



## THE BASICS

JULY 9, 2010

### Older Americans Act of 1965

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In 1965, Congress enacted the Older Americans Act which established the U.S. Administration on Aging (AoA) and state agencies on aging to address the social services needs of older people. The Act is considered the major vehicle for promoting the delivery of social services to the aging population. Its mission is broad: to help older people maintain maximum independence in their homes and communities and to promote a continuum of care for the vulnerable elderly. In successive amendments, Congress authorized targeted programs to respond to specific needs of the older population. Considering the broad sweep of services included in its mission, the Act's reach is constrained by modest resources. The Act will be reviewed for reauthorization in 2011, the year the first of the baby boom population turns age 65.

#### SEVEN TITLES, MULTIPLE SERVICE PROGRAMS

The Act authorizes seven titles that include a series of formula-based and discretionary grants. All programs are administered at the federal level by AoA, except for the Title V community service senior opportunities program, which is administered by the Department of Labor (DoL). The fiscal year (FY) 2010 federal funding level is \$2.3 billion. Almost 60 percent of the funding supports Title III state and community grants for multiple social service programs. The balance funds the Title V program, as well as research, demonstration, and training programs; grants for Native American organizations; and other national activities (see figure). Following is a synopsis of each title and some of the services authorized. (For more detailed information on Older Americans Act programs, see Carol V. O'Shaughnessy, "The Aging Services Network: Accomplishments and Challenges in Serving a Growing Elderly Population," National Health Policy Forum,

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Background Paper, April 11, 2008; available at [www.nhpf.org/library/details.cfm/2625](http://www.nhpf.org/library/details.cfm/2625)).

**Title I: Declaration of Objectives**

Title I sets out broad social policy objectives oriented toward improving the lives of all older people, including adequate income in retirement, the best possible physical and mental health, opportunity for employment, and comprehensive long-term care services.

**Title II: Establishment of the AoA**

Title II establishes AoA within the Department of Health and Human Services (HHS) as the chief federal agency advocate for older people and sets out the responsibilities of AoA and the Assistant Secretary for Aging. In addition to establishing AoA, Title II sets out a number of program activities. Among other things, Title II requires AoA to create the National Eldercare Locator Service to provide nationwide information through a toll-free telephone number so that users can identify community resources for older people. It also establishes national resource centers for long-term care ombudsman services and elder abuse prevention activities, and a national center to help older people enroll in benefit programs.

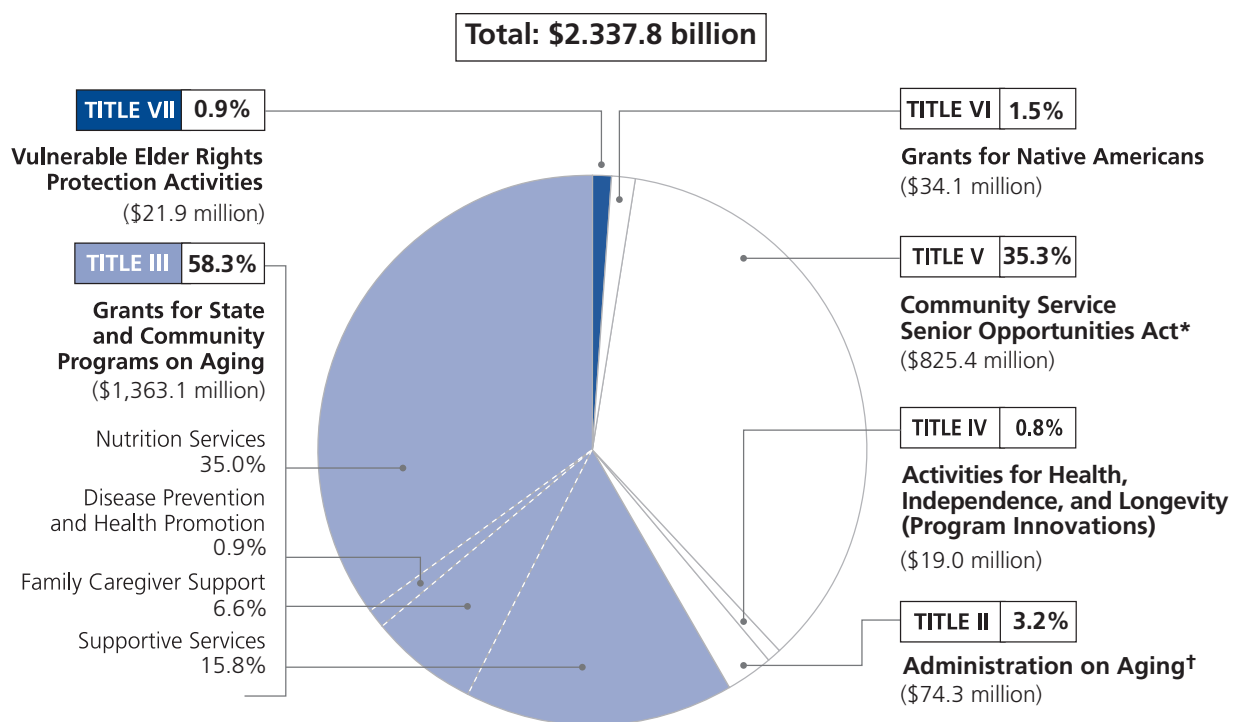
Title II also requires AoA to focus national efforts on health and long-term care activities. In recent years, AoA has initiated three types of grant activities under this Title II mandate. Funds have been awarded to almost all states<sup>1</sup> to develop and implement Aging and Disability Resource Centers (ADRCs). ADRCs are intended to be “one-stop shop” programs that help people make informed decisions about their service and support options and serve as “single entry points” for access to long-term care support services. Also included in Title II programs are grants to 20 states for nursing home diversion and community living projects that identify low- or moderate-income people who are at the highest risk of nursing home placement and help them remain at home and in community settings. Finally, AoA has awarded grants to about 1,200 state and community organizations to implement evidence-based disease prevention and health promotion interventions that have proven effective in reducing the risk of disease, disability, and injury.

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### Title III: Grants for State and Community Programs on Aging

Title III formula grants support the activities of 56 state agencies on aging and 629 area agencies on aging, which can be nonprofit or public agencies.<sup>2</sup> These agencies act as advocates on behalf of, and coordinate social service programs for, older people. Title III authorizes funds for supportive and nutrition services, family caregiver support, and disease prevention and health promotion activities. State agencies are required to pass all Title III funds to area agencies to administer within their state-defined planning

### Older Americans Act, FY 2010 Appropriations



\* Also referred to as the Senior Community Service Employment Program (SCSEP) for Older Americans.

† Also referred to as Aging Network Support Activities. Includes funds for AoA administration and for health and long-term care programs, including \$10 million appropriated by the Patient Protection and Affordable Care Act (Section 2405 of P.L. 111-148) for Aging and Disability Resource Centers (ADRCs). ADRCs are authorized under Section 202 of the Older Americans Act. Also includes funding for national resource centers for elder abuse prevention and long-term care ombudsman programs, the national eldercare locator, and other activities.

Note: Not included in this chart is funding appropriated by Section 3302 of PPACA for various AoA programs to conduct outreach and assistance to low-income elderly. Section 3302 appropriated \$15 million for area agencies on aging for fiscal years 2010–2012; \$10 million for ADRCs for fiscal years 2010–2012; and \$5 million for the National Center for Benefits and Outreach Enrollment for fiscal years 2010–2012.

Source: Prepared by the National Health Policy Forum, based on appropriations data in Angela Napili and Kirsten J. Colello, "Older Americans Act (OAA): Funding," Congressional Research Service, Report RL33880, updated April 9, 2010, and in P.L. 111-148.

and service areas. These grants account for almost 60 percent of total Older Americans Act funds in FY 2010 (see figure).

- **Supportive services.** The supportive services program funds a wide range of social services aimed at helping older people remain independent in their own homes and communities. States are required to devote some funding to access services (such as transportation and information and assistance), home care, and legal assistance.<sup>3</sup> This program also supports other services, such as case management, adult day care, and activities of senior centers.
- **Nutrition services.** The elderly nutrition program, the oldest and perhaps most well-known Older Americans Act service, provides meals and socialization to older people in congregate settings, such as senior centers and churches (the “congregate meals” program), and meals to frail older people in their own homes (the “home-delivered meals” program). The purposes of the program are to reduce hunger and food insecurity and to promote socialization, health, and well-being of older people by helping them gain access to nutritional and other health promotion services that prevent the onset of poor health conditions. In FY 2009, 241.7 million meals were served to over 2.6 million people. In FY 2008, 61 percent of meals were served to frail older people living at home, and 39 percent were served in congregate settings.
- **Family caregiver support.** The National Family Caregiver Support Program provides grants to states to develop a variety of services to assist family caregivers.<sup>4</sup> These include information and assistance about available services, individual counseling, organization of support groups and caregiver training, respite services to provide families temporary relief from caregiving responsibilities, and supplemental services (such as home care and home adaptations) on a limited basis to complement care provided by family and other informal caregivers. In FY 2009, about 829,000 people either received assistance in accessing caregiver services, counseling, or caregiver training, respite care, or participated in a support group.
- **Disease prevention and health promotion.** Programs to prevent or delay chronic conditions and promote health among older people receive the smallest amount of funding among Title III programs. The law provides “seed money” for these activities and intends that state and area agencies leverage other funding sources to complement Title III funds. The types of activities that state and area agencies support with these funds vary widely and include both group services, such as physical fitness and diabetes control classes, arthritis and nutrition education, and

individualized services, such as medical and dental screening, nutrition counseling, pharmacology consultation, and immunizations.

**Target population** — Title III services are available to all people age 60 and over, but they are targeted to those with the greatest economic or social need. Means testing is prohibited. Participants are encouraged to make voluntary contributions for services they receive. States are allowed to implement cost-sharing policies for certain services on a sliding scale basis. However, people must not be denied services due to failure to make voluntary contributions or cost-sharing payments.

Due to limited funding, a relatively small proportion of the older population receives Title III–funded services. AoA data show that in FY 2009 about 5 percent of the 55.4 million people age 60 and older received services, such as home-delivered meals, home care, personal care, and case management on a somewhat regular basis. A larger proportion, about 19 percent of the older population, received other services, such as transportation, information and assistance, or congregate meals, on a less than regular basis. An even larger but unknown number may benefit from the planning, coordination, and advocacy functions carried out by state and area agencies.

Even though a small number of older people overall receives services, vulnerable older people receive a disproportionate share of services. Of all people served under Title III programs in 2009, 30.5 percent had income below the federal poverty level (FPL), compared with 9.7 percent in the total population age 60 and over in poverty (in 2008).

**Formula allotments** — AoA allots funds for supportive services, nutrition services,<sup>5</sup> family caregiver support, and disease prevention and health promotion services to states based on each state's relative share of the total older population (with minimums for small population states).<sup>6</sup> States allocate funds to area agencies based on a state-determined formula.<sup>7</sup>

#### **Title IV: Activities for Health, Independence, and Longevity (Program Innovations)**

Title IV provides authority for training, research, and demonstration projects in the field of aging. Funds are to be used to expand knowledge about aging and to test innovative ideas on services and programs. Title IV has supported a wide range of projects related to income, health, housing, and long-term care. Funds are

awarded to a wide range of grantees, including public and private organizations, state and area agencies on aging, and institutions of higher learning. In recent years, funds have been awarded to support legal assistance systems, a national Alzheimer's disease call center, and community innovations for aging in place, including naturally occurring retirement communities, civic engagement projects, and national minority aging organizations.

#### **Title V: Community Service Senior Opportunities Act**

Title V, sometimes referred to as SCSEP (the Senior Community Service Employment Program), provides part-time jobs for unemployed low-income people age 55 and older who have poor employment prospects. DoL contracts with states and 18 national organizations<sup>8</sup> that recruit and enroll workers who are then placed in community service jobs, for example, in hospitals, schools, and senior nutrition sites. Enrollees are paid no less than the highest of the federal minimum wage, the state or local minimum wage, or the prevailing wage paid by the same employer for similar occupations. People eligible are those who are 55 years of age and older whose income does not exceed 125 percent of the FPL (\$13,538 in 2009). The program provided jobs to approximately 100,000 participants in over 66,000 job slots in program year 2009.<sup>9</sup> In the last two years, Title V funds have increased significantly. In FY 2009, the American Recovery and Reinvestment Act (P.L. 111-5) provided \$120 million for Title V, increasing the original FY 2009 funding level by 21 percent. In FY 2010, \$825.4 million was appropriated, a 19 percent increase over the total FY 2009 funding level.

#### **Title VI: Grants for Services for Native Americans**

AoA awards Title VI grants to Indian tribal organizations, Alaskan Native organizations, and nonprofit groups representing Native Hawaiians. Grants are used to fund supportive and nutrition services for older Native Americans. In FY 2009, grants were awarded to 244 Indian tribal organizations and 2 Native Hawaiian organizations.

#### **Title VII: Vulnerable Elder Rights Protection Activities**

Title VII authorizes the long-term care ombudsman program as well as a program to prevent elder abuse, neglect, and exploitation. These two programs are funded at \$21.9 million in FY 2010.

- **Long-term care ombudsman program.** The purpose of this program 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. Complaints may relate to action, inaction, or decisions of long-term care providers or their representatives and other actions that adversely affect the health, safety, welfare, or rights of residents. Other functions to be carried out by ombudsmen include representing the interests of residents before governmental agencies and seeking administrative and legal remedies to protect their rights. In FY 2008, 1,305 paid ombudsmen (full-time equivalents, FTEs) were responsible for oversight of 16,749 nursing facilities with 1.7 million beds and 50,000 other residential care facilities with 1.1 million beds. (For further information on the ombudsman program, see Carol V. O’Shaughnessy, “The Role of Ombudsmen in Assuring Quality for Residents of Long-Term Care Facilities: Straining to Make Ends Meet,” National Health Policy Forum, Background Paper No. 71, December 2, 2009; available at [www.nhpf.org/library/details.cfm/2767](http://www.nhpf.org/library/details.cfm/2767).)
- **Prevention of elder abuse, neglect, and exploitation.** Under this program, states are required to carry out activities to make the public aware of ways to identify and prevent abuse, neglect, and exploitation and to coordinate activities of area agencies on aging with state adult protective services programs.

**Formula allotment** — Like Title III funds, Title VII funds are allocated to states based on the state’s share of the older population (even though ombudsmen are to serve all populations in facilities, regardless of age).

## 2006 REAUTHORIZATION

The Older Americans Act Amendments of 2006 (P.L. 109-365) reauthorized all programs under the Act through FY 2011. Among other things, the law expanded the role to be taken by AoA and state and area agencies on aging in promoting home and community-based long-term care services, authorized funds for competitive grants to states to promote comprehensive elder justice systems, and required AoA to develop demonstration programs to help older people “age in place” (including in naturally occurring retirement communities) and systems for mental health screening and treatment services. In 2011, Congress will review the Act for reauthorization.



## ENDNOTES

1. FY 2009 funds were awarded to 46 states, the District of Columbia, Guam, and Puerto Rico. See "Aging and Disability Resource Centers: Empowering Individuals to Navigate Their Health and Long Term Support Options FY 2009"; available at [www.aoa.gov/AoARoot/AoA\\_Programs/HCLTC/ADRC/docs/2009/ADRCFundingTable.pdf](http://www.aoa.gov/AoARoot/AoA_Programs/HCLTC/ADRC/docs/2009/ADRCFundingTable.pdf).
2. About half of state agencies on aging are located in umbrella health and/or human services agencies; the remainder are independent departments or commissions of state government. According to a 2008 study, 37 percent of area agencies were independent agencies, 27 percent were part of county government, 26 percent were part of councils of government or regional planning and development areas, 2 percent were part of city government, and 8 percent were part of other agencies. Suzanne Kunkel, Abbe Linscott, and Jane K. Straker, "National Association of Area Agencies on Aging 2007 Aging Network Survey: Preparing the Aging Network for Choices for Independence, AAA Survey Results," April 2008; available at [www.n4a.org/pdf/n4aNationalSummary\\_001.pdf](http://www.n4a.org/pdf/n4aNationalSummary_001.pdf).
3. State agencies determine a minimum proportion of funds that area agencies must spend on these services.
4. The primary groups served are caregivers of people age 60 and older, but the law allows grandparents or other individuals (age 55 or older) who are relative caregivers of children to be served under the program.
5. Funds for nutrition services incentive grants are allotted to states based on a formula that takes into account the number of meals (supported by all funding sources) served by each state's nutrition program the prior year.
6. Except for family caregiver support services, each state receives Title III allotments for services proportionate to its population age 60 and over compared with the total U.S. population age 60 and over. Family caregiver support program funds are allotted based on a state's proportionate population age 70 and over.
7. States allocate Title III funds to area agencies on aging based on a state-determined distribution formula (generally taking into account a combination of factors, such as age, income, and racial or ethnic status of the older population throughout the planning and service areas of the state).
8. Seventy-eight percent of funds are awarded to 18 national organizations and 22 percent of funds are awarded to states. For further information, see Department of Labor, "About SCSEP," March 12, 2010; available at [www.doleta.gov/seniors/html\\_docs/AboutSCSEP.cfm](http://www.doleta.gov/seniors/html_docs/AboutSCSEP.cfm).
9. Program year refers to the period July 1 to June 30.

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