Annual Report of the

Maryland Commission on Aging

2001

Commission on Aging Appointments and Expiration Dates

	Appointment	**Expiration**
Mr. William D. Bechill	Reappt. July 1, 1999	June 30, 2003
Mr. Grant E. Acker	July 1, 1998	June 30, 2002
Mr. George E. Burnett	July 1, 1997	June 30, 2001
Ms. Nancy M. Caliman	July 1, 1997	June 30, 2001
Ms. Judith Cato	Reappt. July 1, 1999	June 30, 2003
Senator Michael Collins	July 1, 1995	June 30, 1999
Charles Culbertson	Reappt. July 1, 1998	June 30, 2002
Delegate Barbara Frush	July 1, 1995	June 30, 1999
Mr. W. Lee Hammond	July 1, 2001	June 30, 2004
Mr. Gary Hong	July 1, 1998	June 30, 2002
Ms. Louise E. Lynch	July 1, 1999	June 30, 2003
Mr. James Mosley	July 1, 1997	June 30, 2001
Mr. D. Bruce Wile	July 1, 1999	June 30, 2003
Dr. George A. Taler	July 1, 1998	June 30, 2002

Reappt. - Reappointed

October, 2001

Introduction

The Commission on Aging is made up of thirteen members, eleven public citizens and two State Legislators and is charged to advise the Governor and Secretary of Aging on problems of the aging and to review new programs and activities designed to assist older Marylanders. The Commission meets monthly and in 2001, also continued to work with its local counterparts in sponsoring "Town Hall Meetings" in a number of local jurisdictions. The purpose of these meetings was to ensure that the State Commission is accurately identifying and addressing issues of concern to all Marylanders. In 2001, three "Town Meetings" were held in Frederick, Prince George's, and the Upper Eastern Shore. At present, twenty-two of the State's twenty-four local jurisdictions have cooperatively sponsored these town meetings to hear from seniors across the state on issues of priority concern.

Priorities of the Commission remain focused on those issues earlier identified with three new issues added in 2001. Most issues lead to recommendations for budgetary action. These include:

- Third year phase-in of the expansion of the Long Term Care Ombudsman Program
  $880,000
  (This action was a major recommendation of the Task Force on Quality of Care in Nursing Facilities and was a commitment to fund a minimum staffing capacity over a three-year period)

- Annualization of the case management /administrative funding in the budget of the Department of Aging and second year phase in expansion of the Medicaid Home and Community Based Waiver for Older Adults in the Medicaid budget.
  (Dept. of Aging) $400,000
  (Medicaid) $6,300,000
  (These funds will annualize case management/administration of the Medicaid Waiver in the Department of Aging and add an additional 1,000 "slots" to the existing 1,150 "slots" currently funded. The Waiver is scheduled to eventually serve 5,000 persons)

- Funding to help serve persons on waiting lists for State funded Community Support service programs:

Congregate Housing Service	$500,000
Senior Care	$1,500,000
Low Income Assisted Living Subsidy	$1,500,000

- Innovations in Aging Services Initiative $200,000

Total Budget $11,280,000

- Expansion of the Short-Term Prescription Subsidy Program to serve 50,000 persons. In light of a lack of action by the federal government to enact a prescription drug benefit in Medicare, the State's short-term subsidy should be continued and expanded until federal action takes place.

- Congress should enact a prescription drug benefit under Medicare for all beneficiaries. It should be a voluntary benefit with meaningful coverage for all who need such coverage, with affordable premiums based upon ability to pay.

In addition to the above recommendations, the Commission identifies three new issues of priority concern:

- Mental Health Parity – the mental health benefit under Medicare is arbitrary and unfair. The Commission recommends that Medicare be amended to provide full parity coverage of mental health with other covered services.

- Elder Abuse Prevention/Prosecution of Abuse and Exploitation of Vulnerable Adults – The Commission believes it is necessary for additional attention and resources to prevent and combat Elder Abuse. This includes increasing staff to serve vulnerable adults through local Departments of Social Services Adult services Units, an increase in funding for the In Home Aide Services (IHAS) program and strengthening state law to make more effective prosecution of abuse and exploitation of vulnerable adults.

- Proposed Privatization of Social Security – The Commission strongly opposes any move to privatize Social Security. No Social Security funds should be diverted away from the trust fund and invested into private stock market accounts.

As in prior annual reports, the Commission on Aging views its recommendations for 2001 as a continuing follow-up to earlier recommendations and urges similar support in 2002.

Recommendations:

- **The Commission urges the Governor to include in the budget, an additional $880,000 to fully phase in expansion of the Long Term Care Ombudsman program.**

A major recommendation of the 2000 Report by the *Task Force on Quality of Care in Nursing Facilities* was the need to upgrade staffing of the Long Term Care Ombudsman program. Not only consumer advocates and regulators but also even the nursing home industry recognized the value of this program in improving the quality of the lives of nursing home residents. Legislation was enacted to require at least a half-time Ombudsman in every county in the state, or ten hours of Ombudsman time for each nursing home, or a full-time Ombudsman for every 1,000 long term care beds in a

county, whichever is larger. Funding to accomplish this was to be phased in over a three-year period beginning in FY 2001. An additional $880,000 is needed to finalize this law. Funding during the first two years has not been distributed across all jurisdictions but was instead used to fully fund approximately two-thirds of the nursing home beds in the state. Final funding is needed to insure that all nursing home residents are afforded the valuable services of this enhanced Long Term Care Ombudsman program statewide.

- **The Commission urges expansion of funding to annualize the Case Management/Administrative funds in the Department of Aging and additional funds in the Medicaid budget to serve an additional 1,000 persons in the Home and Community Based Waiver for Older Adults.**

Building upon an earlier, limited Medicaid waiver for persons in small assisted living homes, the Home and Community Based Waiver for Older Adults was expanded effective January 1, 2001 to serve up to 1,150 persons in their own homes and in assisted living. Due to a number of start-up difficulties, including a lack of adequate Medicaid approved providers and the need to better coordinate responsibilities of the three agencies involved in the waiver (Aging to enroll and case manage; Human Resources to determine financial eligibility; and Health to assess and determine health status eligibility), it has proven a challenge to enroll all persons who might benefit from the waiver. However, with a year of experience in administering this important new program, it remains vital to continue to expand the waiver to serve additional persons and keep as many persons as possible in the community and out of institutions. The waiver not only improves the quality of life for those persons served, it also serves as an important economic development tool while preparing Maryland for the aging of our population which will lead to one in five residents being over sixty years of age within the next twenty years. The Medicaid Waiver, by definition, can cost no more than would nursing home care. In many jurisdictions, cost savings have been measured and shown to be substantial. Additionally, the infusion of Medicaid funds into the local health services sector has been substantial, measuring in the millions of dollars in some counties with larger waiver caseloads. There is no public policy more important to older Marylanders than expanding the Medicaid waiver.

- **In addition to expanding the Medicaid Waiver, the Commission urges additional funding in state funded Community Support programs which serve those not eligible for Medicaid Waiver services by virtue of income or health status but who are at risk of nursing home placement. These programs include Congregate Housing Services, Senior Care, and the Low Income Assisted Living Subsidy program.**

As important as the Medicaid waiver is and will continue to be in financing the growth of a community based service infrastructure, there will continue to be a need for state funded programs with more flexible rules than federal Medicaid rules allow. Most important is the fact that programs fully state funded can be used to inexpensively help those not yet functionally frail enough for Medicaid but at risk of degenerating quickly without preventive services to stabilize them in their own homes or in assisted living.

Many of these programs can provide limited but flexible benefits tailored to meet client needs but much less expensive than a full Medicaid waiver benefits package. *Senior Care* has had phenomenal success in serving at risk populations by virtue of its "gap-filling" service funding. The *Congregate Housing Services* program helps those seniors who have aged in place in senior apartments. It maintains them in independent living for a much longer period than would otherwise be the case. It is changing to meet the changing needs of seniors in Maryland. The *Low Income Assisted Living Subsidy Program* (formerly the Group Senior Assisted Housing Program) can help persons who will never qualify for Medicaid Waiver services by virtue of having incomes over the maximum allowed range but whose own incomes do not cover the cost of their Assisted Living. With statutory authority to now subsidize up to $650 per month (when funding becomes available), this program could serve many more residents were additional funds available.

- **The Commission recommends initial funding for the Innovations in Aging Grants program to encourage new models or care in both community and institutional environments.**

The new Innovations in Aging grants program was created by legislation in the 2001 General Assembly Session. It holds the promise of helping to identify and test new or replicate promising models of care for the elderly in community settings and institutions. Modeled on the Older Americans Act Title IV Demonstrations program, it can serve as a vehicle to see how new models of delivery can improve quality of live and demonstrate cost effectiveness as well.
The $200,000 initial proposed funding level could support up to three grants to being this important and promising activity.

- **The Commission continues to support the Short-Term Prescription Drug Subsidy program and recommends it be expanded to serve up to 50,000 Medicare beneficiaries without such coverage.**

The Commission is sensitive to the fact that prescription drug coverage should be an integral part of Medicare. It seems that Congress and the President are no closer to acting upon this than prior to the last election, however, and it will be some time before federal action takes place. In the meantime, the costs of prescription drugs continue to grow with no end in sight. The state must, at least on a temporary basis, help those Medicare beneficiaries who have no other options through such programs as the successful Short Term Subsidy Program, enacted as part of the 2001 Senior Drug Relief Act. It is estimated that about one in three persons on Medicare have no prescription drug coverage. As many as one in two persons on Medicare have inadequate coverage and exhaust their coverage before the end of a plan year. Maryland should continue and expand the very successful Subsidy program until a Medicare benefit is established.

- **The Commission urges the Maryland Congressional Delegation to work with Congress and the President to enact a meaningful, universal prescription drug benefit in Medicare.**

Efforts must continue to establish a pharmacy benefit under Medicare. The use of pharmaceuticals to manage an ever-growing number of chronic conditions demands that Medicare integrate drug coverage into its existing package of services. If Medicare does become a payer for drugs, it may well lead to closer control of the cost of drugs and a slowing of the hyperinflation of drug costs in recent years.

New Recommendations:

- **The Commission urges the Governor to work with Maryland's Congressional Delegation to establish parity in mental health coverage with other existing Medicare services.**

Mental health services seem to be a "step child" within Medicare's existing covered services. All other services covered under Part B of Medicare are covered 80%, while in patient coverage for all but mental health operate under "spell of illness" instead of absolute lifetime maximums. Medicare should recognize that mental health is entitled to the same coverage policy as any other recognized illness. During the last Congress, the Senate passed legislation, which would have required mental health coverage parity in private insurance plans. Medicare deserves no less.

- **The Commission urges the Governor to include in the budget funds to lower the caseworker-to-client ratio in Adult services to 1:24 to more effectively serve persons in need of protective services and to investigate reported elder abuse, neglect and exploitation. Additional funds are also needed to expand the In Home Aide Service program (IHAS) to serve those needing protective services. The Commission also supports legislation to more effectively prosecute abuse and exploitation of vulnerable adults.**

With the increasing number of older persons, and a corresponding federal retreat in Social Services Block Grant funding, an historic source of funds for protective services funding for all populations, Maryland's Adult Services programs have been hard pressed meet the growing need for investigating and offering protective services to vulnerable adults, including the elderly. Recommendations have been developed, supported by the Commission on Aging, to increase funding in the Department of Human Resources' Community Services Administration to lower the caseworker to client to 1:24. These are nationally recognized standards and should be put in place in Maryland.

It is also becoming recognized that as more elderly amass savings for retirement, they may become more prone to exploitation from unscrupulous persons, too often including family members. Legislation has been introduced to allow prosecutors to more effectively go after those who exploit the vulnerable. The Commission continues to support legislation to this effect such prosecution.

- **The Commission strongly opposes any move to privatize Social Security. No funds should be diverted away from the trust fund and invested into private stock market accounts.**

Due to the very success of medical research, the world's population is aging, while there were more than 40 workers for each beneficiary when social security was established, that ratio is fast declining and today there are fewer than four workers to each beneficiary. While it is recognized that some adjustments will be needed to avoid the under funding of future retirees, the Commission does not believe that privatizing even part of social security is the answer. For one thing the "pay as you go" system currently in place would experience enormous shortfalls if a partially privatized system were initiated, costing up to one and one half *trillion* dollars in new funds to meet payments to current beneficiaries. Also, the "security" in Social Security would be severely threatened if a stock market correction such as that witnessed in the Fall of 2001 were to occur just as a person were retiring. It is estimated that many investors experienced a loss of up to 40% of the value of their stock market portfolio. The Commission believes that wise retirement planning should include the three-legged stool: that is, social security, pensions, and private savings as a more intelligent retirement savings vehicle

Conclusion

The recommendations outlined above represent a continuing picture of the priority needs requiring government action. Many of these recommendations are of longstanding interest; such as funding the development of a community-based long term care services infrastructure. Others, such as additional attention to protective services, while not new, are a new recognition of the need for increased government attention and resources. Finally, the need to reform Medicare, are not new but include additional issues, such as the need for mental health parity. The Commission on Aging looks forward to working with the Governor, Department of Aging, and both the General Assembly and Congress to achieve the actions called for in this annual report.