

TESTIMONY OF

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REGARDING

AGING-RELATED ISSUES IN PENNSYLVANIA

BEFORE A JOINT HEARING OF THE  
SENATE AGING AND YOUTH COMMITTEE  
AND  
HOUSE AGING AND OLDER ADULT SERVICES  
COMMITTEE

PITTSBURGH, PENNSYLVANIA

AUGUST 28, 2014

Good morning. I am Jim Palmquist, volunteer State President of AARP Pennsylvania. With me is AARP Pennsylvania Advocacy Manager Ray Landis. We appreciate the opportunity to appear before this joint hearing of the Senate Aging and Youth Committee and the House Aging and Older Adult Services Committee to discuss both a recent report AARP issued on long-term services and supports as well as a new survey of the interests and concerns of the 50+ conducted on behalf of AARP.

Let me begin with a brief discussion of the AARP, Commonwealth Fund, and Scan Foundation report entitled "Raising Expectations 2014: A State Scorecard on Long-Term Services and Supports for Older Adults, People with Physical Disabilities, and Family Caregivers." The Scorecard looks at the experience of LTSS users and their families from the approach that their independence and well-being should be maximized and older people and adults with disabilities should be able to exercise choice and control over their lives.

This report ranks states in a number of categories and issues an overall ranking for each state. Let me get the bad news out of the way first – Pennsylvania's overall ranking was a disappointing 42<sup>nd</sup>. Within this ranking, however, there are some silver linings, along with areas where we simply need to be doing a better job.

The good news that comes out of this report is that of the 26 data indicators included, 18 can be compared to a similar report issued in 2011. Of those 18, Pennsylvania improved in 12 categories and stayed the same in 6, while not declining in any. This obviously leads to a question – if we're doing better in so many categories, how can our overall ranking be so low? Two reasons stick out – first, although Pennsylvania is doing better, so are other states, as across the nation more emphasis is being placed on receiving long-term care services and supports in the community. The second big factor that impacts Pennsylvania's ranking is our low performance on the affordability of LTSS. Our worst performance measure is the median annual nursing home private pay cost as a percentage of median household income for the 65+ population – in other words, how much nursing home care costs - where Pennsylvania ranks 46<sup>th</sup> out of the 50 states.

I would like to highlight a couple other categories from the scorecard. An area in which Pennsylvania improved from 2011 but where we still can do better is the percent of Medicaid and state LTSS spending going to home and community based services for older people and adults with physical disabilities. The report shows we only spend one quarter of our Medicaid LTSS dollars for home and community based care. The median in all states is 31.4% - the best state, which is New Mexico, actually spends 65.4% of their Medicaid long-term care budget for home and community based services. We know that people overwhelmingly want to age in their homes and communities and that it is also a

more cost-effective use of Medicaid dollars. Pennsylvania is headed in the right direction, but we simply need to do better here.

Another area where we've shown marked improvement is in staffing, both for home health and in nursing homes. Our nursing home staff turnover rate has improved dramatically and we have also significantly increased the number of home health and personal care aides – in both categories we are now close to the median of all states.

Finally, there's an important point that must be made about the Scorecard. The data used to compile the report is the latest available from the states. In some instances this will not reflect recent developments in Pennsylvania. For instance, the impact of the \$50 million increase in the 2013/14 budget for home and community based care programs from lottery revenues & the additional \$21 million increase in the 2014/15 budget isn't shown in these rankings.

We have included in our written testimony a presentation AARP's Vice President for State Advocacy and Strategy Integration, Elaine Ryan, recently gave at a Family Caregiving forum in Erie. This presentation discusses more of the background of the Scorecard and steps we can take to allow older Pennsylvanians to live independently, with a focus on helping family caregivers.

I also want to quickly comment on a survey AARP Pennsylvania released last week about the concerns of the 50+ population in the Commonwealth which is included in our written testimony. The most striking revelation of the survey was the anxiety expressed by older Pennsylvanians about their financial situation in retirement. This concern is particularly felt by the 50-64 population, and they are particularly worried about taxes and their income not keeping up with the cost of living. Interestingly, the survey results showed a solid majority of individuals are generally satisfied with their current financial situation, but the worry and anxiety is expressed about the future.

We also asked questions about caregiving and found, which won't surprise the members of these Committees, that the majority of respondents are either currently providing unpaid care to a family member or have provided care in the past, and of those that have no past or present experience as a caregiver, one-half expected they would be a caregiver in the future.

Finally, we asked about the need for Pennsylvania to support services that allow older adults to live independently. 78% said this should be at least a very important priority for elected officials – which was the same percentage who felt lottery revenues should fund programs that allow seniors to remain in their homes, as opposed to using lottery revenues to pay for nursing home care.

Again, I appreciate the opportunity to appear before your Committees today, and I commend you for holding this joint hearing and for turning your attention to the important work being done here at Pitt on Alzheimer's and dementia research. Ray and I would be glad to attempt to answer any questions you may have about this AARP research and survey or other issues important to your Committees.