹
California Aging and Disability Resource Connections (Cal-ADRCs)	The seven Cal-ADRCs in various counties assist individuals with disabilities and/or chronic conditions in accessing health care and other long-term services and supports. Cal-ADRC services include enhanced information and referral, long-term care options counseling, and short-term service coordination. ¹⁹
The Long-Term Care Ombudsman Program	The Long-Term Care Ombudsman Program investigates and resolves complaints made by or on behalf of residents in long-term care facilities including nursing homes, residential care facilities for the elderly, and assisted living facilities. ¹⁹
Alzheimer's Day Care Resource Centers (ADCRC)*	ADCRCs provide services that support the physical and psychosocial needs of persons with Alzheimer's disease or related dementia. Individual care plans are developed for each program participant with activities scheduled in accordance with these plans to maintain the highest level of functioning. ¹⁹
Brown Bag Program*	The Brown Bag Program provides surplus and donated fruits, vegetables, and other food products to low-income individuals 60 years of age and older. ¹⁹
Foster Grandparent Program*	The Foster Grandparent Program is an intergenerational volunteer program that provides aid to children and youth with special and exceptional needs. Program volunteers are low-income adults age 60 and older who receive tax-exempt stipends that assist them in meeting daily living expenses. ²¹
Linkages*	The Linkages Program serves frail elderly adults and adults with disabilities, age 18 years and older, providing comprehensive care management for individuals who are not eligible for other care management programs. ¹⁹
Senior Companion Program*	The Senior Companion Program provides volunteer services to frail older adults and adults with disabilities, including companionship, assistance with simple chores, transportation, and respite for caregivers. Program volunteers are low-income adults age 60 and older who receive tax-exempt stipends that assist them in meeting daily living expenses. ¹⁹
Supportive Services Program	The Supportive Services Program enables older adults to access services that address functional limitations, promote socialization, continued health, and independence, and protect elder rights. ¹⁹
Respite Purchase of Services (RPOS) Program	The RPOS Program provides relief and support to caregivers in order to delay premature or inappropriate institutionalization of both the person receiving care and the caregiver. ¹⁹
Home-Delivered Nutrition Program	The Home-Delivered Nutrition Program provides nutritious meals, nutrition education, and nutrition risk screening to individuals 60 years of age or over who are homebound by reason of illness or disability, or who are otherwise isolated. ¹⁹
Congregate Nutrition Program	The Congregate Nutrition Program provides meals in congregate settings, nutrition risk screening, and nutrition education to address dietary inadequacy and social isolation among individuals age 60 and older. ¹⁹
Disease Prevention and Health Promotion Program	The Disease Prevention and Health Promotion Program supports programs to help older adults prevent and manage chronic diseases. ¹⁹
Elder Abuse Prevention Program	The Elder Abuse Prevention Program's goal is to develop, strengthen, and carry out programs for the prevention, detection, assessment, and treatment of elder abuse. ¹⁹

Source: California Department of Aging.

Note: Programs with an asterisk (*) no longer receive any General Fund support, but remain authorized in statute as part of the Older Californians Act. The AAAs determine whether and to what extent to fund the programs.

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authorized programs were primarily funded by state General Fund dollars, as well as other state and local funding sources. Over the years, budgetary constraints have impacted the extent to which some OCA-authorized programs and services continued to receive state General Fund dollars. Currently the Brown Bag, Linkages, Foster Grandparent, Senior Companion, and Alzheimer’s Day Care Resource Center programs receive no state General Fund support.¹⁹ These services may continue to be provided at the local level if AAAs choose to use OAA or local funds to keep them operational.

Consumer Contributions – There has been recent discussion of ways to extend OAA services to a greater number of older Americans by allowing states to draw in additional funds beyond their required match using sliding fee scales. A sliding fee scale arrangement is one where an individual is encouraged to contribute to the cost of a service based on one’s ability to pay. States are allowed to implement cost-sharing policies for certain OAA services in such an arrangement. In some cases, states and local communities may encourage individuals who use these services to make voluntary contributions toward their cost. However, individuals cannot be denied services if they are unable to share in the costs.⁹

Conclusions

The aging network has played an important role in ensuring that supportive services are made available to older Americans. By leveraging funds authorized by the OAA, OCA, and other sources, the aging network within California has been able to provide a wide array of these services. But in recent years, the network has faced several challenges. As the aging population has continued to grow, OAA funding has not kept pace with the demand for services. This has resulted in the slowed growth of OAA-funded programs.⁹ This

issue will likely be exacerbated as the baby boomers, the largest generation in U.S. history, age and begin to need these services. Additionally, California’s budget woes have led to diminished state funding for non-OAA services, such as the expanded set of programs and services funded under the OCA. As a result, the availability of these non-federally funded services has been drastically reduced or eliminated completely. Like many other states, California is seeing an erosion of aging network services as budgets are cut to reduce state shortfalls.

The OAA reauthorization provides an important opportunity to not just continue the community-based LTC delivery system as currently structured, but to reengineer that infrastructure. In addition, the Affordable Care Act provides an opportunity for the aging network to be involved in reforming the nation’s system of health care delivery. Specifically, it authorized the Community-Based Care Transitions Program (sect. 3026), through which the Centers for Medicare and Medicaid Services will provide funding to hospitals and community-based entities that administer evidence-based care transition services to Medicare beneficiaries at high risk for hospital readmission.²² Given that a segment of the aging network, including AAAs, are already engaged in providing these services, participation in this program may be a natural role that they can assume, resulting in additional funding that can be used to support the provision of these services.

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The SCAN Foundation
3800 Kilroy Airport Way, Suite 400
Long Beach, CA 90806
(888) 569-7226
www.TheSCANFoundation.org
info@TheSCANFoundation.org



This Long-Term Care Fundamentals Brief was co-authored by Keyla Whitenhill, MPH, Policy Analyst at The SCAN Foundation and Lisa R. Shugarman, Ph.D., Director of Policy at The SCAN Foundation. The SCAN Foundation would like to thank Lora Connolly, Ed Long, and Sandra Fitzpatrick for their careful reviews of the material in this brief.