The Good, Bad & Ugly
Federal Aging Policy Update

Missouri Association of Area Agencies on Aging (ma4)
Lake Ozark, MO
August 18, 2015
National Association of Area Agencies on Aging

Livable Communities Collaborative
THIS MAY CHANGE THE LANDSCAPE...

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National Association of Area Agencies on Aging
n4a’s 2015 Policy Priorities

• Older Americans Act Reauthorization
• Sequester and FY 2016 Appropriations
• Health and Wellness
• Transportation/Mobility & Livable Communities
• Protecting the Safety Net
Agenda

• OAA Reauthorization

• Budget Battle Overview

• Funding Forecast for FY 2016

• Advocacy Opportunities
Older Americans Act Reauthorization

(The Good)
Let’s celebrate!
National Association of Area Agencies on Aging

FOR IMMEDIATE RELEASE—July 17, 2015

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Senate Reaffirms Support for Aging Programs that Help Millions of Older Americans

Washington, DC—Yesterday, the U.S. Senate passed S. 192, the Older Americans Act Reauthorization Act of 2015, signaling its strong support for the vital home and community-based services that the Older Americans Act (OAA) authorizes and funds in communities across the nation.

“Unanimous approval of S. 192 by the Senate is a pivotal achievement that puts us much closer to ensuring that OAA programs will continue to support older adults to live with dignity and independence in their homes and communities for as long as possible.”

- Sandy Markwood, n4a CEO
A look back in the Senate...

- Reauthorization “expired” in 2011.
- **2010-2013**: Three years of bipartisan negotiation and compromising on all sides.
- **March 2013** pain from sequestration felt keenly by time of **October 2013** Senate mark-up—flare ups over the FF
- Senate bill came for vote in HELP Comm in **Fall 2013** with no changes to FF other than year update to HH.
- **Fall ‘13-Winter ‘14**: Bill derailed; working group established to look for a compromise.
- **Spring of 2014**, working group admitted defeat; n4a and other LCAO groups worked intensively to get the parties who had walked away from the table to re-engage.
- **114th Congress (2015)**: New leadership at HELP Committee introduces similar compromise to older bill (S. 192), which passed unanimously **Jan. 28, 2015**. Added to Senate Calendar **Feb. 6, 2015**.

- **July 16, 2015**: Senate unanimously approves S. 192 (27 co-sponsors!)...Now on to the HOUSE!
S. 192 Co-Sponsors

REPUBLICANS: Alexander (TN), Burr (NC), Hatch (UT), Isakson (GA), Murkowski (AK), Collins (ME), Grassley (IA), Ayotte (NH), Moran (KS), Kirk (IL)

DEMOCRATS: Murray (WA), Sanders (I-VT), Coons (CT), Leahy (NH), Schatz (HI), Nelson (FL), Tester (MT), Shaheen (NH), Warner (VA), Kaine (VA), Klobuchar (MN), Merkley (OR), Gillibrand (NY), Bennet (CO), McCaskill (MO), Hirono (HI), Wyden (OR)
What’s in S. 192?

- Reauthorizes the OAA through 2018
- Maintains local flexibility
- Authorization levels are spared cuts
- Updates definitions of “adult protective services,” “abuse,” “exploitation and financial exploitation,” and “elder justice”
- Allows ombudsmen to serve all residents of LTC facilities, regardless of age
- Updates the definition of “Aging and Disability Resource Center,” including an emphasis on independent living and home and community-based services
- Clarifies current law that older adults caring for adult children with disabilities and older adults raising children under 18 are eligible to participate in NFCSP
- Emphasis on Evidence-based Programs, preventing fraud and abuse, and health and economic welfare
S. 192’s FF Compromise Language

• Compromise keeps concept of a “floor” to protect baseline levels of funding to states with slower-growing aging populations (often the “first to be old” states) changes from the “no lower than FY 20XX” approach to the “no state gets less than 99% of previous year allocation” approach (for 3 years).

• Only a three-year reauthorization b/c of the FF issue.
What’s Next for OAA Reauthorization

• Have started conversations in House; advocates are starting from S. 192 and making “tweaks”

• Coalition letters already sent to House Members supporting S. 192

• But there could be some contentious changes from House Members:
  – “Such Sums” language removed? Setting authorization at current approps or just above?
  – Changes to some OAA titles? (SCSEP, etc.)
Advocacy Opportunities

• OAA Reauthorization
  - **House**: EDUCATE them. Offer site visit. Let them know you will expect action now that the Senate has acted unanimously! *Why is this important to constituents?*

  - **MOCs interested in OAA**: Reach out to Chairman John Kline (R, MN-2) and RM Bobby Scott (D, VA-3)
FY 2016 Budget Process to Date

And what it means for discretionary programs!

(The Good and The Bad)
BIGGEST LOSER

How am I going to lose it, coach?

Diet shake

Guardians of the budget

Marshall Ramsey - Creators Syndicate
NOVEMBER
CUT THE FAT!
CUT THE FAT!

MARCH
NOT THAT FAT!
- EDUCATION
- PRE-K
- HEALTH CARE
- MEDICAID...
ETC.
2015-2016 Budget Battles

- Budget caps on and sequestration of discretionary appropriations stays until FY 2021
- Deficit *has* dropped (result of cuts, revenues and better economy)
  - As percentage of GDP, current FY14 deficit is 2.8%, lowest since 2007 and 71% lower than in 2009
  - Total reduction of deficits since 2010 = $4.2 trillion
- Drive will be less budget-driven than policy-driven, using budget mechanisms
Flashback: How Did We Get Here?

• **Budget Control Act (BCA) of 2011**
  – Bipartisan proposal to address debt ceiling crisis
  – Established spending caps and the “Super Committee” failed to achieve $1.2 trillion in deficit reduction
  – Triggered the Sequester

• **FY 2013 Sequester**
  – Across the board mandatory & discretionary cuts in 2013

• **Ryan-Murray Budget Deal**
  – Result of October 2013 shutdown
  – Established spending caps for FY ‘14-15 & limited sequester relief
So this is good news, right?

*We are reducing the deficit!*
It’s HOW we have reduced it.

Where did the savings come from?
And where did the spending cuts come from?

*Discretionary Funding vs. Mandatory Spending* (The Bad)
Discretionary Spending Taking a Beating

- All but $1 trillion in deficit reduction a result of spending cuts
- Discretionary spending bore brunt of spending cuts since 2010
- Attitude of austerity is unsustainable
- **No relief in sight through 2021**
Breakdown of Federal Outlays, FY 2013

- 17% “left” for NDD Programs (including OAA)

Most of Budget Goes Toward Defense, Social Security, and Major Health Programs

- Defense and International Security Assistance: 19%
- Social Security: 24%
- Medicare, Medicaid, and CHIP: 22%
- Safety Net Programs: 12%
- Interest on Debt: 6%

Remaining Program Areas

- Benefits for federal retirees and veterans: 8%
- Transportation infrastructure: 3%
- Education: 1%
- Science and medical research: 2%
- Non-security international: 1%
- All other: 3%

Source: 2013 figures from Office of Management and Budget, FY 2015 Historical Tables.

National Association of Area Agencies on Aging
Non-Defense Discretionary Spending Set to Fall Below Historical Low

Non-defense discretionary spending as a percent of GDP

Source: CBPP based on Office of Management and Budget and Congressional Budget Office data.
The 2016 Budget Process to Date (The Good?)

- *Is regular order back in vogue?*
- February: President’s Budget released
- March: Congressional budget resolutions pass House and Senate floors
- May: Joint budget resolution completed
- May: Appropriations Process Began
- June: Both Subcommittee and Full Markups Accomplished for Labor HHS!
- September: Budget Reconciliation??
- *What’s Next?*
President’s Budget FY 2016

OLDER AMERICANS ACT INCREASES
• III B Supportive Services, 11 percent
• III C-1, Congregate, 4.6 percent
• III C-2, Home-Delivered Meals, 9.2 percent
• III E Natl Family Caregiver, 3.4 percent
• Title VI, Part A, nutrition/services, 11.2 percent
• Title VI, Part C, caregivers, 12.7 percent
• All other OAA programs level funded

OTHER ACL REQUESTS
• ADRC, $20 million, all discretionary
• Adult Protective Services, $25 million
• New Innovation funds for nutrition, family caregiving
2015 Policy Priorities

• **FY 2016 Appropriations**
  - Protect and restore funding for OAA.
  - At least **FY 2010 levels** (pre-sequestration) for all programs
• n4a’s **top priorities**
  - III B Supportive Services*
  - VI Native American (A & C)*
  - III E Family Caregiver
  - VII Ombudsman
* Major increases recommended in President’s budget
2015 Policy Priorities

• **FY 2016 Appropriations**
  – **ADRCs**
    • Need infusion of $10 million to fill the hole lost to ACA expired mandatory funding
    • President asked for $20 million total (so $10 mil restored and $4 mil addition)
  – **Elder Justice Act**
    • In FY 2015, $4 million appropriated for new EJ activities (APS) at ACL
    • President requesting $25 mil for FY 2016
House Labor-HHS Approps Bill

OLDER AMERICANS ACT

- III B Supportive Services, level-funded ($347 m)
- III C-1, Congregate, 1%/$2.5 m ↑ ($440.7 m)
- III C-2, Home-Del. Meals, 1%/$3.5 m ↑ ($220 m)
- III E Natl Family Caregiver, level-funded ($145.6 m)
- Title VI, Part A, nutrition/services, 20%/$5 m ↑ ($31.2 m)
- Title VI, Part C, caregivers, 25%/$1.5 m ↑ ($7.5 m)
- All other programs level-funded
Senate Labor-HHS Approps Bill

OLDER AMERICANS ACT

• Core Title III B, C, E Programs, level-funded at FY 2015
• Title VI, Part A, nutrition/services, 5%/$1.3 m ↓ ($24.85 m)
• Title VI, Part C, caregivers, level-funded
• Title V, SCSEP, 1%/$34 m ↓ ($400 m)
• Title II, ADRC, 1%/$300k ↓ ($5.8 m)
• All other programs level-funded

OTHER AoA/ACL PROGRAMS

• SHIP, 42%/$22m ↓ ($30 m)
• Small cuts also proposed for Senior Corps, CDSME, Falls Prevention and Lifespan Respite
n4a’s Appropriations Advocacy

- House and Senate Capitol Hill Briefings, April 9
- n4a request letter, April 10
- Hill visits, April through now (n4a members and staff)
- Need tremendous support from broadest possible grassroots if we are to increase OAA funding levels!
- [www.n4a.org/advocacy](http://www.n4a.org/advocacy)
FY 2016 Federal Funding Forecast
(The Ugly or the Good?)
Appropriations Next Steps

- All 12 H/S Approps Committees completed committee-level work (first time in six years)—including Labor-HHS
- October 1 remains deadline for final passage (or a CR!) of FY 2016 bills (15 legislative days)
- Floor time unlikely
- Democrats opposing cuts, vowed to block in Senate
- President has threatened vetoes
- Approps flops over a flag and Planned Parenthood?
- FALL FINALE? SHOWDOWN SEPTEMBER?
- Headed for another budget battle... → a deal? a CR?
Leaders Hinting at FY 2016 Deal

"With time dwindling before the end of the fiscal year, it is my hope that all sides can come together to find common ground on an overall budget agreement,”
- House Approps Chairman Hal Rogers (R-KY) (CQ, 7/27/15)

“We call on Republican leadership in both bodies to… negotiate a new budget deal modeled after the bipartisan agreement of 2013, that removes the threat of a government shutdown and allows for responsible investments in America’s future,”
- Joint statement from House Approps RM Nita Lowey (D-NY) & Senate Approps RM Barbara A. Mikulski (D-MD)
Calls to Action

• Remove Budget Caps. Turn off the sequester.
• Fund the Older Americans Act at a level adequate to meet the needs
• Reauthorize the Older Americans Act
• Continue federal commitment/investment in Medicare, Medicaid and Social Security
• Support innovations in health care and community planning to support people across the lifespan
Advocacy Needed

• Write to, talk to, visit with your MOCs and their staff about the need for protected/increased FY 2016 Appropriations
  – Protect and restore funding for OAA.
    • At least FY 2010 levels (pre-sequestration) for all programs
    • Highlight your top priorities
    • Give local examples, both data and stories!
• Invite them to see your work in action!
Questions?

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Funding Formula Facts

• Current Law
  – III B, C and D use same formula
  – III E uses population 70 and older
  – 3 factors:
    • Share of population 60 and older
    • Minimum grant (1/2 of 1% total approip)
    • Hold Harmless (HH), set at FY 2006 levels

Source: www.lcao.org (OAA Title III Funding Formula Fact Sheet)
Good News...or Not?

- **Budget reconciliation** process gives Congress easier time of changing rules governing mandatory programs (Social Security, Medicare, Medicaid, etc.)
  - Allows for reduction of entitlement spending
  - Can include changes to revenues
  - Limits debate to 20 hours in Senate
  - Needs only 51 Senate votes
  - If vetoed, same 2/3rds majority to overturn