

CRS Report for Congress

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Older Americans Act: Programs and Funding

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Summary

The Older Americans Act is the major vehicle for the delivery of social and nutrition services for older persons. FY1998 funding for programs under the Act totals \$1.445 billion and the Administration has requested the same for FY1999. Originally enacted in 1965, the Act was created in response to concerns about the lack of community services for older persons and the desire of policymakers to improve the status of seniors. The Act has been amended 13 times. Legislation that would have resulted in several modifications to the Act and its programs was considered during the 104th Congress, but action was not completed before adjournment. It is expected that the 105th Congress will consider legislation to reauthorize the Act.¹

Programs

Administration on Aging (AoA). Title II of the Older Americans Act establishes AoA, within the Department of Health and Human Services (DHHS), as the chief federal agency advocate for older persons. It also authorizes the Federal Council on Aging, whose purpose is to advise the President and the Congress on the needs of older persons. The Council's 15 members are appointed by the President, the Speaker of the House, and the President pro tempore of the Senate. The last time the Council received funding was in FY1995.

Grants for States and Community Programs on Aging. Title III authorizes grants to state and area agencies on aging to act as advocates on behalf of, and to coordinate programs for, the elderly. The grant program, which supports 57 state agencies on aging, 660 area agencies on aging, and 27,000 service providers, currently funds six separate service programs. States receive separate allotments of funds for supportive services and centers, congregate and home-delivered nutrition services, U.S. Department of Agriculture (USDA) commodities or cash-in-lieu of commodities, preventive health services, and in-home services for the frail elderly. Three other programs — assistance for special needs,

¹For further information on reauthorization activity in the 105th Congress see: CRS Report 96-976, *Older Americans Act: 105th Congress Issues*, by Carol O'Shaughnessy.

school-based meals and multigenerational activities, and supportive activities for caretakers — have never been funded. Title III services are available to all seniors but are targeted to those with the greatest economic and social need, particularly low-income minority seniors. Means testing is prohibited. Participants are encouraged to make voluntary contributions for services.

Funding for supportive services, congregate and home-delivered nutrition services, and in-home services for the frail elderly is allocated to states by AoA based on each state's relative share of the total population of persons aged 60 years and over. States are required to award funds for the local administration of these programs to area agencies on aging. USDA provides commodities or cash-in-lieu of commodities to states, in conjunction with these programs, based on the number of meals served under the program.

The Title III nutrition program is the Act's largest program. FY1998 funding of \$626 million represents 43% of the Act's total funding and 65% of Title III funds. Most recent data show that in FY1995 the program provided 242 million meals to over 3.4 million older persons. Fifty-one percent of the meals were provided in congregate settings, such as senior centers and 49% were provided to frail older persons in their homes.

Data from a national evaluation of the nutrition program show that compared to the total elderly population, nutrition program participants are older and more likely to be poor, to live alone, and to be members of minority groups. They are also more likely to have health and functional limitations that place them at nutritional risk. The report found the program plays an important role in participants' overall nutrition and that meals consumed by participants are their primary source of daily nutrients. The evaluation also indicated that for every federal dollar spent, the program leverages on average \$1.70 for congregate meals and \$3.35 for home-delivered meals.

The supportive services and centers program provides funds to states for a wide array of social services and activities of approximately 6,400 multipurpose senior centers. The most frequently provided services are transportation, information and assistance, home care, and recreation. In FY1995, the program provided about 40 million rides, responded to over 12 million requests for information and assistance, and provided about 15 million home care (i.e., personal care, homemaker, or chore) services.

Research, Training, and Demonstration Program. Title IV of the Act authorizes the Assistant Secretary for Aging to award funds for training, research, and demonstration projects in the field of aging. Funds are to be used to expand knowledge about aging and the aging process and to test innovative ideas about services and programs for older persons. Title IV has supported a wide range of projects, including community-based long-term care, Alzheimer's disease support services, and career preparation and continuing education in the field of aging.

Senior Community Service Employment Program. Title V of the Act authorizes the establishment of a program to provide opportunities for part-time employment in community service activities for unemployed, low-income older persons who have poor employment prospects. The program has three goals: to provide employment opportunities for older persons; to create a pool of persons who provide community services; and to supplement the income of low-income older persons (income below 125% of the federal poverty level). Enrollees work in a variety of community service activities

and are paid the higher of the federal or state minimum wage or the local prevailing pay for similar employment. The program, which is not considered a job training program, supports over 61,000 jobs in program year (PY) 1997-1998 (July 1, 1997-June 30, 1998).

Title V is administered by the Department of Labor (DOL), which awards funds to ten national organizations and to all states. Funding is distributed using a combination of factors, including a “hold harmless” for employment positions held by national organizations in 1978, and a formula based on states’ relative number of persons aged 55 and over and per capita income. Funds are distributed so that national organizations receive 78% of the total appropriation, and states receive 22%.

Grants for Services for Native Americans. Title VI authorizes funds for supportive and nutrition services to older Native Americans. Funds are awarded directly by AoA to Indian tribal organizations, Native Alaskan organizations, and non-profit groups representing Native Hawaiians.

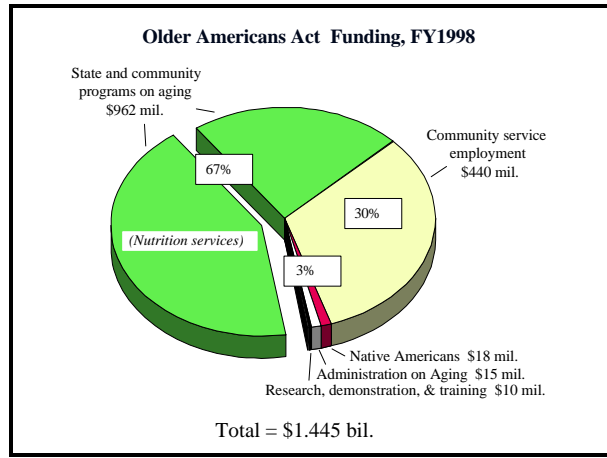
Vulnerable Elder Rights Protection Activities. Title VII authorizes five separate vulnerable elder rights protection activities. States receive separate allotments of funds for the long-term care ombudsman program and elder abuse prevention activities. Two other authorized programs — elder rights and legal assistance, and Native Americans elder rights — have never been funded. Funding for vulnerable elder rights protection activities is allotted to states based on the states’ relative share of the total population age 60 and older. State agencies may award funds for these activities to a variety of organizations for administration, including other state agencies, area agencies on aging, county governments, or other nonprofit services providers or volunteer organizations.

The largest elder rights protection program is the long-term care ombudsman program, whose purpose 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 and is authorized under both Title III (supportive services and centers) and Title VII. State and other nonfederal funds represent a significant amount of total funds for the program. In FY1995, about \$41 million in federal and nonfederal funding was devoted to support this program. About 48% of the program effort was supported by Title III and 15% by Title VII; nonfederal funds represented about 35% of the total program support.

Funding

FY1998 Funding

Summary. The House and Senate passed FY1998 funding legislation (H.R. 2264) for programs under the Older Americans Act.² On November 13, 1997, the President signed P.L. 105-78 (H.R. 2264), completing the FY1998 appropriations process for the Departments of Labor, Health and Human Services, Education, and Related Agencies. On November 18, 1997, the Agriculture appropriations bill was signed into law (P.L. 105-86), providing funding for the elderly nutrition program. FY1998 funding for programs under the Older Americans Act totals \$1.445 billion, \$12 million more than in FY1997, representing a 1% increase. Total funding for the nutrition program increased by 3% over the FY1997 level.



Program Levels. FY1998 funding for nutrition services under the Older Americans Act is \$626 million. Funding levels for congregate and home-delivered services increased slightly above the FY1997 amount so that congregate meals funding was increased by 2% and home-delivered meals was increased by 7%.³ The USDA commodities program received \$140 million (P.L. 105-86), the same amount as in FY1997. Funding for supportive services and centers was increased by 3% to \$310 million. Title VII activities, elder abuse prevention and long-term care ombudsman programs, continue to receive earmarks under supportive services and centers. Since FY1996, these two activities have received earmarks under supportive services and centers equivalent to FY1995 funding levels for the separately authorized programs under Title VII.

The community service employment and training (Title V) program is funded at \$440 million for FY1998, a \$5 million (1%) increase over the amount available in FY1997 (\$435 million). Preventive health and in-home services for the frail elderly both received funding increases over the FY1997 appropriations levels. Preventive health is funded at \$16 million for FY1998, a 3% increase above FY1997 funding, while frail elderly services is funded at almost \$10 million, representing a 5% increase over its FY1997 level.

²Programs under the Older Americans Act, with the exception of the USDA commodities program are funded annually under appropriations legislation for the Departments of Labor, Health and Human Services, and Education and Related Agencies (L-HHS-ED). Funding for the USDA commodities program is included in appropriations legislation for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies.

³The House amount included a \$4.725 million increase to nutrition services, added by Representative Chenoweth's floor amendment to H.R. 2264. The Senate amount included a \$40 million increase added by Senator D'Amato's floor amendment to S.1061.

Funding for Title IV research, training and demonstration projects received a significant increase over the FY1997 level. This activity is funded at \$10 million for FY1998, a 150% increase above the \$4 million appropriated in FY1997, (but 62% less than its FY1995 level of \$26.6 million. The program was reduced from \$26.6 million in FY1995 to \$2.9 million in FY1996). Grants for Native Americans was increased by 15%, from \$16 million in FY1997, to \$18.5 million for FY1998. AoA program administration is funded at its FY1997 level.

FY1999 Funding

FY1999 Budget Request. The President has requested a total of \$1.445 billion for FY1999 for programs under the Older Americans Act, the same amount appropriated for FY1998. Programs would be funded at their FY1998 levels. The FY1999 budget request includes separate funding of \$9.2 million for elder abuse prevention and long-term care ombudsman programs. Since FY1996, these two activities have received earmarks under Title III, supportive services and centers.

**Table 1. Older Americans Act and Alzheimer's Demonstration Program,
FY1997-FY1998 Funding, and FY1999 request**
(\$ in millions)

	FY1997 approp.	FY1998 approp.	FY1999 request
TITLE II: Administration on Aging	\$14.795	\$14.795	\$14.795
Federal Council on Aging	none	none	none
AoA program administration	14.795	14.795	14.795
TITLE III: Grants for State and Community Programs on Aging	935.316	961.798	952.617
Supportive services and centers	300.556	309.500	300.319
Preventive health	15.623	16.123	16.123
Nutrition services:	609.874	626.412	626.412
Congregate meals	(364.535)	(374.412)	(374.412)
Home-delivered meals	(105.339)	(112.000)	(112.000)
USDA commodities	(140.000)	(140.000)	(140.000)
School-based meals/multigenerational activ.	none	none	none
In-home services for the frail elderly	9.263	9.763	9.763
Assistance for special needs	none	none	none
Supportive activities for caretakers	none	none	none
TITLE IV: Training, Research, and Discretionary Projects and Programs	4.000	10.000	10.000
TITLE V: Community Service Employment	463.000^a	440.200	440.200
TITLE VI: Grants for Native Americans	16.057	18.457	18.457
TITLE VII: Vulnerable Elder Rights Protection Activities	none	none^b	9.181
Long-term care ombudsman program	none	none	none
Elder abuse prevention	none	none	none
Elder rights and legal assistance	none	none	none
Outreach, counseling, and assistance	none	none	none
Native Americans elder rights program	none	none	none
TOTAL — Older Americans Act Programs	\$1,433.168	\$1,445.250	\$1,445.250
Alzheimer's Demonstration Grants^c	5.999^c	5.999^c	6.000^c

^a Includes \$28 million for use in PY1996; \$435 million was available for PY1997.

^b No separate funding provided. The House appropriations committee included an unspecified amount for ombudsman and elder abuse prevention under supportive services and centers. The conference committee earmarked \$4.449 for ombudsman services and \$4.732 for elder abuse prevention in the supportive services program.

^c The Administration proposed transferring the program from HRSA to AoA. This proposal was not approved by the House or Senate Appropriations Committees. The transfer is also proposed for FY1999.