Live From DC: Federal Aging Policy Update

n4a Annual Conference

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July 14, 2014, Dallas, TX
Live from DC…

• Appropriations, sequester and outlook
• Older Americans Act reauthorization
• Senior transportation
• Other n4a advocacy priorities
• Where do we go next?
• Advocacy opportunities
n4a 2014 Policy Priorities

• Reauthorize Older Americans Act
• Enhancing the Health of Older Adults
• FY 2015 Appropriations
• Promoting Community Living & Mobility
Appropriations, Sequestration and Outlook

• **REVIEW: FY 2014-2015 Funding**
  - Bipartisan Budget Agreement (BBA) (Dec. 2013)
  - Established top-line spending number for 2 years
  - Ryan Budget (non-binding, non-starter) cut NDD programs 22% below sequester
  - Forecast not great for FY15 appropriations—changing tune

• **Sequestration Not Gone**
  - Some restoration in FY ‘14-15
  - Back to BCA levels in FY 2016
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
  – FY ‘14-’21 appropriators decide cuts according to BCA caps

• Ryan-Murray Budget Deal
  – Established spending caps for FY ‘14-15 & limited sequester relief
  – Sequester fully in effect in FY ‘16
Non-Defense Discretionary Funding Still Constrained Even After Budget Agreement

Non-defense discretionary funding in 2015 dollars (billions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Funding (in billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010</td>
<td>$590</td>
</tr>
<tr>
<td>2011</td>
<td>$528</td>
</tr>
<tr>
<td>2012</td>
<td>$514</td>
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<tr>
<td>2013</td>
<td>$486</td>
</tr>
<tr>
<td>2014</td>
<td>$501</td>
</tr>
<tr>
<td>2015</td>
<td>$492</td>
</tr>
<tr>
<td>2016</td>
<td>$483</td>
</tr>
</tbody>
</table>

Increased funding from Murray-Ryan budget agreement.

Notes: 2013 figure represents Congressional Budget Office (CBO) estimate of actual funding after sequestration. All amounts exclude funding for disasters, emergencies, program integrity, and Overseas Contingency Operations. The 2010 level does not include any Recovery Act funds.

Source: Congressional Budget Office
Figure 1
Policy Savings to Reduce Deficits Largely Come From Program Cuts

Total policy savings 2015-2024

Program cuts 77%
Revenue increases 23%

Note: Revenue increases and cuts were enacted in the 2012 American Taxpayer Relief Act and the 2013 Bipartisan Budget Act; program cuts were also enacted in the 2011 Budget Control Act and the 2014 farm bill.

Source: CBPP based on Congressional Budget Office and Joint Committee on Taxation data.

Center on Budget and Policy Priorities | cbpp.org
Non-Defense Discretionary Spending Set to Fall Below Historical Low

Non-defense discretionary spending as a percent of GDP

6%

Source: CBPP based on Office of Management and Budget and Congressional Budget Office data.
## Over $4 Trillion in Deficit Reduction Enacted Since 2010

<table>
<thead>
<tr>
<th>Major deficit-reduction measures enacted by Congress</th>
<th>Policy changes</th>
<th>Resulting interest</th>
<th>Total savings</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011 funding cuts and BCA caps a</td>
<td>$1,466</td>
<td>$394</td>
<td>$1,859</td>
</tr>
<tr>
<td>BCA sequestration b</td>
<td>$978</td>
<td>$276</td>
<td>$1,253</td>
</tr>
<tr>
<td>(discretionary sequestration from 2016 on, included above)</td>
<td>($731)</td>
<td>($142)</td>
<td>($874)</td>
</tr>
<tr>
<td>ATRA, BBA, and farm bill</td>
<td>$880</td>
<td>$151</td>
<td>$1,032</td>
</tr>
<tr>
<td>Total, reduction in projected deficits</td>
<td>$3,324</td>
<td>$821</td>
<td>$4,145</td>
</tr>
</tbody>
</table>

May not add due to rounding


a The BCA both capped funding for discretionary programs and established an automatic sequestration to further cut funding if the 2011 “supercommittee” failed to achieve its targeted savings. Cuts in funding for discretionary programs started in the spring of 2011, even before the BCA was enacted.

b These figures include discretionary and mandatory sequestration from 2013 on.

Source: CBPP based on Congressional Budget Office and Joint Committee on Taxation data.
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
State of the Sequester:
Continues until Congress turns it off, or it stops in 2021!

- FY 2014-2021: sequester does not play out as across-the-board cuts as in FY 2013
- Deepens the budget caps
- Forces the pie smaller
- Appropriators decide who is getting how many crumbs
- If Congress doesn’t stay below the caps, then an across-the-board sequester could occur again, however
n4a Appropriations Priorities

• Restore all OAA Titles to pre-sequester levels of at least FY 2012 with special attn to Titles III B, III E, VI and VII Ombudsman
• ADRCs (at least $16 million)
• Elder Justice Initiative ($25 million)
• SHIPs (at least $52 million)
• Chronic Disease Self-Management and Falls Prevention Programs (at least $8 million)
• Senior Transportation Programs (at least $1 million)
• Elder Falls Prevention (ACL, at least $5 mil)
Senator Sanders OAA Appropriations Request and “Dear Colleague” Letter:

- 12% increase above FY 2014 funding
- $225 million total above FY 2014
- Additional funding to offset the “hold harmless” provision – reach equity in most states:
  - $74 million for III B Supportive Services
  - $64 million for III C1 Congregate Meals
  - $4 million for III D Disease Prevention and Health Promotion
- 27 Senators signed on

United States Senate
WASHINGTON, DC 20510-2101

April 3, 2014

The Honorable Tom Harkin
Chairman
Subcommittee on Labor, Health and Human Services, Education and Related Agencies
Senate Committee on Appropriations
United States Senate
Washington, D.C. 20510

The Honourable Jerry Moran
Ranking Member
Subcommittee on Labor, Health and Human Services, Education and Related Agencies
Senate Committee on Appropriations
United States Senate
Washington, D.C. 20510

Dear Chairman Harkin and Ranking Member Moran,

As you consider the Subcommittee’s funding priorities for Fiscal Year 2015, we urge you to increase funding by at least 12 percent above FY 2014 levels for programs authorized under the Older Americans Act (OAA). Your past support for OAA programs has been strong and has resulted in vital assistance for millions of older Americans. With the historic aging of our nation’s population, increased funding for OAA programs is particularly critical in the coming years.

As you know, OAA is the major federal vehicle for the delivery of social and nutrition services for 11 million older Americans. These programs include congregate nutrition services, home-delivered nutrition services (i.e., “Meals on Wheels”), supportive services such as transportation services, employment and community service through the Senior Community Service Employment Program, vulnerable older rights protection, and family caregiver support.

The demand for these programs is great, and in many areas of the country, vulnerable seniors are on waiting lists for services that they desperately need. Meanwhile, the cost of living continues to increase for seniors, particularly for food, medicine, fuel, and housing. Moreover, the demand is only expected to increase. Today, there are more than 60 million Americans over the age of 60, with 10,000 Baby Boomers turning 65 every day. The U.S. Census projects that these trends will continue for the next few decades, and by 2030, the number of Americans age 60 and over will increase to 92 million.

Regrettably, federal funding levels for OAA programs have failed to keep pace with inflation or the growing need, despite the cost-effectiveness of these critical programs. There are few better investments than the OAA programs that millions of older adults rely on for a healthy and dignified life. Investing in OAA services saves taxpayer dollars by reducing premature and costly Medicare and Medicaid expenditures resulting from unnecessary nursing home placement or hospitalizations due to poor nutrition and chronic health conditions.

At a minimum, a 12 percent increase – $225 million – over FY 2014 spending levels would recognize the growth in the senior population and the increased costs of services over the past decade. A 12 percent increase, though still insufficient, would be an important step toward meeting existing demand.
n4a Appropriations Advocacy

• Sent letter to House and Senate outlining appropriations priorities
• Met with most members of Labor/HHS Subcommittee in Senate and House
• Joined LCAO coalitions meetings and letters
• Participated in Elder Justice Initiative coalition to secure first-time funding for Elder Justice Act
• Participated in Chronic Disease Self-Management and Falls Prevention Programs coalition meetings
• Advocated on behalf of Senior Transportation funding
n4a Appropriations Resources

n4a Appropriations Campaign Paige

http://www.n4a.org/advocacy/campaigns/?fa=tools

n4a Letter(s) to Congress
FY 2015 OAA Funding Status and Outlook

- Approved by Senate Subcommittee
- Full Committee Mark Up in Senate “postponed”
  - Contentious votes on ACA
- n4a has seen unofficial funding levels
- OAA funding relatively level
  - ~$5 million increase for Title III E – Family Caregiver Supports
  - Effectively ~$10 million “hole” for ADRC funding
  - ~$10 million investment in EJ I activities
- All Labor/HHS funding complicated by unaccompanied minors crisis
- No bill in House
Likely Post-Election Continuing Resolution

- Neither Chamber wants to take contentious votes pre-election; Policy/Politics, not numbers, holding up appropriations process
Continuing Resolution Timing

• Do nothing in July
• Gone in August
• In late September, hustle to pass a CR for 6-8 weeks, to punt past the election
• No government shutdown this October 1!
• Lame Duck Session: Omnibus(es)? Another CR?
• If Senate flips, Rs will want to move on to FY 2016 budget process
What to Expect?

• **This year:** Assume no better than current FY 2014 levels when dust finally settles on FY 2015
  - Unrealistic to win increases in a CR
  - Some risk of cuts (current rates of spending exceed FY 2015 caps...would this apply to a short-term CR?)

• **Next year:** budget battles resume anew, possibly fast-moving budget resolutions and reconciliation measures
  - Possible showdown in fall 2015
Older Americans Act Reauthorization
Original Top Goals for OAA:

• Preserve the Act’s flexibility and person-centered approach
• Strengthen the Aging Network’s role and capacity in the coordination and provision of home and community-based services
• Expand evidence-based health promotion and disease prevention
• Improve community preparedness for an aging population
• Set adequate authorization levels
NEW REALITY:

• GET IT DONE....

➤ Without adding unfunded mandates or other burdensome requirements AND

➤ Without reducing the capacity of the Act by locking in appropriations levels as authorization levels.
OAA Timeline:

2010–Sept 2011:
- Listening sessions
- Stakeholder surveys
- Advocate recommendations
- Senate HELP hearings

2011–Fall 2013:
- OAA expired 9/30/11
- AoA shares TA for Hill
- 2 Sanders bills introduced
- Compromise (S. 1562) moves forward to HELP cmte

Fall 2013–Present:
- S. 1562 passes HELP cmte – funding formula outstanding
- Bipartisan, confidential working group meetings
- Working group stalemate
OAA House Timeline:

January 2014–Present:

- OAA House movement
- 2 reauthorization bills introduced
  - H.R. 3850 – bipartisan, “straight reauthorization”
- Education & Workforce Cmte held hearing on OAA reauthorization in Feb.
  - n4a member testified
- Still waiting on Senate to act
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 approp)
    • Hold Harmless (HH), set at FY 2006 levels

• Source: www.lcao.org (OAA Title III Funding Formula Fact Sheet)
Funding Formula Tension

• Sequester Re-Opened the Conversation
• 11 States had double-digit sequester cuts to OAA III B, others higher than the ~5% average
• AoA could not override the HH provision
Funding Formula Challenges

• If the HH provision is changed to benefit faster growing states, given the current appropriations environment, slower growing states will see reduction in appropriations.

• Senators are split b/c none want to see their state lose any money, now or in future!
Funding Formula Impasse

• Senators from all but neutral states are in a tough spot
• Without momentum or sense of urgency on OAA reauthorization, impasse likely to remain
• n4a will not weigh in on the merits of specific formula changes
• But we do want to see OAA move this Congress!
OAA Crystal Ball

• If Senate doesn’t find solution, House won’t bother to act this year
• 2015: Senate starts from scratch with possible change in leadership
• 2015: House bill more ambitious
• Near certainty of losing “such sums” language to appropriations
• Defense vs. Offense
n4a’s OAA Advocacy

- n4a:
  - Has endorsed HELP-passed S. 1562
  - Cannot weigh-in on funding formula issue
  - Coordinating and communicating with key committee staff in Senate and House
  - OAA Reauthorization panel of Hill staff at APB
  - Leading coalition discussions on reauthorization next-steps
  - Participated in OAA call-in week generating over 1,000 calls to lawmakers
  - Providing members resources to advocate for reauthorization
  - Leading coalition discussions on OAA reauthorization
  - OVERALL FOCUSED ON GETTING A BILL PASSED

- Need continued member engagement, especially in key states
OAA Reauthorization Advocacy (cont.)

• Limited time to get OAA passed this year
• Potentially “next in line” from HELP Committee now that WIA reauthorized
• RARE opportunity, like WIOA, to pass bipartisan bill
• Need additional Republican co-sponsors for S. 1562
  – Ask your Republican Senators to co-sponsor S. 1562
• Need continued n4a member engagement
MAP-21
Reauthorization
Major Deadlines Looming

• MAP-21 expires September 30, 2014
• Highway Trust Fund facing insolvency by August
Senior Transportation Priorities and Programs:

- Make major investments in public transportation to increase mobility options for older adults
- Boost funding for FTA’s Section 5310 Program
- Study and better understand unmet mobility needs of older adults
- Increase funding for National Center on Senior Transportation
- Transfer NCST and other TA funding to Highway Trust Fund
- Incentivize better coordination of transportation planning to incorporate needs of older adults
- Ensure needs of all users considered when planning/building federally funded roads
1st Priority is Fixing Highway Trust Fund (HTF)

- If no action this month, states face 28% cut in federal highway funding
- Senate Finance and House Ways and Means Committees working out “fix”
  - Longer-term proposal through May 2015
  - Removes incentive to pass long-term fix in lame duck
- Negotiations likely to continue to very last minute in July
- Punts important/contentious issues:
  - Gas tax increase
  - Long-term payment for short-term spending
**Current Reauthorization Status:**

- President introduced administration proposal
  - 4-years; $302 billion “Grow America Act”
- Senate EPW committee passed a highway bill
  - One of 3 Senate bills that will need to be packaged
  - Banking and Commerce Committees have yet to unveil their bills
- Reluctance to address long-term HTF insolvency in this political climate
- Unlikely that there will be a long-term highway reauthorization this year—Speaker Boehner has said as much
Senior Transportation Priorities and Programs:

• n4a lead coordinator of Senior Transportation Task Force (STTF)
• Focused on FY 2015 appropriations
  – Letter to appropriators signed by 23 national organizations
• Reauthorization priorities to House T&I and Senate Banking Committee
• Meetings with House and Senate authorizers
Community-based Care Transitions Program
Community-based Care Transitions Program

- $500 million authorized for CCTP activities in Sec. 3026 of ACA
  - AAAs to leadership role in over 90% of 102 CCTP sites awarded
- **FY 2013 Continuing Resolution Cut $200 million** from the CCTP; CMS reassured contracts would not be affected
- Concerns with CCTP activities apparent in Fall 2013
- Members reaching out regarding challenges
- n4a and NTOCC published white paper outlining common concerns and sent to CMS
- Senate letter sent to CMS re: challenges
Next Steps on CCTP

- n4a gathering input from CCTP sites involving AAAs
- **Will continue Hill outreach per member request to provide national context to offices about program**
- Involved in conversation regarding legislation to make care transitions activities reimbursable through Medicare
THIS ELECTION IS ALL ABOUT NOT DOING ANYTHING UNTIL AFTER THE ELECTION!
Outlook for Fall 2014

• Appropriations likely to end in Continuing Resolution

• Opportunity to get OAA Reauthorization through Congress but **NEED ENGAGEMENT**!

• Long-term Transportation Reauthorization unlikely
Additional Advocacy Priorities

• Aging & Disability Resource Center long-term (mandatory!) funding

• Medicare Sustainable Growth Rate
  • MIPPA extension

• SEQUESTRATION!
Call to Action!

• **Continue to engage your Members of Congress.**
  - **REAUTHORIZE OAA!**
  - Let them know how any continued sequester will affect your community’s federally funded programs, your agency’s ability to meet the needs of your clients, and the ripple effects on the health and independence of older adults and caregivers.

• Keep them informed about major changes you will be forced to make.
Take Action in August!

• Reach out on OAA reauthorization, FY 2015 OAA appropriations, and the sequester!
• Borrow from n4a Advocacy Alerts (www.n4a.org)!  
  - Resources available including language and talking points for meetings, letters, media outreach  
  - MAKE IT LOCAL!
• Follow Up: call to discuss your request a few days later, ask for site visit (other recess activities)!
• Keep US informed about what you are doing!
• LEARN FROM YOUR PEERS!
  - Advocacy Session  
    TODAY, 3:05-4:25, Cumberland I
21st ANNUAL

Aging Policy Briefing & Capitol Hill Day
April 20–21, 2015
Washington, DC
Your Thoughts and Questions?
Questions?

Call on n4a’s Public Policy & Advocacy Staff

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