

THE ROAD AHEAD:
MEETING THE CHALLENGES OF AN AGING SOCIETY

REMARKS OF
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TO THE
JOINT ASA/NCOA CONFERENCE
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Welcome

It is a pleasure to join you here today.

I want to thank the American Society on Aging and the National Council on Aging for providing me this opportunity to talk to you about our efforts at HHS to “Meet the Challenges of an Aging Society”.

Introduction

I believe the longevity revolution we are experiencing in this nation is one of our greatest achievements. Through the application of science, improved public health measures, and the adoption of healthier life styles, someone born today in the United States can expect to live 30 years longer than someone who was born at the beginning of the last century.

This phenomenal increase in life expectancy, coupled with the aging of the baby boom generation, is creating a demographic imperative that will require every sector of our society to rethink the way it does business.

Our goal should be to make sure we are adding quality to those later years of life so that every American can be assured their dignity and independence in old age.

Under the leadership of President Bush and Secretary Thompson, this Administration has launched a series of bold initiatives to advance this goal by creating more choices and opportunities for all of our older citizens.

We have enacted the most significant expansion of Medicare in the program's history. The new law will strengthen and improve the Medicare program, while providing beneficiaries with new benefits and the option of retaining their traditional coverage.

Beginning next month, seniors will be able to enroll in a prescription drug discount card that will provide savings of between 10 and 25% on prescription drug purchases. Low-income seniors will receive additional assistance. This card will provide immediate relief to beneficiaries who have been burdened by their drug costs until 2006, when a comprehensive drug benefit will be available to seniors.

We have added new preventive benefits, such as a Welcome to Medicare physical, and screenings for heart disease and diabetes. We have improved seniors' access to the doctors and the medical care they want, particularly in rural America.

These steps will help seniors live healthier lives, in their own homes and communities.

We are also taking steps to help states and communities create more balanced systems of long-term care. And we are translating our best science into practice at the community level to reduce older people's risk of disease and disability.

Under Secretary's Thompson's ONE DEPARTMENT directive, the various agencies within HHS - including the Administration on Aging, the Centers for Medicare & Medicaid Services, the National Institutes of Health, the Centers for Disease Control and Prevention and others - are working together on all of these initiatives.

Long-Term Care

One of the first actions President Bush took in office was to issue his New Freedom Initiative. The New Freedom Initiative reflects the President's personal commitment to fulfilling the dream inherent in the Americans with Disability Act, which was signed into law by his father. The President's goal is to ensure that people of all ages with disabilities can participate fully in community life. The initiative encompasses every aspect of community living – including employment, education, housing, transportation, assistive technology and the whole range of home and community-based services.

One of my first assignments from Secretary Thompson was to lead the implementation of the New Freedom Initiative. I've been very gratified by the progress we are making at HHS by working across the Department – and across the entire federal government – to tear down the barriers to community living.

One of our proudest accomplishments has been the successful implementation of the National Family Caregiver Support Program.

National Family Caregiver Support Program

This program was launched by Secretary Thompson in February 2001, and marks the first time the federal government has committed itself to a national program designed specifically to support the heroic efforts of families to care for their loved one at home. Under the leadership of the Administration on Aging and the national aging services network, this program is already making a tremendous difference in the lives of people all across America.

To date, we have reached almost **4 million** individuals with information about caregiver support programs, and we are providing direct assistance, including respite, training and other supports to over **400,000** caregivers each year.

I congratulate all of you in this room who have worked so hard to make this program such a huge success.

Real Choice Systems Change Grants

Shortly after launching the National Family Caregiver Support Program, Secretary Thompson announced the Real Choice Systems Change Grants Program. This program is administered by the Centers for Medicare & Medicaid Services and is designed to support state efforts to rebalance their long term care systems to make them more responsive to consumer needs and more supportive of home and community-based services.

So far, we have provided approximately \$160 million in grants to the states under the Real Choice program. States are using these funds to improve access, strengthen the linkage between housing and services, provide consumers with more choices, and enhance the quality of care.

Aging and Disability Resource Centers

One of the most exciting initiatives we've implemented in support of the New Freedom Initiative is our new "one stop shop" Aging and Disability Resource Center Program. This program is jointly administered and funded by the Administration on Aging and the Centers for Medicare & Medicaid Services. The program is helping states to make it easier for consumers to learn about and access the full range of long term care services, from in-home supports to nursing home care.

The program builds on the experience of a number of our states – including the Secretary’s home state of Wisconsin. We awarded the first round of grants – totalling over \$9 million – to 12 states last September.

Medicaid Spending on Home and Community-Based Waivers

Medicaid is a vital resource of financial support for community living. In addition to the special project funding we are providing through the Real Choice program, we are working with states to expand the reach of home and community-based services through the Medicaid waiver program. More than 800,000 individuals are served through Medicaid waivers. State and Federal expenditures have increased from \$13.9 billion in FY 2001 to an estimated \$20.7 billion in FY 2004.

Between 2001 and 2004, a total of \$68.7 billion will be spent under home- and community-based waivers. This is more in four years than what was spent during the previous eight years (\$56.6 billion). I encourage states to continue to utilize the waiver process to promote more balanced systems of long-term care for people with disabilities of all ages.

CMS Action Plan for Quality

As we make significant progress in rebalancing our long-term care system, we must pay close attention to the quality of the services that are provided in home and community-based settings. Earlier this year, Secretary Thompson submitted to Senators Grassley and Breaux an updated report on *CMS’s Action Plan for Quality in HCBS*. The *Action Plan* provides a status report on the quality initiatives that CMS has undertaken in Medicaid home and community-based services. Most recently, CMS released the *Quality Framework*, a guide to provide states with a uniform national format to describe the key components of their quality assurance and quality improvement programs.

Independence Plus

Through the waiver program, we are providing a specific opportunity to give consumers more control over the types of services they receive. A cornerstone of the New Freedom Initiative is the principle of consumer self-direction. In 2002, we created the Independence Plus program to expedite approval of state applications to implement consumer directed models of care under Medicaid. To date, five states have received approval under this program: Louisiana, New Hampshire, North Carolina, South Carolina and Florida. I encourage all states to explore using Independence Plus to expand the availability of consumer directed options for their citizens.

Cash and Counseling Initiative

HHS is partnering with the Robert Wood Johnson Foundation to expand the Cash and Counseling model of care. Under this model, consumers eligible for personal care can decide for themselves how their monthly care budget is spent. This includes the ability to hire a family member, friend or neighbor to be their personal care attendant. This model was tested over a 6-year period in the states of Arkansas, New Jersey and Florida. The evaluation results show that clients participating in this program: get more of their needs met, have higher levels of satisfaction, and are no more costly than clients receiving traditional forms of personal care. Under the new Cash and Counseling: Next Steps program, up to ten states will receive \$250,000 each over three years. We have received applications from 21 states, and the Foundations plans to announce the awards in September.

Partnership with National Governors Association

We are also partnering with the National Governors Association to support Governor Kempthorne's initiative on "A Lifetime of Health and Dignity". This partnership includes an NGA sponsored policy academy that will provide special funding and technical assistance to 8 states who demonstrate a commitment to advancing policy changes in support of home and community-based long term care.

Health Promotion and Disease Prevention

As we make significant progress in meeting the current long-term care needs of older Americans, we must also work to prevent or delay the onset of chronic disease and illness. And we must do more to slow the decline of those individuals already afflicted with chronic conditions.

To that end, the President and the Secretary has made Prevention a top priority. We have launched the Steps to a HealthierUS initiative that calls on all Americans – young and old – to adopt healthy behaviors and active lifestyles. As a part of this initiative, the Administration on Aging will announce later this month the *You Can! Steps to Healthier Aging* Campaign to ensure we get our prevention message out to older adults. The Campaign will mobilize 2000 community organizations and reach 2 million older adults over the next 2 years. I encourage you to join with us in this effort to educate your clients, their caregivers and the communities you serve!

Evidence-Based Disease Prevention Program

The Department is also working to put our research findings on interventions that can reduce the elderly's risk of disease and disability into practice at the community level. Through AoA's Evidence-Based Prevention Grants Program, we have launched a public/private partnership and have funded 12 community projects to demonstrate how the Department's investments at NIA, CDC and AHRQ can be used by AoA's aging services network to delivery cost-effective prevention programs nationwide. The current projects focus on disease self-management, nutrition, physical activity, medication management and fall prevention. Other members of this partnership include CDC, NIA, AHRQ, and the Robert Wood Johnson, the John A. Hartford and Horizon Foundations. The areas of focus include disease self-management, nutrition, physical activity, falls prevention, and medication management.

Medicare Senior Risk Reduction Program

To expand our evidence base in health promotion and disease prevention, the Centers for Medicare & Medicaid Services is undertaking a series of demonstration projects as part of the Senior Risk Reduction Program. Through this program, CMS is testing a comprehensive and systematic approach to identifying health risks and empowering Medicare beneficiaries to improve their health. The program uses a beneficiary-focused questionnaire to assess health risks and tailor information regarding important behavioral changes to each individual. We look forward to the findings of this study and the important contribution they will make to the state of the art in this area.

2004 Aging and Disability Resource Center Grant Awards

As I noted earlier, last year we awarded twelve states to fund Aging and Disability Resource Center programs. Those twelve states were: Louisiana, Maine, Maryland, Massachusetts, Minnesota, Montana, New Hampshire, New Jersey, Pennsylvania, Rhode Island, South Carolina and West Virginia. At the time these awards were announced – the Secretary stated that 12 additional awards would be made pending availability funding.

It is my pleasure to inform you that today we are announcing the next twelve states to receive an award through the Aging and Disability Resource Center Program. To help me do that – I'd like to invite Assistant Secretary for Aging Josefina Carbonell and Leslie Norwalk, Deputy Administrator of the Centers for Medicare & Medicaid Services to join me at the podium.

AGING AND DISABILITY RESOURCE CENTER GRANT PROGRAM

State	Agency
Alaska	Alaska Housing Finance Corporation
Arkansas	Arkansas Division of Aging and Adult Services
California	California Department of Aging
Florida	Florida Department of Elder Affairs
Georgia	Georgia Division of Aging Services
Illinois	Illinois Department on Aging
Indiana	Indiana Division of Disability, Aging & Rehabilitative Services
Iowa	Iowa Department of Elder Affairs
New Mexico	New Mexico Aging and Long-Term Care Department
North Carolina	North Carolina Office of Long Term Care
Northern Mariana Islands	Northern Mariana Islands Department of Community & Cultural Affairs
Wisconsin	Wisconsin Department of Health and Family Services