



THE ADVOCATE

May 2011

State Budget Proposals to Cut Aging Services Range from 7% to 32%

Michigan's older adults have been targeted on both sides of the state's ledger—funding for key programs supported through Michigan's Office of Services to the Aging (OSA) stands to be reduced from FY 2011 levels, and state taxes for certain older adults will rise. A joint House-Senate Conference Committee is likely to determine the extent of OSA funding cuts and the three proposals in the table below form the basis of negotiation. The House proposal calls for a staggering 32% cut which would result in the loss of 750,000 home-delivered meals, and 1,000 frail older adults would not receive in-home services. Statewide wait lists for OSA services now hold more than 6,000 individuals and are likely to grow. If the House proposal prevails, funding for programs that keep older adults living in their homes and communities, and out of costly Medicaid-funded nursing homes, will have been slashed 60% in the last four years. Lesser cuts have been supported by the Senate and Governor Snyder.

**Call your legislators and remind them that SENIORS HAVE CONTRIBUTED ENOUGH—
DON'T CUT SENIOR PROGRAMS THAT SAVE STATE MONEY!**

Senators: (517) 373-2400

Representatives (517) 373-0135

E-mail addresses may be found at [Contact Your Michigan Legislator](#).

Contact your legislator and these likely members of the conference committee:

| | | |
|---------------------|-----------------------------------|----------------|
| Sen. Roger Kahn | senrkahn@senate.michigan.gov | (866) 305-2132 |
| Sen. John Moolenaar | senjmoolenaar@senate.michigan.gov | (517) 373-7946 |
| Sen. Vince Gregory | senvgregory@senate.michigan.gov | (517) 373-7888 |
| Rep. Chuck Moss | chuckmoss@house.mi.gov | (877) 707-6677 |
| Rep. Matt Lori | mattlori@house.mi.gov | (877) 262-5959 |
| Rep. Rashida Tlaib | rashidatlaib@house.mi.gov | (877) 852-4212 |

| OSA-funded Program | Actual FY 2011 | Governor's proposed cut for 2012 | % chg from 2011 | Senate proposed cut for 2012 | % chg from 2011 | House proposed cut for 2012 | % chg from 2011 |
|---------------------------|----------------------|----------------------------------|-----------------|------------------------------|-----------------|-----------------------------|-----------------|
| Community Services | \$ 11,394,444 | \$(1,025,500) | -8% | \$ (1,025,500) | -8% | \$(1,835,000) | -15% |
| Nutrition Services | \$ 8,788,888 | \$ (791,000) | -9% | \$ no cut | 0% | \$(1,581,700) | -18% |
| Senior Volunteer Programs | \$ | | | | | | |
| Foster Grandparents | \$ 2,234,189 | \$ (201,000) | -9% | \$ (335,125) | -15% | \$ (2,233,600) | -100% |
| RSVP | \$ 626,667 | \$ (56,400) | -9% | \$ (94,000) | -15% | \$(627,300) | -100% |
| Senior Companion | \$ 1,604,444 | \$ (144,400) | -9% | \$ (240,667) | -15% | \$(1,604,400) | -100% |
| TOTAL | \$ 24,648,632 | \$(2,218,300) | -9% | \$ (1,695,292) | -7% | \$(7,882,000) | -32% |

Federal Budget for FY 2011 Finalized - Nutrition Programs Spared

Congress reached an agreement on the FY 2011 budget, with five months left in the fiscal year to implement the nearly \$40 billion in cuts. Funding for Older Americans Act programs were largely spared from cuts, however, the Senior Community Service Employment Program (SCSEP) saw an 45% cut of \$375 million, higher than expected. Other programs which serve older adults and adults with disabilities will also see cuts of varying degrees:

FY 2011 Appropriations

(Dollars rounded to nearest million, does not reflect the 0.2% across-the board cut)

| | FY 2010 | FY 2011 | \$ Cut | % Cut |
|--|------------|------------|-----------|----------|
| Support Services and Centers | 368 | 368 | 0 | 0 |
| Congregate Meals | 441 | 441 | 0 | 0 |
| Home-Delivered Meals | 218 | 218 | 0 | 0 |
| National Family Caregivers Support | 154 | 154 | 0 | 0 |
| Long Term Care Ombudsman/Prevention of Elder Abuse | 22 | 22 | 0 | 0 |
| Community Services Block Grant | 700 | 680 | 20 | 3% |
| Corporation for National Service – which includes Senior Corps senior volunteer programs. RSVP was cut 20% | 1,150 | 1,080 | 70 | 6% |
| Low Income Home Energy Assistance Program (LIHEAP) | 5,100 | 4,710 | 390 | 8% |
| Senior Community Service Employment Program (SCSEP) | 825 | 450 | 375 | 45% |
| HUD Section 202 Housing for the Elderly | 825 | 274 | 551 | 67% |

U.S. House FY 2012 Budget Plan Calls for Changes to Medicare & Medicaid

The House of Representatives has passed its FY 2012 budget resolution, known as the Ryan Plan, which aims to cut \$6.2 trillion from the nation's deficit over the next decade. The plan contains sweeping changes to discretionary and entitlement spending. The impact to older adults and their health care options is unclear. Key provisions include:

- Medicare would be restructured to provide payments to beneficiaries that subsidize the cost of premiums to purchase private insurance, with increased assistance for lower-income beneficiaries and those with greater health risks. This reflects a shift from the current fee-for-service program.
- Medicaid payments to states would be given in the form of block grants, giving states more control in how the payments are distributed. Medicaid funding would drop about 35% over the next ten years.
- The health care reform law (Affordable Care Act) would be defunded.
- Non-security discretionary spending on programs such as those administered by the Older Americans Act, HUD Section 202 housing, transportation and other social services programs would be held at 2008 levels for the next five years.

Compared to the bipartisan Congressional Budget Office's baseline, the Ryan Plan would cut \$771 billion from Medicaid in the next 10 years, and about \$30 billion from Medicare. Rep. Ryan says his plan would continue to increase funding for Medicare starting in 2012, but at a slower rate than the current pace. Congressional Democrats, the National Association of Area Agencies on Aging, the Leadership Council of Aging Organizations, and the National Council on Aging are strongly opposed to the plan. The Senate is likely to vote down the resolution. The Area Agency on Aging 1-B will follow the debate and analyses, and bring advocacy recommendations to the Board of Directors.



The Area Agency on Aging 1-B (AAA 1-B) is a nonprofit agency serving the needs of older adults in Livingston, Macomb, Monroe, Oakland, St. Clair, and Washtenaw counties. For more information about the Senior Advocacy Network (SAN) or to receive future editions of The Advocate, contact Ann Langford at (248) 262-1282 or by e-mail at alangford@aaa1b.com.