

Recommendations for the Reauthorization of the Older Americans Act



The Older Americans Act authorization will expire at the end of FY 2024. As it has for every past reauthorization, USAging will work with policymakers and stakeholders to update this vital Act, which supports millions of older adults and caregivers annually, and is the foundation of the Aging Network’s ability to create a wide range of programs and services to support older adults’ health, well-being and ability to age well at home and in the community.

Introduction

The Older Americans Act (OAA) was first signed into law in 1965 as part of President Lyndon Johnson’s “Great Society” initiative aimed at eliminating poverty and injustice among the country’s most vulnerable populations. Over time, the Act created a nationwide network of organizations delivering community-based services for older Americans to support sustained health, independence and dignity.

Today the vision and mission of the Older Americans Act is even more important than it was nearly six decades ago, as our nation faces an unprecedented demographic shift. According to US Census data, in 2019, 16 percent—or 54.1 million—of Americans were 65 or older. With approximately 10,000 Baby Boomers turning 65 each day, by 2040, an estimated 80.8 million—or one in five Americans—will be 65 or older, or 21.8 percent of the population.ⁱ And by 2034, older adults are expected to outnumber children under 18 for the first time in history.ⁱⁱ The population of older adults is also becoming more diverse, and

the proportion of non-White older adults will continue to significantly increase over the next several decades.ⁱⁱⁱ

One thing this rapidly growing and diverse demographic cohort agrees on is the overwhelming desire to age at home rather than in institutional settings: 85 percent of those age 65 and older want to remain in their home and community as they age.^{iv}

Enabling aging in place should be a national bipartisan priority. Fostering a society in which aging at home and in the community is not only the collective desire but also the national expectation requires us to recognize, protect and bolster the foundation upon which this goal was built. The Older Americans Act is that foundation, and as federal policymakers consider the Act’s reauthorization, USAging urges Congress and the Administration to work toward policy decisions that honor the longstanding intent of the OAA while seeking legislative updates that enable

continued innovation, flexibility and greater capacity to meet the needs of this nation's rapidly growing aging population and their caregivers.

USAgging represents and supports the national network of Area Agencies on Aging and advocates for the Title VI Native American Aging Programs that help older adults and people with disabilities live with optimal health, well-being, independence and dignity in their homes and communities.

The following USAgging recommendations reflect our members' five decades of experience, innovative work and commitment to the needs of today's older adults and caregivers. First and foremost, we recommend that Congress preserve this essential infrastructure and expand its capacity to serve the growing numbers of Americans who will need the vital services they provide.

The Aging Network

Each year, through the OAA, nearly 11 million older Americans receive critical support from the nationwide Aging Network, which consists of 56 State Units on Aging, 614 Area Agencies on Aging (AAAs), more than 280 Title VI Native American Aging Programs and tens of thousands of local service providers.

The Aging Network is based on the principle that states, tribes and local governments should have the flexibility to determine, coordinate and deliver the supports and services that most effectively and efficiently address the needs of older adults and caregivers in their communities. The Aging Network supports older Americans by delivering a range of services such as in-home personal care, home-delivered and congregate meals, transportation, disease prevention/health promotion activities, legal services, elder abuse prevention and intervention, and more.

For more information about AAAs, see USAgging's [Local Leaders in Aging Well at Home](#).



Recommendations

GOAL 1

To Serve More Older Adults Who Need Help to Age Well at Home

Recommendation 1.1: Significantly increase authorized funding levels to meet the real and urgent needs of a rapidly growing older population and the rising costs of service delivery.

Recommendation 1.2: Ensure that AAAs and other Aging Network community-based organizations are able to further meet their missions by securing health care or other private funding to serve more older adults.

Recommendation 1.3: Allow Title III D health and wellness programs to be evidence-informed—not just evidence-based—to expand the Aging Network’s ability to reach older adults with emerging interventions and to extend the reach especially in rural areas and other areas which have limited funding for this important work.

Recommendation 1.4: Expand Title VI, Grants for Native American Aging Programs, to include a dedicated Supportive Services funding stream and boost the capacity of grantees through more robust training and technical assistance.

GOAL 2

To Meet the Needs of Today’s and Tomorrow’s Older Adults

Recommendation 2.1: Unify and modernize the Title III C nutrition funding streams and programs to reflect recent innovations, the changing needs of consumers and the goal of local decision-making inherent in the Act.

Recommendation 2.2: Reduce social isolation and loneliness among older adults by authorizing a national resource center dedicated to providing training and technical assistance for Aging Network professionals on innovative strategies to build and expand social engagement programs and activities.

GOAL 3

To Maintain Efficient Oversight and Management of Local Service Delivery to Ensure Quality

Recommendation 3.1: Increase the administrative funding ceiling by two percentage points to ensure appropriate program development, oversight and network management amid rising costs and eroding federal OAA funding.

State and Local Flexibility: A Core Tenet of the OAA

In the 1973 OAA reauthorization, Congress created the Area Agency on Aging designation to establish a local infrastructure for planning, developing and coordinating the delivery of a range of vital home and community-based services and supports (HCBS). The AAA role is a reflection of the policy trend at the time to decentralize decision-making from the federal to the state and local levels and remains critical to the success of today’s OAA. The Act focuses on needs assessment, strategic planning to address those needs, advocacy, program development and implementation working from the “bottom up” as much as the “top down.” This ensures that AAA services and supports truly reflect the needs of older adults in their respective communities.

Federal support and guidance are leveraged by states and AAAs and the core OAA services are provided nationwide. But the Act’s input-gathering and planning mechanisms (i.e., area and state plans) directly engage older adults, their critical caregivers and other key community stakeholders and drive the development and implementation of current and future programs at the local level. These local determination and flexibility elements are an essential strength of the OAA and should be maintained by Congress.

GOAL 1

To Serve More Older Adults Who Need Help to Age Well at Home

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OAA services like those provided by AAAs in the community can delay or prevent the need for institutional or more expensive care (i.e., nursing home), postponing impoverishment and eligibility for the means-tested Medicaid long-term care programs. By supporting the health of older adults through in-home assistance, health and wellness programs, nutrition services, transportation and many more HCBS supports, OAA programs and services also save Medicare—and the nation—money.

The OAA relies on discretionary federal funding. This is in contrast to the mandatory spending fueling Medicare and Medicaid benefits, which is why the OAA is much smaller than those health care programs. The Act charges AAAs to use OAA federal funds to leverage state, local and private funding to build comprehensive systems of HCBS in their communities. Furthermore, AAAs engage hundreds of thousands of volunteers who donate millions of volunteer hours each year, further leveraging public and private investments and helping them serve more people.

Throughout the COVID-19 crisis, the Aging Network served more older adults than ever before by providing life-saving services thanks to federal emergency relief funds. High levels of need experienced by older adults have continued, and AAAs continue to serve a rising number of older adults, with demographic trends only pointing to increased need in the near future.

USAgings' over-arching top priority for the 2024 reauthorization is that Congress significantly increase authorization levels for all titles of the Act. These are woefully underfunded programs



and services that are needed by older adults, caregivers and families, now more than ever. A strong statement by reauthorizers to appropriators as to the value of these cost-effective services and the importance of investing in OAA to avoid higher health and long-term care costs is essential in this reauthorization.

Recommendation 1.2: Ensure that AAAs and other Aging Network community-based organizations (CBOs) are able to further meet their missions by securing health care or other private funding to serve more older adults.

Nearly all AAAs' mission-driven programs and services go beyond just their duties under the OAA.

Despite a growing older adult population, federal OAA funding has eroded, forcing AAAs to seek other funding streams and relationships to supplement their OAA funding to better meet their missions to:

- serve more older adults;
- address individual health-related social needs and community-level drivers of health;
- extend their services to reach deeper into the community;
- support populations for whom OAA services are not available or adequate; and
- create specialized services for people living with dementia and for individuals who are socially isolated or have chronic conditions or complex care needs.

The federal government (i.e., the Administration for Community Living (ACL) across Democratic and Republican administrations) has championed and supported the Aging Network’s ability to engage in these contracts and to be excellent partners with health care for more than a decade. Thanks in part to ACL’s funding and encouragement, the Network has successfully expanded into the contracting arena: 47 percent of AAAs reported at least one health care contract in the 2021 USAging Request for Information survey on CBO–health care contracting.^v AAAs are also working with their networks of local providers (often, but not always, in partnership with their local OAA providers) on these contracts, with AAAs often serving as Community Care Hubs. In the same 2021 survey, 44 percent of AAAs reported contracting with health care entities as part of networks of AAAs and CBOs.

Congress validated these efforts in the 2020 reauthorization, adding language in Sec. 306(g) that makes clear that “nothing in the Act shall restrict [AAAs] from providing services not provided or authorized by the Act, including through 1) contracts with health care payers; 2) consumer private-pay programs; or 3) other arrangements with entities or individuals that increase the availability of home and community-based services and supports.”

However, other areas of the Act include dated language that has complicated the implementation of the new provision, including in ACL’s 2024 regulations, which USAging outlined concerns about in our [public comment letter](#).^{vi}



We urge Congress to clarify and rectify the conflicting and ambiguous language in multiple sections of the Act to ensure that:

- When OAA funds are leveraged to secure health care contracts or establish private-pay programs, State Units on Aging have a clear, non-burdensome and appropriate oversight process for the AAAs’ activities.
- When OAA funds are *not* used in the creation of non-OAA programs or the AAA secures other revenues to meet their mission, the State Unit on Aging is only responsible for ensuring the continued oversight of the AAA’s or providers’ OAA programs. It is not appropriate for states to have any approval over a AAA or their provider’s outside-of-OAA contracting or other endeavors intended to serve the health and aging needs of older adults, as well as caregivers.

These changes are critical to meeting the needs of older adults being served by AAAs and their provider partners with non-OAA revenues; the ability of the Aging Network to truly offer a range of options for living well at home when OAA funding comes up short; and the advancement of better health as we age by addressing older adults’ health-related social needs (HRSNs).

When Congress added Section 306(b) in 2020, the intention was to clarify that a AAA’s role within the Act did not limit its activities outside of the Act, and that AAAs have autonomy over non-OAA funded activities. Requiring AAAs to seek State Unit on Aging (SUA) approval for activities and partnerships that do not involve OAA funds would restrict AAA activities related to health care contracting, contradict Sec. 306(b) of the Act and not be in the best interest of the consumer. Statutory language in the Act has led some to interpret that a SUA has authority for approval of such activities. It is imperative that Congress clarifies this language in the 2024 reauthorization. Since the SUA has no stake in the contracts and activities, no authority to deny the activities and does not supply OAA funding for the activities, it stands to reason that they should not have approval.

We respect and support that the statute gives SUAs oversight over AAAs' OAA-related activities and want to ensure that both SUAs and AAAs are clear on all statutory and regulatory obligations and responsibilities to deliver the highest-quality services to older adults and caregivers. SUAs already have ample authority and recourse in the event that a AAA is, for any reason, noncompliant with the assurances it has provided to the SUA about its OAA work.



However, in the past decade, some SUAs have discouraged or created barriers to AAAs' and providers' outside-of-OAA contracting, which is all done to be able to serve more older adults and support their ability to age well at home. This represents an overreach of authority and is not in the best interest of the populations served by the Aging Network. The SUA already has mechanisms in place to ensure the highest quality delivery of OAA services by the AAA. But states should not have the authority to decide what other funding, programs or business relationships AAAs engage in unless they can prove that those activities have

undermined the financial, conflict-of-interest (COI) and other assurances the AAA (or providers) has already given regarding their critical OAA role.

Furthermore, we note that AAAs are not state entities and are not beholden to any state beyond specific obligations they make in exchange for state-administered funding. They are independent nonprofits (roughly 41 percent), or part of county, municipal or councils of government (roughly 53 percent), or housed in other institutions (roughly 7 percent). The OAA gives AAAs clear roles and responsibilities under the Act, and the SUA has oversight of that work within OAA. It is egregious to presume that a state's OAA authority somehow extends to *all* the functions of a AAA or an OAA service provider, regardless of statutory authority or a funding stream.

We note that the 2022 AAA National Survey, funded by ACL and conducted by USAgings in partnership with Scripps Gerontology Center, indicates that OAA funding represents only 39 percent of the median AAA's budget. It does not diminish the importance of the AAA's OAA role to secure additional funding streams, and this multiple-funding-source reality is, in fact, a testament to the charge given by the OAA to create as many options as possible for aging well at home. That does not mean, however, that a state's authority over those other activities automatically extends beyond OAA. USAgings looks forward to working with Congress on clarifying language to prevent further conflict and confusion on this important issue.

Recommendation 1.3: Allow Title III D health and wellness programs to be evidence-informed—not just evidence-based—to expand the Aging Network's ability to reach older adults with emerging interventions and to extend the reach especially in rural areas and other areas which have limited funding for this important work.

USAgings supports the development and use of evidence-based health promotion and disease prevention programming under Title III D and salutes the past and current work of the Aging Network in reaching older adults with these proven interventions. However, the funding for

this endeavor has never been sufficient to ensure that evidence-based programming is feasible in all areas of the country. Congress began restricting this longtime health and wellness funding source to evidence-based programs only in 2012 but never increased authorized or actual funding to reflect those more costly ambitions. For instance, in FY 2012, OAA III D funding for the entire country was \$20.9; by FY 2023, it has only risen to \$26.3 million.

This has led to preventable challenges in III D, especially in lower-resourced AAAs or more rural planning and service areas. The higher cost of evidence-based programs—due to ensuring fidelity to the proven method—makes it extremely difficult for AAAs with either a small allocation or a widely dispersed service population to stand up a successful program that reaches older adults who could greatly benefit from these interventions. Strict fidelity also creates barriers



to offering culturally relevant programming at times—as the model cannot be adapted to best reflect local needs and remain evidence-based.

That’s why USAging is now requesting that Congress restore flexibility in III D, allowing AAAs to provide evidence-informed, or similar, programming as well as evidence-based models.

Recommendation 1.4: Expand Title VI, Grants for Native American Aging Programs, to include a dedicated Supportive Services funding stream and boost the capacity of grantees through more robust training and technical assistance.

OAA provides the primary authority for funding services for elders in Indian Country. American Indian elders are the most economically disadvantaged older adults in the nation. Current Title VI funding levels are woefully inadequate to meet the needs of Indian elders. There has long been a lack of proper investment in these programs, which further exacerbates the challenges American Indian elders face.

Congress should expand Title VI, Grants for Native Americans, to allow and authorize funding for a wider range of supportive services than is feasible with current funding and capacity, such as transportation and health and wellness programs. While Title VI Parts A and B allow grantees to offer supportive services similar to those authorized under Title III of the Act, the funding is primarily spent on nutrition services first, with little funding remaining for additional wraparound services such as transportation, in-home care, legal assistance and other supports that are so desperately needed.

USAging also recommends that Congress create a new training, professional development and technical assistance program under Title VI. Given the modest size of the Title VI grants, these supports are necessary to provide the capacity-building needed to help grantees better serve elders in their communities. While ACL provides technical assistance and training customized to the tribal organizations operating these programs, more support is needed.

GOAL 2

To Meet the Needs of Today's and Tomorrow's Older Adults

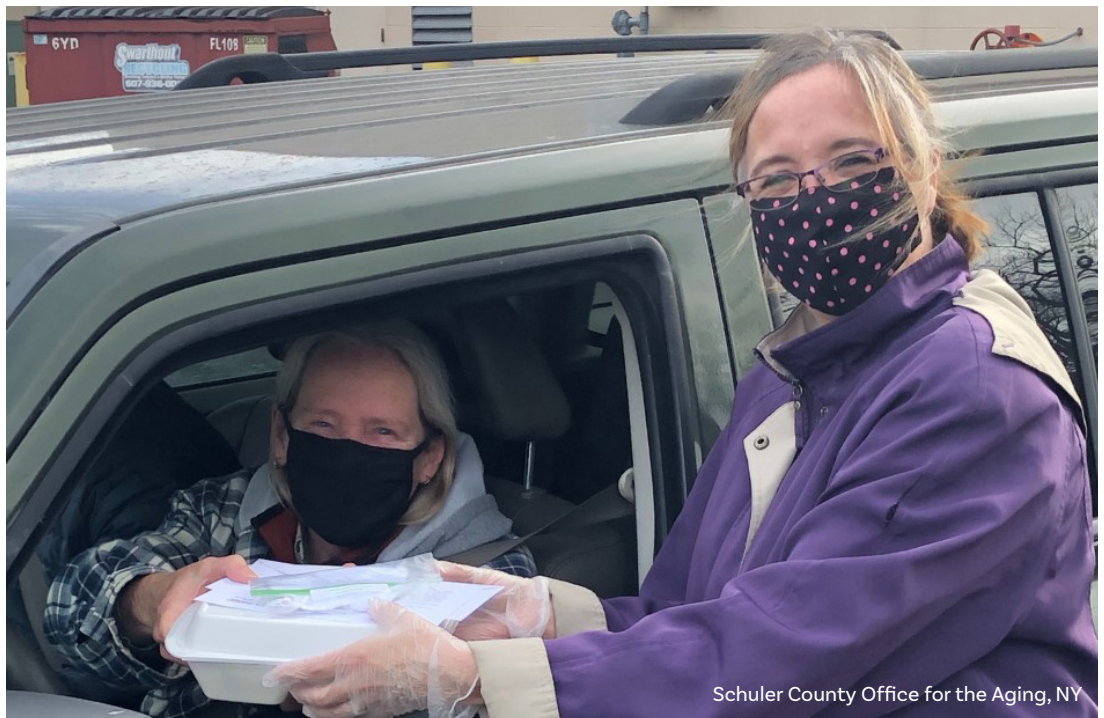
Recommendation 2.1: Unify and modernize the Title III C nutrition funding streams and programs to reflect recent innovations, the changing needs of consumers and the goal of local decision-making inherent in the Act.

USAgging has long encouraged greater flexibility between the III C nutrition program funding streams to better align resources to local needs. The COVID-19 pandemic and the Aging Network's incredible innovation and resilience have changed the thinking about how nutrition services are delivered in the community—and what older adults want now and in the future. This reauthorization should modernize the way III C is administered at the state and AAA level, making operations simpler and increasing the local AAA's ability to provide person-centered services that still focus on good nutrition for healthy aging and reducing social isolation. While we appreciate ACL's 2023 efforts to add flexibility via their proposed OAA regulations, we believe that a change in the statute is long overdue.

While maintaining the integrity and goals of the C1 congregate meals program and the C2 home-delivered meals program, it's time to create one funding stream and one nutrition program, with approved activities that reflect the history, present and future of nutrition service delivery. USAgging believes that there should be a unified III C Nutrition Services, with several authorized program

options under it. This would be similar to the multiple approved activities to support caregivers under the III E National Family Caregiver Support Program, or the host of authorized services under III B Supportive Services.

Under a unified Title III C, congregate and home-delivered meals programs would retain their unique value and be tracked as they are now. However, a third option could be added to capture the flexible solutions the Aging Network created during the pandemic and allow for future flexibility as generational change and the diversification of the population demands innovation and creativity. For instance, a third category of OAA meals could authorize a grab-and-go or pick-up option, with certain standards attached. Note that this unification would mean one funding stream for all III C-authorized activities, leaving it up to SUAs and AAAs to then allocate funding across the subcategories of services that best reflects local need. This would eliminate the need for C1-C2 transfers, a frequent barrier to more effective use of nutrition funding.



Schuler County Office for the Aging, NY

Recommendation 2.2: Reduce social isolation and loneliness among older adults by authorizing a national resource center dedicated to providing training and technical assistance for Aging Network professionals on innovative strategies to build and expand social engagement programs and activities.

Multiple references to preventing social isolation and loneliness were added to the OAA in 2020, and the Aging Network has a long history of promoting social engagement through all its programs. However, a successful national resource center focused on supporting AAAs and Title VI programs' efforts (www.engagingolderadults.org) should be codified in the Act. This would ensure the continuation of training and technical assistance on social engagement designed specifically for

the Aging Network. The center would provide ongoing training, technical assistance, best practices and innovative ideas to the Aging Network entities that are doing this work, including AAAs, service providers and other community groups.

Currently this work is dependent on ACL's decision to fund it from its discretionary pool of dollars. And as their attention has turned to more consumer-focused social isolation campaigns to broader audiences beyond older adults, professional resources stand to be lost. Adding authorization for a national center focused on the Aging Network professionals who deliver social engagement opportunities is not only needed but complements the 2020 statute additions and ensures that the Act addresses emerging needs through proven delivery systems.

GOAL 3

To Maintain Efficient Oversight and Management of Local Service Delivery to Ensure Quality

Recommendation 3.1: Increase the administrative funding ceiling by two percentage points to ensure appropriate program development, oversight and network management amid rising costs and eroding federal OAA funding.

The Act's current limit of 10 percent for administration of the Area Plan (Sec. 304 (d)(1)(A)) is no longer feasible due to many years of eroded funding and increased costs of doing business, such as but not limited to personnel, liability insurance, information technology, data collection and reporting requirements. To ensure the highest quality programming and services, AAAs must be able to maintain an adequate workforce, conduct quality assurance and oversight of providers, and successfully perform their planning and program development duties.

Authorized and actual funding levels have not increased over the past two decades to meet the rapidly growing size of the age 60+ population and their caregivers who need these services, nor the rising costs of labor, food, supplies and infrastructure. Therefore, the current 10 percent administrative percentage is insufficient. Given eroded funding and cost growth, it is necessary to increase the amount AAAs are able to draw from to efficiently and effectively plan, develop and administer this wide array of critical OAA programs and services. USAging recommends Congress increase the maximum administrative percentage to at least 12 percent in the 2024 reauthorization. This is well in line with standard administrative rates for other nonprofit organizations.

Notes

- i. U.S. Administration for Community Living, *2021 Profile of Older Americans*, https://acl.gov/sites/default/files/Profile%20of%20OA/2021%20Profile%20of%20OA/2021ProfileOlderAmericans_508.pdf.
- ii. U.S. Census Bureau, *2017 National Population Projections Tables: Main Series*, <https://www.census.gov/data/tables/2017/demo/popproj/2017-summary-tables.html>.
- iii. Population Reference Bureau, *Population Bulletin: Aging in the United States, 2015*, www.prb.org/wp-content/uploads/2016/01/aging-us-population-bulletin-1.pdf.
- iv. AARP, *2021 Home and Community Preferences Survey*, www.aarp.org/research/topics/community/info-2021/2021-home-community-preferences.html.
- v. USAging Aging and Disability Business Institute, *AAAs Address Social Needs Through Contracts with Health Care*, <https://www.aginganddisabilitybusinessinstitute.org/wp-content/uploads/2022/07/Survey-Spotlight-AAAs-508.pdf>.
- vi. USAging, *Response to 2023 Older Americans Act Proposed Regulations*, August 15, 2023, <https://www.usaging.org/Files/USAging%20Response%20to%20Older%20Americans%20Act%20NPRM%208.15.2023%20Final%20to%20ACL.pdf>.

These recommendations were developed in consultation with the USAging Board of Directors Public Policy and Grassroots Committee and are based on copious input from USAging members around the country. This is a living document and as such may be updated as policy conversations continue.

For additional details on the OAA, AAAs, Title VI programs or ideas expressed in this Policy Brief, please contact the USAging policy team:

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Leaders in Aging Well at Home

About USAging

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