



THE BASICS

Older Americans Act of 1965: Programs and Funding

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In 1965, Congress enacted the Older Americans Act, which established the U.S. Administration on Aging (AoA) and state agencies on aging to address the social services needs of older people. The Act is considered the major vehicle for promoting the delivery of social services to the aging population. Its mission is broad: to help older people maintain maximum independence in their homes and communities and to promote a continuum of care for the vulnerable elderly. In successive amendments, Congress authorized targeted programs to respond to specific needs of the older population. Considering the broad sweep of services included in its mission, the Act's reach is constrained by modest resources. Authorization for the Act's programs expired at the end of fiscal year (FY) 2011. Congress appropriated funds to support the Act's programs for FY 2012 in the FY 2012 Consolidated Appropriations Act (P.L. 112-74).

SEVEN TITLES, MULTIPLE SERVICE PROGRAMS

The Act authorizes seven titles that include a series of formula-based and discretionary grants. All programs are administered at the federal level by AoA, except for the Title V community service senior opportunities program, which is administered by the U.S. Department of Labor (DoL). The fiscal year (FY) 2012 federal funding level is \$1.9 billion.¹ Seventy-one percent of the funding supports Title III state and community grants for multiple social service programs. The balance funds the Title V program, grants for Native American organizations, vulnerable elder rights protection activities, and various national aging support activities (Figure 1). Following is a synopsis of each title and some of the services authorized. (For more detailed information

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on Older Americans Act programs, see Carol V. O’Shaughnessy, “The Aging Services Network: “Serving a Growing and Vulnerable Elderly Population in Tough Economic Times,” National Health Policy Forum, Background Paper No. 83, December 13, 2011, available at www.nhpf.org/library/details.cfm/2880.

Title I: Declaration of Objectives

Title I sets out broad social policy objectives oriented toward improving the lives of all older people, including adequate income in retirement, the best possible physical and mental health, opportunity for employment, and comprehensive long-term services and supports.

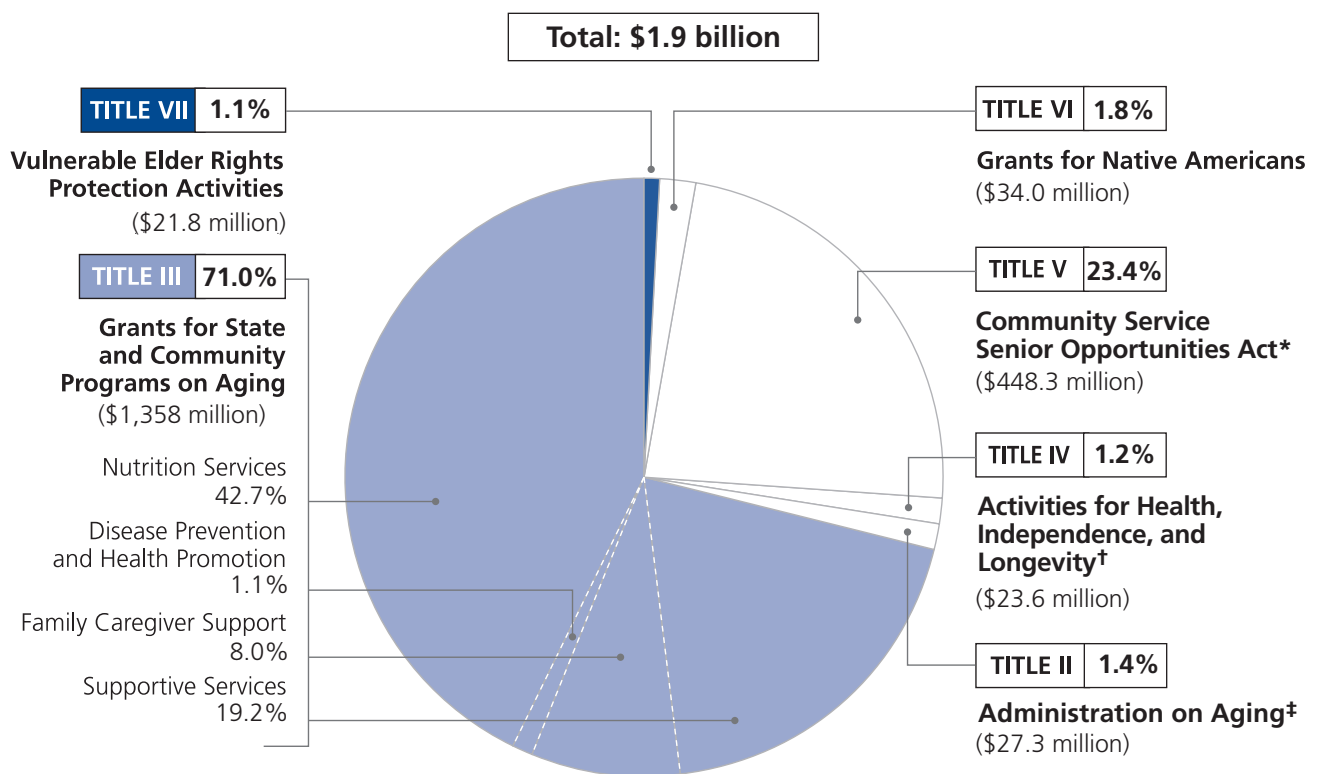
Title II: Establishment of the AoA

Title II establishes AoA within the U.S. Department of Health and Human Services (HHS) as the chief federal agency advocate for older people and sets out the responsibilities of AoA and the Assistant Secretary for Aging. In addition to establishing AoA, Title II sets out a number of program activities. Among other things, Title II requires AoA to create the National Eldercare Locator Service to provide nationwide information through a toll-free telephone number so that users can identify community resources for older people.² It also establishes national resource centers for long-term care ombudsman services and elder abuse prevention activities.

Title II also requires AoA to focus national efforts on health and long-term services and supports (LTSS) activities whose goals are to help older people live independently in their homes and communities and avoid placement in nursing homes or other facilities. For example, in recent years, AoA has awarded funds to states and territories to develop and implement Aging and Disability Resource Centers (ADRCs).³ ADRCs are intended to be “one-stop shop” programs that help people make informed decisions about their service and support options and serve as “single entry points” for access to LTSS. (For more information on ADRCs, see Carol V. O’Shaughnessy, “Aging and Disability Resource Centers (ADRCs): Federal and State Efforts to Guide Consumers Through the Long-Term Services and Supports Maze,” National Health Policy Forum,

Background Paper No. 81, November 19, 2010, www.nhpf.org/library/details.cfm/2835.) In addition, AoA has awarded grants to 1,200 state and community organizations to develop an infrastructure for delivering evidence-based disease prevention and health promotion interventions that have proven effective in reducing the risk of disease, disability, and injury among older people.⁴

Older Americans Act, FY 2012 Funding



* Also referred to as the Senior Community Service Employment Program.

† Includes AoA funding for the Senior Medicare Patrol Program (also supported by Health Care Fraud and Abuse Control funds), AoA discretionary funding for ADRCs (also supported by funds appropriated by the Patient Protection and Affordable Care Act (PPACA)), the national Alzheimer’s call center; multigenerational civic engagement activities, legal assistance support activities, various national aging centers, and other aging network support activities. P.L. 112-74 did not appropriate funding for Program Innovations for FY 2012.

‡ Includes AoA funds for national resource centers for elder abuse prevention and the long-term care ombudsman program, the national eldercare locator; the pension information and counseling program, and AoA program administration.

Note: Funds shown are after the across-the-board rescission for FY 2012 was applied. Percent does not add due to rounding. Chart does not include funds administered by AoA but funded by other legislation in 2012: \$2.5 million for the Lifespan Respite Care Program, \$4 million for the Alzheimer’s Disease Supportive Services Program under the Public Health Service (PHS) Act, \$10 million for ADRCs appropriated by PPACA, \$10 million for the Chronic Disease Self-Management Program (CDSMP) under the PHS Act, and \$3 million for the National Clearinghouse for Long-Term Care Information under PPACA.

Source: Prepared by the National Health Policy Forum, based on e-mail communications with AoA staff, and phone conversations with DOL staff, February 2012.

Title III: Grants for State and Community Programs on Aging

Title III formula grants support the activities of 56 state agencies on aging and 629 area agencies on aging, which can be nonprofit or public agencies.⁵ These agencies act as advocates on behalf of, and coordinate social service programs for, older people. Title III authorizes funds for supportive and nutrition services, family caregiver support, and disease prevention and health promotion activities. State agencies are required to pass Title III funds to area agencies to administer within their state-defined planning and service areas. These grants account for 71 percent, or almost \$1.4 billion of total Older Americans Act funds in FY 2012 (see figure).

- **Supportive services.** The supportive services program funds a wide range of social services aimed at helping older people remain independent in their own homes and communities. States are required to devote some funding to access services (such as transportation and information and assistance), home care, and legal assistance.⁶ This program also supports other services, such as case management, adult day care, and activities of senior centers. Supportive service funding in FY 2012 is \$366.9 million, 19 percent of all funding.
- **Nutrition services.** The elderly nutrition program, the oldest and perhaps most well-known Older Americans Act service, provides meals and socialization to older people in congregate settings, such as senior centers, churches, and other community venues (the “congregate meals” program), and meals to frail older people in their own homes (the “home-delivered meals” program). The purposes of the program are to reduce hunger and food insecurity and to promote socialization, health, and well-being of older people by helping them gain access to nutritional and other health promotion services that prevent the onset of poor health conditions. In FY 2010, about 2.6 million people received 242 million meals; 60 percent of meals were served to frail older people living at home, and 40 percent were served in congregate settings.⁷ Nutrition program funding is \$816.3 million in FY 2012, almost 43 percent of total funding.
- **Family caregiver support.** The National Family Caregiver Support Program provides grants to all states and territories to develop a variety of services to assist family caregivers.⁸ These include information and assistance about available services, individual counseling, organization of support groups and

caregiver training, respite services to provide families temporary relief from caregiving responsibilities, and supplemental services (such as home care and home adaptations) on a limited basis to complement care provided by family and other informal caregivers. Family caregiver support programs are funded at \$153.6 million in FY 2012, or 8 percent of all funding.

The number of caregivers served is small compared with the estimated number of caregivers nationwide. Annually about 600,000 caregivers receive assistance through the program. In 2009, about 80 percent of caregivers served received information about, or help receiving, services; 60 percent received supplemental goods or services, such as canes or walkers, emergency response systems, or nutritional supplements for care recipients; half received respite services; and one-third participated in training, counseling, or support groups.⁹

- **Disease prevention and health promotion.** Programs to prevent or delay chronic conditions and promote health among older people receive the smallest amount of funding among Title III programs. The law provides “seed money” for these activities and intends that state and area agencies leverage other funding sources to complement Title III funds. The types of activities that state and area agencies support with these funds vary widely and include both group services, such as physical fitness and diabetes control classes, arthritis, and nutrition education, and individualized services, such as medical and dental screening, nutrition counseling, pharmacology consultation, and immunizations.

Target population — Title III services are available to all people age 60 and over, but they are targeted to those with the greatest economic or social need. Means testing is prohibited. Participants are encouraged to make voluntary contributions for services they receive. States are allowed to implement cost-sharing policies for certain services on a sliding scale basis. However, people must not be denied services due to failure to make voluntary contributions or cost-sharing payments.

Due to limited funding, a relatively small proportion of the older population receives Title III-funded services. For FY 2010 AoA data show that about 5.1 percent of the 57.8 million people age 60 and older, or almost 3 million people, received services funded by the Act, such as home-delivered meals, home care, personal care, or case management services, on a regular, or intensive,

basis.¹⁰ A larger proportion—about 14 percent of the older population, or almost 8 million people—received other services, such as transportation, information and assistance, or congregate meals, on a less-than-regular or -intensive basis.¹¹ An even larger but unknown number may benefit from the planning, coordination, and advocacy functions carried out by state and area agencies on aging.

A recent report by the Government Accountability Office (GAO) found that many older people are in need of meals and other supportive services to help them remain independent in their communities, but many do not receive the help they need. The report cited interviews with state officials who indicated that a number of barriers in providing services exist, including lack of funding as well as lack of knowledge among older people that they may be eligible for assistance, or that services may be available.¹²

Even though a small number overall receives services, vulnerable older people are more likely to receive Title III services, as measured by poverty and minority status. Of all people served under Title III programs in FY 2010, 30 percent of those who received services on a regular or intensive basis had income below the federal poverty level (FPL), compared with 9.5 percent in the U.S. population age 60 and over. About 25 percent of clients were members of a minority group, compared with about 22 percent in the U.S. population age 60 and over.¹³

Formula allotments — The law requires that AoA allot funds for supportive services, nutrition services,¹⁴ and disease prevention and health promotion services to states based on each state's proportionate share of the total U.S. population age 60 and over (with minimums for small population states). The law requires that family caregiver support program funds be allotted based on a state's proportionate share of the U.S. population age 70 and over. States allocate funds to area agencies on aging based on a state-determined formula.¹⁵

Title IV: Activities for Health, Independence, and Longevity (Program Innovations)

Title IV provides authority for training, research, and demonstration projects in the field of aging. Funds are to be used to expand knowledge about aging and to test innovative ideas on services

and programs. Title IV has supported a wide range of projects related to income, health, housing, and long-term care. Funds are awarded to a wide range of grantees, including public and private organizations, state and area agencies on aging, and institutions of higher learning. In recent years, funds have been awarded to support legal assistance systems, a national Alzheimer's disease call center, multigenerational civic engagement projects, and a number of national organizations serving minority older people. Title IV funding is \$23.6 million, about 1 percent of the Act's funding for FY 2012.

Title V: Community Service Senior Opportunities Act

Title V, sometimes referred to as SCSEP (the Senior Community Service Employment Program), provides part-time jobs for unemployed low-income people age 55 and older who have poor employment prospects. DoL contracts with states and 18 national organizations¹⁶ that recruit and enroll workers who are then placed in community service jobs, for example, in hospitals, schools, and senior nutrition sites. Enrollees are paid no less than the highest of the federal minimum wage, the state or local minimum wage, or the prevailing wage paid by the same employer for similar occupations. People eligible are those who are 55 years of age and older whose income does not exceed 125 percent of the FPL (\$13,612 in 2011). The program supported about 46,000 employment positions in program year 2011.¹⁷ Funding for the Title V program is \$448.3 million in FY 2012, about 23 percent of all funding.

Title VI: Grants for Services for Native Americans

AoA awards Title VI grants to Indian tribal organizations, Alaskan Native organizations, and nonprofit groups representing Native Hawaiians. Grants are used to fund supportive and nutrition services for older Native Americans. In FY 2010, grants were awarded to 254 Indian tribal organizations and 2 Native Hawaiian organizations. Family caregiver grants were made to 218 Title VI organizations.

Title VII: Vulnerable Elder Rights Protection Activities

Title VII authorizes the long-term care ombudsman program as well as a program to prevent elder abuse, neglect, and exploitation. These two programs are funded at \$21.8 million in FY 2012, representing about 1 percent of total funding.

- **Long-term care ombudsman program.** The purpose of this program is to investigate and resolve complaints of residents of nursing facilities, board and care facilities, and other adult care homes. It is the only Older Americans Act program that focuses solely on the needs of institutionalized persons. Complaints may relate to action, inaction, or decisions of long-term care providers or their representatives and other actions that adversely affect the health, safety, welfare, or rights of residents. Other functions to be carried out by ombudsmen include representing the interests of residents before governmental agencies and seeking administrative and legal remedies to protect their rights. In FY 2010, about 1,200 paid ombudsmen were responsible for oversight of 16,639 nursing facilities with 1.7 million beds and 52,681 other residential care facilities with 1.2 million beds. (For further information on the ombudsman program, see Carol V. O’Shaughnessy, “The Role of Ombudsmen in Assuring Quality for Residents of Long-Term Care Facilities: Straining to Make Ends Meet,” National Health Policy Forum, Background Paper No. 71, December 2, 2009, available at www.nhpf.org/library/details.cfm/2767.)
- **Prevention of elder abuse, neglect, and exploitation.** Under this program, states are required to carry out activities to make the public aware of ways to identify and prevent abuse, neglect, and exploitation and to coordinate activities of area agencies on aging with state adult protective services programs. (For information on legislation related to Older Americans Act, see Carol V. O’Shaughnessy, “The Elder Justice Act: Addressing Abuse, Neglect and Exploitation,” National Health Policy Forum, November 30, 2010, available at www.nhpf.org/library/details.cfm/2836.)

Formula allotment — Like Title III funds, Title VII funds are allocated to states based on the state’s share of the older population (even though ombudsmen are to serve all populations in facilities, regardless of age).

REAUTHORIZATION OF THE ACT

The Older Americans Act Amendments of 2006 (P.L. 109-365) reauthorized all programs under the Act through FY 2011. Among other things, the law expanded the role to be taken by AoA and state and area agencies on aging in promoting home and community-based LTSS, authorized funds for competitive grants to states to promote comprehensive elder justice systems, and required AoA to develop demonstration programs to help older people “age in place” (including in naturally occurring retirement communities) and systems for mental health screening and treatment services. Congress is reviewing proposals to reauthorize the Act during the 112th Congress.

ENDNOTES

1. Figure 1 shows programs funded by FY 2012 appropriations for the Older Americans Act and administered by the U.S. Administration on Aging (AoA) (all titles except for Title V) and the U.S. Department of Labor (DoL) (Title V). Other programs administered by AoA but not funded through OAA FY 2012 appropriations include: the Lifespan Respite Care program, the Alzheimer’s Disease Supportive Services Program, the National Clearinghouse for Long-Term Care Information, and the Chronic Disease Self-Management Program (CDSMP). Aging and Disability Resource Centers (ADRCs) are funded by both AoA Title IV funds and funds appropriated by the Patient Protection and Affordable Care Act (PPACA) for FY 2012. See note in the figure for more information.
2. The Eldercare Locator can be accessed through a toll-free nationwide telephone line (800-677-1116) or at www.eldercare.gov.
3. The ADRC program is authorized under Title II; Title IV discretionary funds, in addition to funds appropriated by the Patient Protection and Affordable Care Act (PPACA), are used to support ADRCs.
4. Administration on Aging, *Justification of Estimates for Appropriation Committee, Fiscal Year 2012*, U.S. Department of Health and Human Services.
5. The majority of state agencies on aging are located in umbrella human service and/or health services agencies; the remainder are independent departments or commissions of state government. National Association of States United for Aging and Disability (NASUAD), *State Aging and Disability Agencies in Times of Change, State of the States Survey 2012*, available at www.nasuad.org/documentation/nasuad_materials/NASUAD%20States%20Survey%202011.pdf. About 42 percent of area agencies are independent nonprofit agencies, about 30 percent are part of city or county governments, and about 23 percent are part of councils of government or regional planning and development agencies. The remainder are located in colleges, community action agencies, and other organizations. National Association of Area

Agencies on Aging and the Scripps Gerontology Center, "Area Agencies on Aging: Advancing Health and Long-Term Services and Supports," July 2011, available at www.n4a.org/pdf/2011_AAA_Survey_Report.PDF.

6. State agencies determine a minimum proportion of funds that area agencies on aging must spend on these services.
7. AoA, National Aging Program Information System (NAPIS), "2010 Reports," available at www.aoa.gov/AoARoot/Program_Results/SPR/2010/Index.aspx.
8. The primary groups served are caregivers of people age 60 and older, but the law allows grandparents or other individuals (age 55 or older) who are relative caregivers of children to be served under the program.
9. Leslie Foster and Rebecca Kleinman, "Supporting Family Caregivers Through Title III of the OAA," Mathematica Policy Research, Inc., for AoA, Research Brief No. 5, September 2011, available at www.aoa.gov/AoARoot/Program_Results/docs/2011/AoA5_SupportFamilyCaregvr.s.pdf.
10. AoA collects Title III data on total clients and "registered" clients, that is, those who receive services on "regular or intensive basis," such as home-delivered meals, and home care or personal care services. Others receive services, such as transportation and information and assistance, on a less-than-regular or -intensive basis.
11. NAPIS, "2010 Reports."
12. Government Accountability Office (GAO), "Older Americans Act: More Should Be Done to Measure the Extent of Unmet Need for Services," GAO 11-237, February 2011, available at www.gao.gov/new.items/d11237.pdf.
13. NAPIS, "2010 Reports."
14. Funds for nutrition services incentive grants are allotted to states based on a formula that takes into account the number of meals (supported by all funding sources) served by each state's nutrition program the prior year.
15. States allocate Title III funds to area agencies on aging based on a state-determined distribution formula (generally taking into account a combination of factors, such as age, income, and racial or ethnic status of the older population throughout the planning and service areas of the state).
16. The number of people served each year is higher because people move in and out of employment positions throughout the year. Seventy-eight percent of funds are awarded to 18 national organizations and 22 percent of funds are awarded to states. For further information, see DoL, "About SCSEP," updated October 19, 2010, available at www.doleta.gov/Seniors/html_docs/AboutSCSEP.cfm.
17. Program year refers to the period July 1 to June 30.