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Al Norman, Editor

McHome Care: A Living Wage?

When you strip other details away, the home care program is predominately a group of younger low-income women taking care of a group of older low income women. The home care program is like a circle of poverty. Today's caregivers may be tomorrow's care recipients.

In December, Mass Home Care testified before state officials that basic changes are needed to improve the home care program. That's why the Mass Home Care FY 15 budget request is called "Back to Basics."

The "good news" is that home care programs have helped bend the curve on nursing home use. Since 2000, the number of MassHealth patient days has plummeted by -33%! That's 4.25 million fewer nursing home days in 2012. According to the Executive Office of Elder Affairs, elders who were discharged from home care programs in FY13 during their length of stay as a client, spent an average of 10 months being cared for at home---even though they were eligible for nursing facility care. Over the next 6 years, EOEA projects that MassHealth will save $1.2 billion in institutional costs because of home care.

But here's the "bad news":

• Unlike nursing home rates, which are adjusted annually, the home care services rate has not changed since 2009.
• ASAPs can buy $8.76 worth of home care per day based on the current services capitation of $266.52 per month---which buys around 21 minutes of homemaker time a day---or 2 hours and 45 minutes a week of care.
• There are roughly 17,000 homemakers in Massachusetts. Their average wage is only $10 per hour. Most homemakers work 25 hours or less per week. A homemaker working at this wage and hour level will make $13,050 per year. A single Mom with one child earns well under the 2013 federal poverty level of $15,510. (*See next article*).
• The home care manager's average starting salary is roughly $32,000 per year. The same care manager job at state agencies pays $46,000 a year. On average, one in 4 care managers leaves every year. Over 4 years, the whole staff has turned over.

And as far as funding goes:
• The home care services account at $98.7 million is almost identical to the funding level in 2006----8 fiscal years ago.
• The home care management account today is -8% lower than it was 8 fiscal years ago in 2006. ASAPs are running a 2014 program on a 2006 budget. And the population pressures on the home care program keep growing: New estimates released in December by the UMass Donahue Institute show that the population of people aged 65 and over in Massachusetts, as a percentage of total state population, will jump 50% between 2010 and 2030, from 14% of the population, to 21% of the population.
• Elderly clients cannot age at home on 21 minutes of homemaker services a day
• Homemakers cannot support their families on $10 an hour
• ASAP care managers are being offered $10,000 or more to take similar jobs elsewhere.

Home Care Aides: The Heart of Home Care

On December 11th at a state budget hearing on the FY 2015 budget held in Boston, **Lisa Gurgone**, Executive Director of the Home Care Aide Council presented testimony on the need to upgrade the pay of the caretakers for the elderly. Here are excerpts from Gurgone's testimony:

"Home care aides are the heart of the Commonwealth's home care system, providing personalized and supportive services that enable our elders and disabled children and adults to remain at home. Home care aides work directly with qualified nursing staff to administer the care plans which help to prevent the need for future costly institutional care.

Home care is widely acknowledged as a high-quality and cost-effective solution in caring for many elders. Community-based care is also consistent with both the consumer preference for staying in their homes and federal Olmstead directives requiring that the disabled be supported in the least restrictive environment.

Throughout the past few years, the Administration and the Legislature have made a commitment to honor our elders' preference to remain in the community through innovative initiatives such as the Equal Choice Legislation, Money Follows the Person, and the Community First Initiative. These initiatives are designed to save state funds by reducing the use of nursing homes and providing individuals with the option to receive community-based services.

Home Care Aide Council At EOHHS Hearing

These cost-saving initiatives can only be viable options if sufficient funding is available to pay home care agency staff to deliver the necessary care and support. The acuity level of elders participating in these programs is much higher than the traditional home care patient, requiring a greater level of care and resulting in added costs to home care agencies. In these difficult times, it is more important than ever for the state to ensure that a safety net is available to provide Massachusetts citizens with the services they need.

The Council urges the Administration to reaffirm its commitment to the state's home care system and its direct care workforce by re-establishing line-item 9110-1635, Targeted Wage Increase for Homemakers, and fund it at $6.1 million. This request would provide a targeted, annualized wage increase of approximately 75 cents an hour to over 17,000 homemakers and personal care homemakers. In FY06, the Legislature created this account and funded it at $3.9 million to raise the minimum wage and benefit package for homemakers by 75 cents per hour. In FY07, another $1 million was added to boost wages by 15 cents per hour.

Since FY08, homemaker's wages and benefits have not received an annualized increase. We are grateful the Administration has committed to annualizing the FY13 Salary Reserve and we look forward to final approval and implementation. However, without reinstatement of the dedicated line item we are requesting in the FY15 budget, there is no consistent and sustainable mechanism to achieve annualized increases for our dedicated workforce.

Home care aides are the front-line caregivers for elders and the disabled residing in community-based settings. Home care aides provide over 43,000 elders with more than 8 million hours of the basic care they need during the day, in the evening and on weekends to remain in their own homes. Most homemakers work less than 25 hours a week…homemaker wages are currently $1.42 per hour or 12.3% lower than the wages paid to Personal Care Attendants (PCAs).

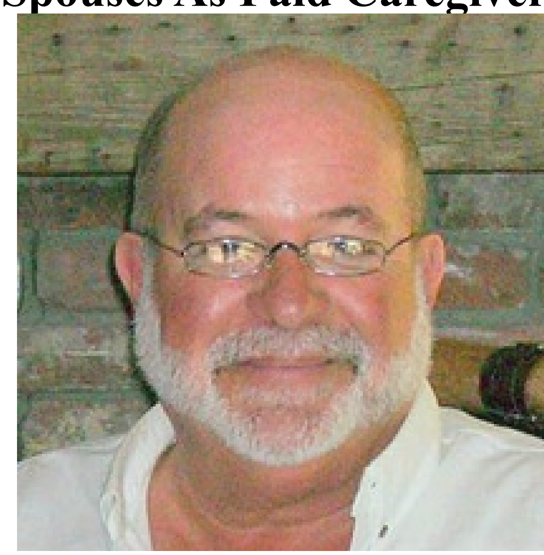
The Legislature's efforts to increase the state's minimum wage are essential for workers. However, if a targeted wage increase for homemakers is not included in the budget these workers will continue to be left behind. If the minimum wage campaign is successful, PCAs and minimum wage earners will both have a consistent mechanism to make sure their wages keep pace with inflation. Homemakers need and deserve the same.

(We also) support Mass Home Care's FY15 "Back to Basics" Budget Request. Throughout our history, the Council has been proud to work in collaboration with Mass Home Care to advocate for initiatives that support both home care clients and home care aides. Mass Home Care has included our request for a Targeted Homemaker Wage Increase as part of their FY15 "Back to Basics" budget campaign.

Our Council strongly supports Mass Home Care's budget priorities including:

- Raise the Basic Home Care Monthly Service Package to Maintain Purchasing Power,
- Raise the Home Care Income Eligibility to 300% of FPL, and Index PMPM to Cost of Inflation
- Fund line-item 9110-1630, the Basic Home Care Program Account, at $106.4 million
- Enhance the Competitiveness and Capacity of the ASAP Workforce
- Fund line-item 9110-1633, the Home Care Case Management Account, at $38.89 million

Petition Promotes Spouses As Paid Caregivers



Michael Fernandes

On December 8, 2013, Mass Home Care received an email from **Michael Fernandes**, who described himself as "a disabled man" who receives home care through MassHealth and Elder Services of the Cape and Islands. "Of course," Fernandes added, " my spouse cannot be one of my Personal Care Attendants."

Under current state law, family members and relatives can be hired by people on MassHealth to provide them with personal care---with the very notable exception of spouses.

Mass Home Care has filed legislation, now numbered H. 73, which would add spouses to the list of eligible paid caregivers for the Personal Care Attendant program, and Adult Foster Care. The bill was reported favorably by the Joint Committee on Children and Families in late October, and has been in the Joint Committee on Health Care Financing since then.

The one sentence bill makes an important change in state law: *"Any program of home and community based services funded pursuant to the provisions of this chapter or pursuant to the provisions of chapter one hundred and eighteen G, in which family members are permitted to serve as paid caregivers, shall include spouses within the definition of family member."*

Fernandes explained that he had contacted his State Representative, **Sarah Peake**, "a co-sponsor of the bill and a good friend." Fernandes began working to support H.73 with an email-to-friends campaign urging advocates to email the Chairs of the Joint Committee on Healthcare Financing at the State House.

"My next step was to widen my effort via a "moveon.org" petition," Fernandes said. "In only a few days it has gained 90 signers from across the state. I've scheduled the petition to close on Jan 31st, so that I can deliver it to the committee Co-Chairs."

Mass Home Care asked Michael Fernandes to explain why H. 73 was important to him personally. He replied with the following story:

"When I was eleven years old I was diagnosed with a then-unknown neuromuscular condition and was told that I would live to be about 20. Next October I will be 70. Friends have jokingly likened my life to the battery-rabbit that keeps going and going, but for me it's been more about not stopping until my own body, mind and heart are ready to tell me that it's time. I am a retired psychotherapist who (of course) spent much of my career working with people who were facing their own dying. Although I am now fully immobile and care-dependent, I never retired from my belief that our own activism can make a difference. I live in Provincetown, on the Outer Cape, and have been a 'consumer' of MassHealth's Personal Care Assistant (PCA) program for more than a dozen years. MassHealth and its PCA program are no less than miracles to me at this later stage of a life in which I fought to care for myself entirely until I no longer could--and to care for others as well. But as supportive as a PCA program might be, it cannot provide 24-hours assisted care. I was single for much of my life, but then 5 years ago, as I came near to considering nursing-home care (far more expensive to MassHealth), I met my now-spouse who was visiting from Japan and who, soon after, moved here to be with me and to help care for me. Having someone with me, in a committed, loving relationship, has changed my waning sense of 'ability' and my will to keep living.

While PCAs continue to offer such vital help with so many of the activities of daily living, there have been impacting limits---for example: they could not come here simply to help me put a coat and hat on, or take it off, so that I began spending many days of the year cut off from community activities. If I had a medical appointment, they could be paid by the mile, but not by the hour, making a lengthy medical visit not worth a PCA's time. In the past, if I simply wanted to attend Church, the effort could be too involved to make it worthwhile; and now, with a spouse who might be available to absorb these and other limiting gaps in care and quality-of-life, my spouse legally must be otherwise employed.

In an expensive nursing care facility, at least someone would always be present to help me dress to go out or come back. Issues like these, along with living on the Outer Cape--where PCAs might have to drive a long distance from their homes (indeed I was left in bed on several occasions during severe weather)--needlessly reduce if not remove the simple, quality benefit of remaining at home with a spouse who might earn at least enough not to have to be otherwise employed. My own devoted PCAs know that this is not a negative or ungrateful judgment on them. They too wish for a change in this law so that my spouse might be a part of the care team along with them.

I had been closely following the bill submitted several years ago by the Mass Home Care advocacy organization which has supported a change to allow spouses to serve as PCAs or other types of home-care providers. This Fall, hearing that the bill, originally H.3716, now re-numbered as H.73, An Act Regarding Spouses As Caregivers, had progressed out of committee and gone to the Joint Committee on Health Care Financing, I began my own email-networking campaign asking folks to send their own emails of support for the bill to the Co-Chairs of that committee. I soon received a reply from the office of one of the Co-Chairs that they are receiving many emails of support. Wanting to widen the effort beyond my own email contacts, I created a petition on the website called moveon.org.

My spouse and I are praying that our effort will help to make a difference to the difficult situation we share with the countless other families whose lives are made needlessly harder by this outdated regulation against spouses. My petition will be active online until January 31st, and can be signed at http://petitions.moveon.org/sign/allow-spouses-to-be-paid?source=c.fwd&r_by=802599 and forwarded to your own friends in MA.

Cold Christmas For Fuel Aid Customers

On December 12th, Action for Boston Community Development (ABCD), which serves more than 100,000 low-income Boston-area residents, issued a warning that more than 50,000 households seeking federal fuel aid assistance would feel the chill this holiday season.

"Frigid temps cause many to choose between food, rent, medicine and oil," ABCD said. The agency called on Congress to increase fuel assistance funds now---and asked the state to provide $20 million in immediate aid to those out of oil.

In November, Action for Boston Community Development began distributing federal Low-Income Home Energy Assistance Program assistance to applicants who qualified. Now more than 5,000 who heat with oil are maxed out of their allotment and will run out of heat by Christmas in Boston alone.

"ABCD is calling on Congress to immediately act on the November 26 request by Governor **Deval Patrick** and governors of 13 other states to increase LIHEAP funding from the current $2.6 billion to $3.6 billion to have a realistic chance to keep low-income families warm this winter."

"New England differs from much of the country in that folks here rely heavily on heating oil to warm their homes," said **John J. Drew**, ABCD President/CEO. "Right now, in Massachusetts, the maximum fuel assistance benefit for the poorest families is $950. With oil at $4 per gallon, that gives a household only one tank of oil. Those who applied in November will use up their benefits right in the midst of the holiday season."

ABCD has received more than 17,000 applications for heating assistance as of mid-December. Last year over 21,000 applications came in over the length of the program. Across the state, more than 200,000 households receive fuel assistance. Of those, the 50,000 who heat with oil will be out of benefits by Christmas.

"People are being forced to choose between food, rent, medicine and heat," Drew said. "We are fearful of fires from unsafe use of space heaters as well as hypothermia, especially in the elderly. Congress needs to act immediately to increase fuel assistance funding to prevent the ravaged lives and potential tragedy that comes from lack of heat."

ABCD called on the state to help fill the gap by allocating $20 million in fuel funding, initially forward funded when the federal shut down threatened the program. "That $20 million, which the state has provided in the past, will go immediately to alleviate pain for the 50,000 children and seniors fighting to survive this bitter winter weather," he said. "We are grateful for the attention Governor Patrick and the legislature historically give to this program – their help is desperately needed again this year."

Although customers who have used up their benefits cannot receive more aid without additional federal or state allocations, fuel aid *is* available to those who have not yet applied in the 2013-14 year. "Our doors are open and we can help the low-income family or senior who has not applied for help this year," said **Kathy Tobin**, ABCD Energy Programs Manager. Families who qualify for heating assistance also can benefit from ABCD's weatherization programs and qualify for repair or replacement of faulty heating systems. ABCD also helps clients improve energy usage.

Fed Budget: Band-Aid Consensus

Two weeks before Christmas U.S. Senator **Patty Murray** (D-WA) and Representative **Paul Ryan** (R-WI) announced that their budget conference committee had come to a final agreement on top-line funding levels for the rest of FY 2014 and FY 2015, as well as the treatment of the sequester in these two fiscal years. Critics of the budget deal said it left the long-term unemployed out in the cold, extended cuts to Medicare providers, and left programs for the elderly without a firm budget number. The House quickly passed the bill, and a week later the Senate followed suit. It appeared that the only real consensus in Congress was to pass a band-aid bill that put off many of the critical budget issues for a later date.

According to the National Association of Area Agencies on Aging (n4a) the budget was a mixed bag for advocates of discretionary programs such as the Older Americans Act, LIHEAP fuel aid, Social Services Block Grant and other vital federal programs.

While there is some relief from sequestration for the next two fiscal years, it is not a full reprieve by any measure. The full cost of sequestration in FY 2014 and FY 2015 is roughly $218 billion, yet the measure only offsets $63 billion of those cuts, most of it in the first year. Budget negotiators propose to pay for this relief via a series of revenue raisers (e.g. increasing fees on air travel) and by extending sequestration of mandatory programs (i.e., the 2% cut to Medicare providers) by two additional years until 2023.

Also as part of the Bipartisan Budget Act (BBA), lawmakers are proposing to set FY 2014 top-line spending at $1.012 trillion, with a very similar number to follow in FY 2015. This figure is above the House (and Budget Control Act's) $967 billion level, but below the Senate's $1.058 trillion recommendation--roughly in the middle. This is essentially a raising of the caps set out in the Budget Control Act (BCA), setting funding at a higher level than it would otherwise be under BCA this year, but well below where it was in FY 2012.

The federal fiscal year (FY) 2014 began on

October 1, 2013. The budget conference process, which is supposed to occur in the spring, is what is wrapping up now, in December. "This is despite the fact that the two chambers passed their budget resolutions at the end of March. "Appropriations for discretionary programs," n4a explained, "which should have been passed into law by October 1, are operating under a continuing resolution (CR) at last year's levels through January 15, 2014. Until the top-line spending numbers are negotiated, appropriators cannot finish their work, which started in early summer and sputtered out by late September as the October government shutdown was looming."

When a deal was reached in mid-October to end the 16-day government shutdown, Congressional leaders agreed to finally begin the FY 2014 budget conference progress. A deadline of December 13 was selected. Budget Committee Chairs Senator Patty Murray (D-WA) and Representative Paul Ryan (R-WI) have been at work with their colleagues ever since to identify a top-line number for all discretionary spending and to try to find agreement on sequestration. House and Senate budgets were incredibly divergent, n4a said, and not easily reconciled.

If the Ryan/Murray measure had failed to pass, there would have been no agreement on how much money to spend overall in FY 2014. The budget agreement does not change the fact that the three-month continuing resolution (CR) runs out on January 15, and Congress will need to extend the CR or risk another government shutdown. Adding insult to injury, in this scenario, the FY 2014 sequester would be triggered on January 15, as well. Since the CR expires on January 15, House and Senate appropriators will have just a few work weeks to negotiate 12 appropriations bills. The only way this could move in a timely fashion is if the various spending measures are merged into an omnibus bill. In order to accomplish this feat, another short-term CR may be needed before January 15 to buy appropriators more time.

N4a says this means that Older Americans Act advocates have a small window to press for the highest possible FY 2014 levels for all OAA programs and services. This is the appropriations advocacy we usually do in the summer! "We must be very vocal in the next 4-6 weeks," n4a told advocates. "We cannot wait until after the holidays to make our press, as it is unclear how long this decision-making process will take. "To put it simply," n4a concluded, "the $1.012 trillion pie that appropriators have been handed is still small historically. Instead of fighting an across-the-board sequestration cut, we now must get back into the appropriations ring and fight for specific funding levels for each and every program we care about."

And it looks like we won't have to wait long for another debt ceiling fight. Senate Minority Leader **Mitch McConnell** (R-Ky.) told Politico that he "can't imagine" that the debt ceiling increase will be a "clean" one — meaning that it will have no conditions attached to it. McConnell said he was skeptical that the House or the Senate would hand the White House a clean debt limit hike. "I think the debt ceiling legislation is a time that brings us all together and gets the president's attention, which with this president, particularly when it comes to reducing spending, has been a bit of a challenge," McConnell said. The Treasury Department has estimated that lawmakers will need to lift the limit in February or March.

'Doc Fix' Still Elusive

The bipartisan Congressional budget deal represents the 15th time that Congress has put off cutting Medicare's physician reimbursement rates since a proposed payment cut was first passed into law in 1997. But it is expected that this spring Congress will try to resolve the way it makes Medicare payments to doctors. In 1997, Congress adopted something called the

Sustainable Growth Rate, or SGR. And every year since 2002, when the formula first began calling for cuts, the SGR has created political and fiscal fits for lawmakers. The budget just adopted prevents the implementation of a 24% cut to physicians' Medicare payments that was set to begin Jan. 1 under the sustainable growth rate (SGR) reimbursement formula. The ‘Doc Fix’ gives lawmakers a little extra time to work on major legislation overhauling how Medicare pays physicians. To fund a full repeal of the SGR, lawmakers will have to pass at least $116.5 billion to replace the lost savings from the M.D. fee cuts--possibly cutting reimbursement in other healthcare sectors, like hospitals. They may also have to seek to quantify savings from implementing more quality- and outcome-based performance initiatives in lieu of SGR methodology.

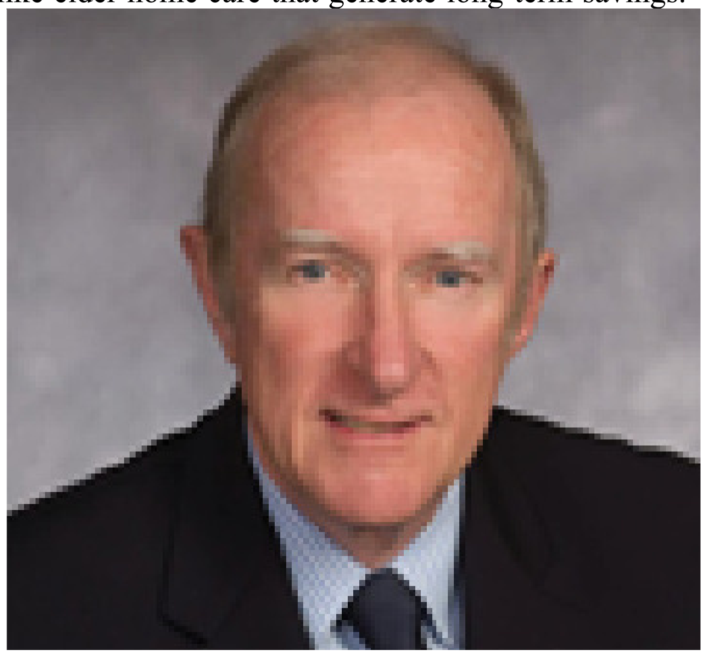
Brewer: Home Care Generates Long Term Savings

State Senator **Stephen Brewer** (D-Barre) announced in early December that he is the co-chair of the fiscal year 2015 (FY 2015) Consensus Revenue Hearing, the unofficial kick-off of next year’s budget process.

Brewer, who Chairs the Senate Committee on Ways and Means, heard from economists and other experts on the fiscal conditions likely to shape the state’s budget over the coming year. In his three years as Chairman of the Senate’s budget writing committee, Senator Brewer has taken the testimony from this hearing to craft budgets that strengthen the fiscal condition of the Commonwealth while at the same time increasing support for the programs vital to his constituency in Central Massachusetts.

“Each year the Consensus Revenue Hearing provides the information that my colleagues and I use to create balanced state budgets that put our state in a stronger position to compete economically and confront future challenges,” said Senator Brewer. “Those budgets have not only rebuilt our reserves and controlled costs, but they have also prioritized the issues that are most important to the people I talk to every-day, issues like aid to cities and towns, education and public safety.”

Brewer, who became Senate Ways & Means Chairman in January of 2011, said that the state has seen its bond rating reach the highest level in its history, while the state’s “rainy day”, or reserve fund, has nearly tripled in size to one of the largest in the nation. Chairman Brewer, who increased funding for enhanced elderly home care last spring, singled out his support for “programs like elder home care that generate long-term savings.”



Senator Steve Brewer

“The commitment to putting the Commonwealth’s fiscal house in order must go hand in hand with the commitment to supporting the public services and programs that the residents of my district value,” Brewer explained.

In listing his accomplishments since FY 2012, Brewer noted that the Senate budget has led the way in eliminating the state’s wait list for elder home care services; and increasing funding for veterans outreach centers by close to 40%.

“There are always fiscal challenges that we must face, and as revenue figures change, there are tough decisions that need to be made,” Brewer concluded. “I know that the people I represent need a state budget that supports local communities, strengthens our infrastructure and serves our neediest residents while maintaining the fiscal discipline that will allow our economy to continue to recover and grow.”

This past summer, Mass Home Care travelled to Winchendon, Massachusetts to present Senator Brewer with a "Home Care Hero" award for his leadership in funding elder home care programs in the state FY 2014 budget.

The Frankenstein of Bridenstine

On December 3rd, an Oklahoma Congressman issued a press release, announcing the filing of legislation that would increase defense spending by cutting Medicare and the Social Security program, and invoked President **Barack Obama's** name.

Mass Home Care dubbed the new bill as "The Frankenstein of Bridenstine." It would cut Medicare by $60 billion, and slash Social Security benefits by $216 billion.

Here are excerpts from the press release issued by Congress **Jim Bridenstine:** "Speaking in South Carolina this evening, Congressman Bridenstine announced legislation he is sponsoring to reverse damage to U.S. national security and reform entitlement spending while reducing the deficit by $200 billion. The Oklahoma 1st District Congressman spoke to "The Charleston Meeting," a nationally recognized gathering of conservative business leaders, journalists, and elected officials.

Congressman Jim Bridenstine (OK-01) and Congressman **Doug Lamborn** (CO-05) will introduce the *Provide for the Common Defense Act (*PCDA). The bill would reduce the deficit by $200 billion over ten years by reforming entitlements as requested by the President in his 2014 budget and unwinding for two years the devastation to national defense caused by sequestration.

Congressman Bridenstine told the media:

"China is attempting to control international waters and airspace as its own while also endeavoring to build the world's largest Navy and Air Force including state-of-the-art aircraft carriers and nuclear ballistic missile submarines. Russia is investing $750 billion into military modernization and buildup while threatening nuclear war and invading its former Soviet satellite states which are striving for freedom and independence. These aggressive actions are an attempt to deny free markets and American freedom of navigation. In response, President Obama is hollowing out our military, emboldening our enemies to be even more aggressive, and encouraging our friends to align with the East. This bill strengthens defense, reforms entitlements, and reduces the national deficit by $200 billion."

Congressman Lamborn released these comments: "Washington has a spending problem, but incessantly and mindlessly cutting national security will not get us out of our fiscal mess. Completely eliminating the Department of Defense (DOD) would not even pay off this year's deficit – let alone seriously reduce our $17 trillion national debt. Congress needs to give our military relief rather than use it as a punching bag.

Congressman Jim Bridenstine

Even President Obama must realize that out-of-control entitlement spending is drowning our country in debt. Our bill cancels national security sequestration for two years by enacting a few Obama-endorsed reforms that will actually produce over $300 billion in savings over ten years. Two-thirds of the savings will go toward debt reduction."

"Even without the Budget Control Act-required sequestration, our national security budget is scheduled to receive a $650 billion cut over ten years. Sequestration is an additional cut – a blunt and imprecise 'meat axe' in the words of former Secretary of Defense L**eon Panetta** – that mindlessly cuts another $500 billion.

The *Provide for the Common Defense Act* cancels sequestration for the "revised security category" in FY 2014 and FY 2015. This change brings national security spending back up to levels consistent with the House-passed "Ryan" Budget, the conservative Republican Study Committee budget, and the Budget Control Act caps.

PCDA enacts mandatory spending reforms resulting in approximately $307 billion in savings over one decade. The bill only enacts reforms proposed by President Obama in his FY 2014 budget request. The 3-to-1 ratio of budgetary savings to increases sensibly restores the national security budget in a fiscally responsible manner. The remaining two-thirds of savings is used to help pay down the debt.

Sequestration already cut nearly $32 billion last fiscal year, forcing the Department of Defense to furlough civilian employees, ground one-third of combat aircraft, cancel training for Army units, delay procurement of weapons systems, and defer equipment maintenance.

Sequestration will cut $54 billion annually from the national security budget over the next decade. The Bridenstine-Lamborn bill enacts reforms proposed by President Obama in his FY 2014 budget request. These provisions include the following:

• Medicare – Total savings: $60 billion
• Increases income-related premiums under Medicare Parts B and D.
• Increases the Medicare Part B deductible for new enrollees by $100 over five years.
• Agriculture – Total savings: $11.7 billion
• Caps the overall rate of return for providers of subsidized crop insurance at 12 percent.
• Caps reimbursement for administrative and operating costs at $900 million for the 2014 insurance year, and increases the cap in subsequent years by the inflation factor established in the 2011 Standard Reinsurance Agreement.
• Reduces the premium subsidy farmers receive by three basis points for all crop insurance policies with premium subsidies greater than 50 percent.
• Federal Employee Retirement Contributions – Total Savings: $20 billion
• Increases Federal employee's contributions toward their accruing retirement costs, from 0.8 percent to 2.0 percent of pay, over the course of three years.
• Eliminates the Federal Employee Retirement System Annuity Supplement for new employees.
• Changes the definition of "price index" for the purposes of federal retirement programs from Consumer Price Index (CPI) to Chained Consumer Price Index.
• Chained Consumer Price Index to calculate cost-of-living adjustments- Total Savings: $216 billion
• Changes the way cost of living adjustments are calculated for Social Security and other mandatory spending programs. The section replaces the Consumer Price Index (CPI) with the Chained Consumer Price Index for All Urban Consumers (C-CPI-U).

Senior Action Wins 25% Fare Reduction For THE RIDE

The elder advocacy group Mass Senior Action Council scored a key victory in December in lowering fees for the MBTA's The Ride by 25%. Even with this victory, the elderly and individuals with disabilities will still have to pay 50% higher rates each time they ride.

Here's how MSAC described its transportation win to its membership:

"We did it! After more than two years of fighting for paratransit equity, Massachusetts Senior Action Council (MSAC), Boston Center for Independent Living (BCIL), and the Public Transit - Public Good Campaign (PT-PG) are happy to announce that the MBTA recommended to the MassDOT Board to rollback fares for The RIDE paratransit service from $4 to $3.

This is an important step towards equity that will benefit thousands of RIDE users who have suffered since the extreme fare increases implemented in July 2012. Our work is not finished. While we know that many will find relief in this roll back, many more will continue to struggle to afford the transportation they need. The MBTA has committed to working with Mass Senior Action and our partners towards long-term solutions to address affordability and sustainability, including the possibility of a tiered fare structure.

"I am ecstatic. This is a big step," exclaimed 62-year old MSAC member **Wilhelmina Melrose**. "So many people have been suffering because of this fare increase and we have been working so hard to get the MBTA to address the hardship. Finally some relief is on the way."

In a joint statement, the MBTA, MSAC, and our allies said that the fare rollback is a significant step forward, but not a final solution to the hardships experienced by RIDE users:

"The MBTA's decision to recommend that the MassDOT Board vote on Dec.11, 2013 to reduce RIDE ADA fares from $4.00 to $3.00 is a positive and significant step to mitigate the impact of the July 1, 2012 fare increase. The MBTA and the Massachusetts Senior Action Council, the Boston Center for Independent Living, the Bay State Council of the Blind, the Public Transit Public Good Coalition and the Access Advisory Committee to the MBTA agree to continue to work collaboratively towards long-term solutions that address the affordability and sustainability of the RIDE service, including examination of means-testing to create a tiered fare structure and examination of approaches to meet the transportation needs of RIDE customers at all income levels. Additionally, each of the parties commits to continuing to address the issues identified by the Governor's Executive Order 530 commission."

On July 1, 2012, MBTA officials doubled fares for The RIDE service from $2 to $4 one-way—compared to the average 23-percent increase for all other modes of MBTA transit. This extreme fare hike led to a nearly 20 percent decrease in ridership and substantial hardship for far too many seniors and people with disabilities. A report on impact of MBTA fare increases by the Executive Office of Elder Affairs (EOEA) revealed that 44 percent of all users reduced spending on food and groceries and 17 percent had cut filling their medications. It might be tempting to see today's fare rollback as a solution, but we all know that the pain will continue to run deep for many seniors and people with disabilities who will continue to struggle to afford paratransit. That is why MSAC and our allies will continue to work for full equity until everyone gets full affordable access to the transportation they need.

Mass Senior Action members and allies have literally put their bodies on the line in the fight for transit equity. In April, four MSAC members and allies were arrested when seniors and people with disabilities blocked traffic on Beacon Street as the House began debate on a $500 million tax bill to aid transportation. Five MSAC members were arrested on August 14 for blocking traffic in front of the Massachusetts Transportation Building following the legislature's failure to address inequitable paratransit fares in either the recently passed transportation finance bill or the state budget process, and on the heels of the MBTA reporting record revenue from fares.

"This just goes to show what we can accomplish when a group of people come together with a vision of justice," said Mass Senior Action President **Barbara Mann.** "Today is a victory not only for those who depend on the RIDE but for all of us committed to social justice."

Mass Senior Action members will not sit on the sidelines as further paratransit funding solutions are debated. In addition to high profile acts of civil disobedience, MSAC members and allies have regularly rallied at the State House and met with state lawmakers and transit officials—including MassDOT Executive Director **Richard Davey** and MBTA General Manager **Beverley Scott**—to find an equitable solution to paratransit services. In September, Mass Senior Action was appointed to the Statewide Coordinating Council on Community Transportation (SCCCT) to help develop a strategic plan for community transportation across the Commonwealth.

We will not stop fighting for seniors and people with disabilities. We cannot stop until full equity is won."

Public Still Supports Meals on Wheels

The Meals On Wheels Association (MOWA) joined a national syndicated survey in November to better gauge the public's support for senior meals programs. MOWA found that awareness of the Meals on Wheels brand is extremely high and the belief that the government should fund our programs was also overwhelmingly widespread. "Perhaps the most notable finding is that seven out of ten people think that the government should pay for Meals on Wheels programs to serve seniors," MOWA said.

Here is a high-level summary of the results.
1– There is extremely high awareness of the Meals on Wheels brand. Nearly nine out of ten people said they had heard of Meals on Wheels. The study also indicated that awareness of meals programs increases as age, income and education increase. In addition, awareness among Hispanics (at 52%) significantly trailed awareness among the rest of the population (at 92%).
2– Favorability, and therefore goodwill, associated with Meals onWheels is also extremely high. 79% of those surveyed said they felt favorably or extremely favorably about Meals on Wheels, while only 7% cited an unfavorable attitude. The remaining 14% said they didn't know about the program.
3– While many people know meals on wheels serves seniors, most also think we serve people with limited mobility of all ages. 91% are aware that meals on wheels serve seniors; 82% said MOW serve all people facing mobility challenges. In addition, and perhaps more significantly, almost half the population (45%) doesn't associate any income requirements around meals services, believing providers are not restricted to serving only people who can't afford their own meals.
4– Generally, people don't know where program funding comes from. While only 23% cited that the federal government pays for meals, the most common belief was that "private and corporate donations" and "state and local governments" are primary funders of meals on wheels programs. In reality, programs pull from a pool of resources, which includes more than 30% of funding from the Older Americans Act.
5– 71% of people think that the government should pay for senior meals through Meals on Wheels programs.

In these days of loud cries for smaller government and fewer "handouts," a large majority of the public thinks government should be funding meals on wheels programs. The age group most likely to cite belief that the government should fund home-delivered meals are 18-34 year olds, 82% of whom conveyed that support.

Celebrating Money Management At Coastline

In December, Mass Home Care traveled to New Bedford to help celebrate Coastline Elderly Services' 15th anniversary of sponsorship of the Massachusetts Money Management Program.

Coastline Elderly Services provides the financial management services for 23 cities and towns along the southern coast, including Fall River and New Bedford. The Coastline program is one of 25 similar programs that cover every community in Massachusetts.

Since 1991, the Massachusetts Money Management Program (MMMP) has helped nearly 11,000 senior citizens remain living independently in their homes, protected from financial exploitation and successfully managing their personal finances. Almost all of the clients of the MMMP are customers of area banks as well---so this program helps the banking community as well.

Founded by Mass Home Care, the state Executive Office of Elder Affairs, and AARP Massachusetts, the MMMP is now the largest money management program of its kind in the nation.

Money Management provides more than 1,200 volunteers across the state---many of them retired workers who joined AARP—who help low-income, vulnerable older people regain peace of mind and remain independent. The program's clients are often homebound, disabled, visually impaired or forgetful. Many have no family, relatives or friends to help them manage their finances. For many people, help with routine finances could mean the lights stay on, the threat of eviction disappears, and the need to make hard choices between food and medicine is eliminated. By balancing checkbooks, preparing checks for client signature, ensuring bills are paid on time and keeping track of finances, Money Management volunteers repair lives, and bring order out of personal finance chaos.

Each client story in the program is compelling: When Sara, who is 84, was referred to MMMP, her volunteer counselor found that she had $5,000 in credit card bills. She had 2 credit cards that she was using for her monthly expenses. She was using one credit card to pay the minimum payment on the other card. Sara was often out of money by mid-month. Her volunteer worked with Sara to set up a budget. She was able to help Sara reduce her medical bills by changing her drug plan, and was able to work with the credit card companies to eliminate her debt, and was able to sign Sara up for food stamps. Now Sara uses her debit card for purchases, and she can buy groceries from her checking account and even had enough money left after expenses to buy herself a new coat for winter.

Although largely powered through volunteer time, the MMMP receives some state funding for statewide coordination of the project, and local volunteer management. A total of $963,000 is provided by the Commonwealth for MMMP as part of a larger protective services account. Since first receiving state funding in 1999, a total of roughly $10 million has been invested in the program over the past 16 years.

Mass Gains 546,132 More Seniors by 2030

In early December, the UMass Donahue Institute's Population Estimates Program released a comprehensive population growth study showing that the Massachusetts population will increase by 4.4 percent from 2010 to 2030, growing by 290,589 over the 20-year term to a new total of 6,838,254.

The new report shows that one of the only population groups really climbing is the over 65 population. The Donahue report, *Long-term Population Projections for Massachusetts Regions and Municipalities* was developed by researchers at the UMass Donahue Institute and the UMASS Center for Economic Development at UMass Amherst, through support from the Massachusetts Secretary of the Commonwealth.

The study found that the population aged 65 and over will increase by over half a million (546,132), changing from 14% of the state's total population in 2010 to 21% by 2030. At the opposite end, the population aged 19 and under is expected to decrease by 84,000 people, changing from 25% of the state population to just 22% by 2030.

"In both the United States and Massachusetts, the aging of the population will result in slower population growth in the decades to come," the study says. "As theUnited States grows older, the bulk of its population ages out of childbearing years and, eventually, into higher mortality cohorts–both of which factors will slow population growth…Meanwhile, the population of persons in their 40s and 50s steadily decreases from about 35% of the state's population to 29%, now aging into the older cohorts…In sharp contrast, the population aged 65 and over in the state increases from 14% to 17% in the first 10-year period, and then increases even more in the second decade. By 2030, the 65-and-overpopulation will represent 21% of the state's population compared to just 14% in 2010. The elderly population 65+ will grow from 903,577 in 2010, to 1,449,709 by 2030---a 60% increase, or 546,132 seniors.

Extending Unemployment Benefits An Elder Issue

The new budget agreement adopted by Congress the week before Christmas has left stranded millions of Americans who rely on unemployment insurance to pay their bills. According to the Coalition on Human Needs, more than one-third of the unemployed in America have been out of work for more than six months, and their numbers rose in November over the previous two months.

Despite that, Congress left for the holidays without renewing Emergency Unemployment Compensation. This federally funded unemployment insurance for the long-term jobless who exhaust their state benefits will expire on December 28.

Between Christmas and New Year's, 1.3 million people will lose benefits, which average less than $270 per week. If Congress does not act to re-start the program, another 3.6 million people will lose access to benefits by the end of 2014.

Before Congress adjourned for the holidays, Senators **Jack Reed** (D-R.I.) and **Dean Heller** (R-Nev.) offered a bill to preserve long-term unemployment insurance for another three months, but their bill came too late. Unemployed people have already received notice that their benefits are over. If the Senate and House were to approve the legislation in January, however, people who missed checks during the lapse would receive lump-sum payments.

"Providing a safety net for those in need is one of the most important functions of the federal government," Heller said in a statement. In 2009, Congress stretched the duration of federal assistance in the hardest-hit states to 73 weeks, but lawmakers have since lowered the max to 47 weeks. Benefits average about $300 per week. Reed said his three-month measure would serve as a placeholder while lawmakers negotiate a full-year reauthorization.

The Emergency Unemployment Compensation (EUC) program provides federally funded assistance beyond the basic 26-week period during times of high unemployment.

According to the National Council on Aging, Long-term unemployment is a particular crisis for seniors, because older workers are more likely than any other age group to remain unemployed once losing their jobs. There are currently one million long-term unemployed older workers in America, and 260,000 will lose their benefits later this month if EUC is not extended.