



**Testimony of Brenda Kelley
AARP Connecticut State Director
Select Committee on Aging
February 16, 2010**

Good morning Chairwoman Prague, Chairman Serra, ranking members Kissel and Frey, and members of the Select Committee on Aging. My name is Brenda Kelley and I am the State Director for AARP Connecticut. AARP is a nonprofit, non-partisan membership organization that serves people 50 and older. We have approximately 40 million members nationwide and over 600,000 in Connecticut.

AARP believes as Americans live longer, they deserve affordable options so that when they can no longer live without assistance, they and their families can choose the living environment that best meets their needs. We believe that Connecticut residents with functional limitations should have the services and supports they need, live in the homes and communities they choose, and control decisions about services that enable them to live as independently as possible.

Eighty-nine percent of Americans age 50+ want to stay in their homes as long as they can, and the cost of receiving care at home is about one third the cost of a nursing facility. Yet, despite strong consumer preference to live in the community, the Governor has recommended several programmatic changes and budget cuts to the state-funded Connecticut Home Care Program for Elders and the Alzheimer's Respite Care Program that would limit consumer choices and may lead to inappropriate nursing facility placements that will cost the State significantly more.

H.B. 5112,

AN ACT REDUCING THE INDIVIDUAL CONTRIBUTION UNDER THE STATE-FUNDED HOME-CARE PROGRAM FOR THE ELDERLY.

The state-funded Connecticut Home Care Program helps frail seniors receive basic care at home including care management, adult day health services, companion services, home delivered meals, homemaker services, and personal care attendants. These services allow seniors to remain in their own homes, living independently in the community.

Last year, with the leadership of Chairwoman Prague, the General Assembly rejected Governor's recommendation to cap the state-funded program, which would have created a waiting list for services for the first time since 1997. However, the trade-off for keeping the program open eventually became the imposition of a 15% co-pay on approximately 4,940 state-funded elders. The Governor's Proposed Budget also reduces funding for the CT Home Care Program for Elders by \$10,774,600 for 2011.

The cost-share imposed this year has, unfortunately, created a significant barrier to an individual's choice to receive home health services in the community. Sixty percent of state-funded elders live alone and have average incomes of \$1,390 per month; the average amount of total assets for individuals on the state-funded program is \$10,147.¹ For these individuals, a 15% cost share may make the difference between staying at home or entering a nursing facility. Over 200 individuals on the state-funded program have already dropped off the program because they cannot afford the cost-share. On average, for each of these elders that get admitted to a nursing facility the State will pay \$66,000 annually as compared to the average of \$12,156 spent for their care plan under the state-funded Homecare Program for Elders.

We're pleased that H.B. 5112 would significantly reduce the burden on state-funded elders by lowering the co-pay from 15% to 5% for 2011. AARP strongly supports reducing or, ideally, eliminating the co-pay permanently for individuals on the state-funded Connecticut Home Care Program. Not only will this protect access to state-funded services and alleviate the financial burden for seniors receiving care under the program, but the policy will also slow Medicaid costs in the long-term and save the state money. We look forward to working with The Select Committee on Aging and the Appropriations Committee to insure that the state-funded Homecare Program for Elders remains open and affordable to people who depend on it to receive the care they need to remain in the community.

H.B. 5111,

AN ACT CONCERNING THE ALZHEIMER'S RESPITE CARE PROGRAM.

In May of 2009, despite an increase in appropriations from the General Assembly, the Alzheimer's Respite Care Program was closed to new recipients. Approximately 400 people are currently waiting for respite services. The Governor's budget proposal would reduce funding to the program by 1 million for 2011.

AARP is pleased that HB 5111 eliminates the "within available appropriations" language from the statute authorizing this program which should help reopen the program.

While private long-term care insurance and some public programs pay for some long-term care services, these services are most commonly provided by family caregivers or paid for out-of-pocket until individuals impoverish themselves and become eligible for Medicaid. In fact, nationally the estimated economic value of family caregiving was about \$375 billion in 2007. About 34 million family caregivers provided care at any given point in time, and about 52 million provided care at some time during 2007. The economic value of caregiving exceeds total Medicaid long-term care spending in all states, and is more than three times as high in 36 states.² In Connecticut, there are more than 370,000 residents providing family care-giving to a loved one at home, with an economic value of about \$4.9 billion. Connecticut's Alzheimer's Respite Care Program

¹ DSS Data Specification for Access Agency Files Fiscal Year 2009.

² Mary Jo Gibson, *Valuing the Invaluable: A New Look at the Economic Value of Family Caregiving*, AARP Public Policy Institute (June 25, 2007).

offers up to a maximum of \$3,500 in services to each eligible applicant, and a maximum of 30 days of out of home respite care service. The program is for people not eligible for the CT Homecare Program for Elders because they have slightly higher income and assets. By relieving caregiver stress and providing a much-needed break, the Alzheimer's Respite Care Program delays nursing home placement for individuals with Alzheimer's disease and saves the state Medicaid dollars.

This unpaid care is the backbone of long-term care in this country. And, research shows that individuals, who receive basic personal care from family caregivers, are less likely to enter a nursing home. Yet family caregivers are not receiving adequate support—such as information, education, training, and respite care—to help them with their caregiving roles and enable their loved ones to remain at home, potentially delaying or preventing more costly institutional care.

While millions of family caregivers provide care to loved ones, doing so can also mean health, emotional, and financial challenges for the caregivers themselves. Family caregivers commonly say that they have trouble finding time for themselves, managing emotional and physical stress, and balancing work and family responsibilities. According to a comprehensive new caregiver study released (Caregiving in the U.S. 2009) by the MetLife Foundation and the National Alliance for Caregiving, in conjunction with AARP, one in six caregivers in the U.S. (17%) report that caregiving has had a negative impact on their health. The study also found that the number of caregivers utilizing respite care has more than doubled since 2004 (from 5% to 12%). Reducing key stresses on caregivers, such as physical strain and financial hardship, can reduce nursing home entry, as well as reduce medical costs for the caregivers themselves.

Conclusion

Thank you for considering these important pieces of legislation as they would increase consumer choice and independence by allowing individuals to receive the care they need in the setting of their choice. AARP looks forward to working with The Select Committee on Aging and the Appropriations Committee to ensure that both the State Funded Home Care Program for Elders and the Alzheimer's Respite Program remain open and affordable for the individuals and families who greatly depend upon this support.

