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HOUSE OF REPRESENTATIVES
COMMONWEALTH *of* PENNSYLVANIA

House Democratic Policy Committee Hearing
Boosting State Support of Seniors

Tuesday, October 29, 2024 | 10:00 a.m.

Representatives Eddie Day Pashinski, Jim Haddock

OPENING REMARKS

10:00 a.m.

Rep. Eddie Day Pashinski, D-Luzerne
Rep. Jim Haddock, D-Lackawanna, Luzerne

PANEL ONE

10:05 a.m.

Jason Kavulich, Secretary
Pennsylvania Department of Aging

Q & A with Legislators

PANEL TWO

10:35 a.m.

Mary Schell, Deputy Director
Area Agency on Aging for Luzerne and Wyoming Counties

Q & A with Legislators

PANEL THREE

11:00 a.m.

Teresa Osborne, State Advocacy Director
AARP Pennsylvania

Q & A with Legislators

PANEL FOUR

11:30 a.m.

David Johnson, Line Manager
Center for Advocacy for the Rights and Interests of Elders

Q & A with Legislators

Remarks and Testimony can be found by scanning the QR Code below:

**LUZERNE AND WYOMING COUNTIES
AREA AGENCY ON AGING**

LUZERNE COUNTY MANAGER
ROMILDA CROCAMO Esq.

HUMAN SERVICES INTERIM DIVISION HEAD
MICHELE SPARICH

EXECUTIVE DIRECTOR
MARY ROSELLE



COUNTY of LUZERNE
P E N N S Y L V A N I A
E S T A B L I S H E D 1 7 8 6

**WYOMING COUNTY
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AMBER FRANKO, CHIEF CLERK

Testimony on the Needs of the Aging Population in Northeast Pennsylvania

Introduction: Good morning, Chairman Bizarro and members of the Democratic Policy Committee. My name is Mary Schell, and I am the Deputy Director of the Area Agency on Aging for Luzerne and Wyoming counties, which is one of the 52 AAAs throughout the state of Pennsylvania. The mission of the Area Agency on Agency aims to enhance the quality of life for all mature adults by encouraging independence, promoting healthy lifestyles, and ensuring safety and protection throughout their life journey. As the population we serve ages, it is imperative that we address and provide support for the unique challenges that face this age group. I appreciate the opportunity to join you to discuss the pressing needs of the aging population in Northeast Pennsylvania as we strive to achieve this mission.

Demographic Overview: Northeast Pennsylvania, like much of the state, is experiencing a significant increase in its aging population. According to the 2022 American Community Survey Population Estimates, there are approximately 95,439 individuals, age 60 years of age or older out of a total population of 352,053 in Luzerne and Wyoming Counties. The older population (60+) accounts for approximately 27% of the Luzerne County population and 30% of the total Wyoming County population.

The 2020 United States Census indicates that nearly 11% of residents over 65 in Luzerne County are at or below the poverty rate, with 8% of residents in Wyoming County over the age of 65 living in poverty.

In Wyoming county, 97.7% of households are English speaking only. Conversely, 84.3% of households in Luzerne County are English speaking only, with 13.6% of households speaking Spanish. Language continues to be a barrier for this AAA, resulting in an increased use of interpretation services.

The number of older adults who are raising their grandchildren continues to increase each year. Our Agency is committed to providing resources and support to them through the Northeast Pennsylvania Intergenerational Coalition, also known as Grandparents Raising Grandchildren. Our Agency helped found this coalition and continues to take a leadership role in its function. Outreach efforts demonstrate our commitment to expanding the Grandparent component of the Caregiver Support Program by reaching out to schools, Head Start, day cares and the County Children and Youth Agencies.

Service Utilization: The Area Agency on Aging for Luzerne and Wyoming Counties, as defined by its mission and values, strives to provide optimum service response and delivery to the community. A snapshot of the services provided by the Area Agency on Aging for Luzerne and Wyoming Counties in 2022-2023 includes:

- *Information and Referral Initial Contacts*– 8942
- *Care Managed Consumers for OPTIONS services* – 2485



- *Functional Eligibility Determinations completed – 2491*
- *Caregivers and Care Receivers Care Managed – 172*
- *Congregate Meals provided at Active Adults Centers – 93,838 meals provided across 16 centers*
- *Health and Wellness Classes – 17 types of classes offered to 1304 participants*
- *Farmer’s Market – 46,630 vouchers distributed to 9,326 individuals*
- *Home Delivered Meals to those who are homebound or have limited mobility – 288,565 meals provided*
- *Investigations of Abuse, Neglect, Exploitation and/or Abandonment Reports – 609 investigations*

Key Needs of the Aging Population: To determine the needs of older adults throughout the service area of Luzerne and Wyoming Counties, as part of the formulation for Aging our Way PA, three listening sessions were held in the fall of 2023 to give Older Adults and stakeholders the opportunity to share their input on the AARP’s eight domains of livability: housing, outdoor spaces, transportation, civic participation, communication, respect and social inclusion, social participation, and access to health services. These sessions were marketed through news releases in newspapers and on the county website, as well as on social media. Participants shared information verbally, which was captured by a note taker and transcribed to be included in county submissions to the Pennsylvania Department of Aging. Additionally, feedback forms were provided for individuals who preferred not to share their opinions publicly. A key theme that emerged regarded the participants’ wish to remain safely in their homes and communities as they aged. Participants also expressed a desire to have access to local health care entities, affordable housing, timely transportation, and expanded social and cultural opportunities. They expressed concerns regarding limits to availability and affordability of services that help them to remain independent.

Those themes, including access to and expansion of services, enhancing support for caregivers, and providing expanded educational outreach regarding available services have shaped the objectives of our agency’s planning and goal development. The biggest barriers to assisting our consumers continue to be a lack of secure, affordable housing, a decline in available medical providers, and the shortage of personal care aides in our region. Additionally, protective services reports continue to rise throughout the service area with increased exploitation and neglect cases being reported.

Conclusion: Addressing the needs of the aging population in Northeast Pennsylvania requires a coordinated effort across multiple sectors. By focusing on increasing access to services, safe housing options, support and expansion of home and community-based services, and availability of information necessary in decision making, we can create a community where older adults can thrive. I urge the committee to consider these needs and work towards implementing solutions that will benefit our aging population. Ongoing legislative support for Pennsylvania Department of Aging funding is vital in addressing these challenges.

Thank you for your time and attention.





Pennsylvania House Democratic Policy Committee

Informational Hearing on Boosting State Support of Seniors

October 29, 2024

**Testimony by:
David J. Johnson, CARIE LINE Manager
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www.carie.org

Introduction

Good Morning. My name is David Johnson. I am the CARIE LINE Manager at CARIE, the Center for Advocacy for the Rights and Interests of Elders. Thank you, Chairman Bizzarro, Representatives Pashinski and Haddock, and members of the House Democratic Policy Committee for holding this informational hearing and for inviting CARIE to participate.

CARIE is a nonprofit advocacy organization that has been empowering older adults, ensuring rights, fighting for dignity, improving quality of life, and combating ageism since 1977. Each year, CARIE provides advocacy, information, and options counseling to more than two thousand older people, helping ensure access to benefits, services, and supports. We serve as the local Long Term Care Ombudsman Program advocating for the rights of people living in more than 400 long term care settings in Montgomery County and in part of Philadelphia. We assist older adults who have been victims of crime or abuse. CARIE also operates the Pennsylvania Senior Medicare Patrol (PA-SMP) program, which is funded through the federal Administration for Community Living. The SMP program empowers and assists Medicare beneficiaries, their families, and caregivers to "Prevent, Detect, and Report" health care fraud, errors, and abuse.

The Growing Population of Older Pennsylvanians

We appreciate the committee exploring how to "boost state support of seniors" and understand the need to ensure older adults have access and the income to pay for the cost of housing, health care, transportation, and food. This year a record number of Americans are turning 65 making issues related to retirement and aging more important than ever for policymakers to consider. The Independent Fiscal Office's (IFO) [October 2024 Pennsylvania Demographic Outlook](#) reports, "The projected rapid rise in Pennsylvania's older adult population, particularly residents age 70 and above, will place additional stress on elderly care services and increase costs, as a significant share of the population generally requires some level of day-to-day living assistance." The 3.4 million older adults living in Pennsylvania, with more turning 65 each day, makes a compelling case for effective policies to support older people and their caregivers.

How We Age Varies

Older adults contribute to society and communities in numerous ways, such as through employment, volunteering and supporting their families. As we age, we will experience older age in good health; with declining health, functioning and capacity; or with poor health, limited functioning, and a significant loss of capacity. Focusing on prevention and providing support before a crisis may go a long way to helping individuals live a dignified life in a cost-effective way.

Factors such as poverty, disability, cognitive impairments, and social isolation can contribute to older adults being vulnerable to adverse outcomes. Typically, people want to live in their own homes rather than having to move into a long term care facility.

Home and community-based care helps people to continue doing what they value as they grow older.

The Pennsylvania Lottery

The Pennsylvania Lottery Fund supports vital programs for the benefit of older Pennsylvanians that are administered by four state agencies: the Departments of Aging, Revenue, Transportation, and Human Services. The Pennsylvania Lottery also supports the 52 Area Agencies on Aging (AAAs) across the Commonwealth. We wish to highlight a few of the many essential lottery benefits and services.

Property Tax/Rent Rebate (PTRR)

The Property Tax/Rent Rebate (PTRR) program is the first program funded by the Pennsylvania Lottery and now also receives funding from gaming. As you know, the PTRR program has long benefited eligible Pennsylvanians aged 65 and older; widows and widowers aged 50 and older; and people with disabilities aged 18 and older. CARIE is among those who commend the legislature and Governor Shapiro for the successful major expansion of the program this year, the first time in nearly 20 years, which increased the program's income limits, linked those income limits to the cost of living, and raised the maximum standard rebate. We hope the success in expanding this vital benefit can be replicated again with other Lottery funded programs such as the PACE program.

Pharmaceutical Assistance Contract for the Elderly (PACE) Program

As you know, Pennsylvania's PACE and PACENET programs help eligible Pennsylvanians aged 65 and over get prescription medicine affordably by working with Medicare Part D plans and other prescription drug plans such as Medicare Advantage plans, retiree coverage, and Veterans' Benefits (VA) to lower out-of-pocket costs for medications.

The PACE Clearinghouse and the PACE Application Center provide vital services such as benefits matching as many older adults are not receiving benefits for which they are eligible. For example, the PACE Application Center not only helps people who are applying for PACE or PACENET but also helps them sign up for other benefits that help boost their financial security like Property Tax and Rent Rebates, SNAP (food help), and Low Income Home Energy Assistance Program (LIHEAP). CARIE also supports older adults in accessing needed services and benefits such as assisting Medicare participants with enrolling in the Medicare Savings Programs (MSPs), known as Healthy Horizons in Pennsylvania, and the Part D Low Income Subsidy (LIS) program and can attest to the difference these benefits make in helping older adults meet their basic needs.

The federal government has made changes to Medicare Part D coverage that will translate into significant savings for both Medicare beneficiaries and state pharmaceutical programs like PACE next year. It is our understanding that if the PACE program reinvests these savings into the program, it could increase the program's eligibility income limits to serve about 50,000 more older Pennsylvanians in a budget

neutral way. CARIE supports this reinvestment of savings and encourages the legislature to work with the Department of Aging on passing legislation to increase the eligibility limits for PACE next year.

PENNCARE/OPTIONS

PENNCARE covers the Pennsylvania Department of Aging's home and community-based programs and services such as older adult protective services, senior community centers, home care, home-delivered meals, and adult day services. The Department's OPTIONS program provides some of the same services as Medicaid's Community HealthChoices program but serves those not financially or clinically eligible for Medicaid funded services. Many older adults do not meet the strict income and functional impairment requirements for Medicaid eligibility and those with moderate or even severe levels of disability are not eligible to receive Medicaid supportive services until they have become impoverished.

While we appreciate the investments included in this year's state budget that will benefit older Pennsylvanians and their caregivers, we are concerned that the budget does not provide the additional financial support requested by Department of Aging for the AAAs and PENNCARE/OPTIONS services. This lack of funding is compounded by years of funding that has not kept pace with inflation or population growth. We hope the legislature will address this shortfall in next year's budget and, if needed, provide supplemental Lottery funds this fiscal year to avert any potential crises in service disruptions caused by the lack of funds.

In addition, since nearly \$4.8 billion dollars over the past decade has been transferred from the Lottery Fund to the General Fund to pay for Medicaid long term care, we encourage policy to fully fund PENNCARE before Lottery Funds are diverted to fund General Fund obligations so the thousands of older Pennsylvanians who don't qualify for Medicaid long term services and supports or nursing home care get the help they need to remain at home. We hope legislation can be introduced next year to support this policy. It is important to invest more in the AAAs' services and supports infrastructure and ability to support the health, dignity and community living needs of older Pennsylvanians. AAA services can provide a safety net and a cost-effective diversion from more costly Medicaid services and supports.

[Aging Our Way, PA](#)

In February, Governor Shapiro and the Department of Aging released Pennsylvania's multi-sector plan for aging, [Aging Our Way, PA](#), which lays out a ten-year plan to prepare the state for a growing aging population. We applaud the tremendous effort of the Department of Aging along with the AAA network in gathering over 20,000 points of stakeholder engagement and developing a comprehensive and actionable plan from the input received to support age and disability friendly communities. The recommendations are reflected in five priorities, 36 strategies, and 163 tactics. The plan provides an excellent framework to help Pennsylvania implement both short and

long term strategies to address current and future needs. For example, there is a focus and many tactics around transportation that reinforces the importance of having safe, reliable, and affordable transportation systems. Efforts to prevent, detect and combat fraud and scams are needed to ensure financial security. Finally, workforce issues need an immediate and comprehensive response to address the current crisis.

Aging Our Way, PA provides a roadmap for the legislature and Administration to work together with older Pennsylvanians and other stakeholders to create a state where older adults and people with disabilities can realize their full potential and live with dignity. We hope there will be bills and budget proposals that will pass during the next legislative session to help advance some of the recommendations in the plan.

The Forgotten Middle

The [NORC defines the Forgotten Middle](#), as middle-income older adults who do not qualify for Medicaid but most likely will not be able to afford housing and long term care needs throughout their lives. NORC's latest research addresses issues regarding the "Middle Market" and "Near Duals," older adults who are at risk of imminent Medicaid eligibility through spend-down within one to two years. The research points to a policy crisis with no clear solutions, noting that while home and community-based programs already exist to meet the needs of older adults, funding is typically not available to meet the needs. Examples include a range of home repair and modification services that are available to help low-income older adults remain in their homes. However, NORC notes that these programs are underfunded and many older adults who could benefit from these types of programs do not qualify for services. In addition, funding for the Older Americans Act, the major federal program that provides support and services to older people, has not kept pace with the growing numbers of older people. The failures at the federal level make supporting Aging Our Way, PA, Lottery funded programs and other state initiatives that support older Pennsylvanians imperative.

Personal Needs Allowance (PNA)

Another group of older adults who need support are people living in long term care facilities. CARIE is advocating with residents and others to increase the personal needs allowance (PNA) and include an annual cost of living adjustment (COLA) to the PNA. The PNA is needed by residents to pay for items and services that are not covered by Medicaid. For the first time since 2007, the PNA for people living in nursing homes in Pennsylvania will increase from \$45 per month to \$60 per month in January 2025. While this is welcomed news and appreciated, it falls short of what is needed for residents to meet their basic out-of-pocket costs in the current economy.

According to a statewide survey of residents conducted by the state Long Term Care Ombudsman Program, \$60 per month is too little to pay for things they need that are not provided by the facility, like clothes, outings, phones, and personal care items. Residents say that Pennsylvania should increase the PNA to \$100 per month and should include an annual COLA to help the PNA keep pace with economic realities. The PNA

**House Democratic Policy Committee
Pennsylvania Department of Aging**

**Written Testimony of
Secretary Jason Kavulich
Tuesday, October 29, 2024**

Introduction

Chairman Bizzarro, Vice Chair Isaacson, and members of the House Democratic Policy Committee: Thank you for this opportunity to discuss the Department of Aging (Department) and the Administration's commitment to older Pennsylvanians, and the aging programs and services that support older adults, most of whom live on fixed incomes.

Older Pennsylvanians bring value, depth of knowledge, and experience to our lives, our communities, and our Commonwealth. The Department contracts with 52 Area Agencies on Aging (AAAs) to administer programs and services that support older adults in Pennsylvania through every aspect of daily living. Through these programs and services, older adults receive nutritious meals, access to transportation and innovative housing solutions, and support for caregivers. Older adults also receive services at home through the OPTIONS Program, help to find the best Medicare plan for their situation and information and referrals to support services through the PA Link.

Our network includes 485 senior community centers that help combat social isolation and loneliness as they welcome older adults to meals, social activities and connections to support services. We investigate more than 35,000 reports of suspected elder abuse each year, and advocate for and respond to the needs of older Pennsylvanians living in long-term care. Our PACE program provides life-sustaining medications to 225,000 older adults at low- or no cost.

The Department also collaborates extensively with other agencies to promote and facilitate access to other state programs that benefit older adults. One example is the Governor and the General Assembly's successful expansion of the Property Tax Rent Rebate Program, which, starting in January of this year, dramatically increased the income eligibility and the maximum rebate amount. With 175,000 additional Pennsylvanians now eligible, we continue to work with the Department of Revenue to ensure that older adults learn about the program and get the hands-on help they need to apply.

We recognize the importance of collaboration and will continue to coordinate and partner with state agencies, building new partnerships and strengthening existing ones, because only together can we make real progress for Pennsylvania's older adults.

Department of Aging Goals – Aging Our Way, PA

Pennsylvania is the 5th oldest state in the country, with the population of older adults eligible for aging services growing rapidly. We are quickly approaching a population shift -- moving us from 1 in 4 Pennsylvanians being over the age of 60 to 1 in 3 by 2030.

With this rapidly expanding demographic, the Shapiro Administration knew it was the right time to focus our energy on the growing needs of older adults. These 3.4 million older adults are living in diverse settings, with diverse needs, but all with a universal desire to remain in the communities they share with all of us.

Meeting the needs of so many with limited resources is not only a challenge for Pennsylvania, but also for our nation. There is no perfect example of preparedness for us to reach for; no model we can look to for guidance. That is why, in May 2023, Governor Shapiro signed an executive order directing the Department to undertake an ambitious task: to create the first multi-sector plan for older adults in Pennsylvania history.

In just 372 days, the team at the Department of Aging collaborated with more than 20 state agencies, stakeholders, AAAs, the Pennsylvania Council on Aging, and the Long-Term Care Council, to create *Aging Our Way, PA* -- a plan that lives and evolves with Pennsylvania as we age over the next 10 years.

What we are most proud of, and why this plan is being recognized nationally, is that it was created with an unprecedented amount of public engagement. This plan was driven by older adults themselves.

Thanks to the hard work and dedication of our AAAs, we listened to and got feedback from older adults in every one of the 67 counties. We convened over 200 listening sessions, we surveyed, we took calls, read the emails, and held two rounds of public comments.

All of the more than 20,000 responses found their way into the plan. We worked to make sure this plan was designed to respond to the needs that older adults highlighted again and again.

Developed with the input of more than 10,000 Commonwealth residents and stakeholders including legislative aging committee leadership, *Aging Our Way PA* will help transform service delivery to create the age-friendly Commonwealth that all of our constituents deserve now and in the future.

The intensive process to create *Aging Our Way, PA* considered the entirety of state, county, local and federal policies and programs and private industry practices that directly or indirectly affect older adults. Our team and stakeholders examined many policies, programs and needs related to health, transportation, housing, community living, workforce, nutrition, home and community-based services, and specific projects such as age-friendly communities.

The energy and urgency of the need for a comprehensive roadmap for infrastructure and service delivery for older adults was seen and heard in packed rooms in every county and corner of the state. We are proud of the hard work of the AAAs and grateful for the support of legislative leaders, advocates and our sister agencies throughout this process.

At the Department, we are focused on caregivers in this first year of implementation. We have been provided with resources to build out and create a caregiver tool kit to provide resources, supports, and avenues to respite for caregivers. We know how incredibly challenging it is to be a caregiver. AARP estimates that there are over 1.5 million unpaid caregivers in Pennsylvania, providing an estimated \$22 billion dollars' worth of care.

Year one activities will include creating a more inclusive and accessible environment for older Pennsylvanians and to build a system of supports for older adults and caregivers that may reduce the

need for more costly care. This includes coordinating and evaluating service access, disparities in language, and cultural barriers and ensuring that older adults are prepared for emergencies.

We will also undertake a comprehensive refresh of the PA Link program, involving mapping key contact points and redesigning a local and statewide No Wrong Door system that links services offered through multiple agencies and enables consumers to access information about those services through a coordinated point of entry.

Aging Affordably in Home Settings of Choice

Through the *Aging Our Way*, PA listening sessions held in all 67 counties, we heard from 54% of older adult attendees that affordability around housing and property taxes as issues that impact their ability to age in place. Although many older adults wish to remain living in their homes and communities and age in place for as long as possible, serious challenges place a strain on fixed incomes, such as the rising cost of living, the need for and costs associated with in-home care and limited availability of affordable care settings such as personal care homes or assisted living residences. Older adults have told us they want more options.

We continue to work on creating opportunities for accessible and affordable housing for older adults, through innovative housing solution models such as the Elder Cottage Housing Opportunity (ECHO) program, the Shared Housing and Resource Exchange (SHARE) program and the Domiciliary Care (Dom Care) program. SHARE, which was started a few years ago in rural Northeast PA, continues to expand into new counties, and we are currently engaged in our first-ever marketing effort to recruit new Dom Care providers who are aging out of our system.

Addressing Alzheimer’s Disease and Related Disorders

In 2020, there were 280,000 older Pennsylvanians living with Alzheimer’s disease or related dementias and that number is projected to increase to 320,000 by 2025. In 2022, there were 404,000 caregivers who provided an estimated 646 million total hours of unpaid care, worth a startling \$10.7 billion – we have to help those caregivers in any way we can – and the Governor is committed to doing just that.

That’s why the 2024-25 bipartisan budget included \$1.9 million to, for the first time ever, establish an Alzheimer’s Disease and Related Disorders Division within the Department of Aging to better support this growing vulnerable population and their caregivers.

On October 16, Governor Shapiro signed Senate Bill 840 into law, establishing the Alzheimer’s, Dementia and other Brain-related disorders office, along with a council to help us bring to life the State Plan on Alzheimer’s that has sat on a shelf for many years and now has the resources to put it to work for older adults and their families.

This division will allow the Department to address the growing public health crises that has been identified by the Alzheimer’s Association in Senate Bill 840. The Department will be able to focus dedicated resources to develop materials and provide education and outreach related to cognitive decline, while also providing support to individuals and their caregivers impacted by Alzheimer’s disease and related disorders.

In addition to the budget investments in *Aging Our Way, PA*, LINK implementation and ADRD, we saw investments in long term care, community supports, PACE, and other programs we have across the Commonwealth.

We appreciate your support and dedication to Pennsylvania's more than 3.4 million older adults, and my team and I look forward to working with you to enhance services for older Pennsylvanians in your respective districts and across the Commonwealth.

Pennsylvania House Democratic Policy Committee

**Informational Hearing on
Boosting State Support of Seniors**

October 29, 2024

**Queen of the Apostles Parish Hall
742 Spring Street
Avoca, PA 18641**

**Testimony Provided By
Teresa Osborne
State Advocacy Director**



Good Morning. My name is Teresa Osborne. I serve as the State Advocacy Director for AARP Pennsylvania.

Thank you, Chairman Bizzarro, and members of the House Democratic Policy Committee for holding this informational hearing and for inviting AARP Pennsylvania to participate.

As the largest nonprofit, nonpartisan organization representing the interests of over 5 million Pennsylvanians age 50 and older, AARP Pennsylvania appreciates the opportunity to appear before you today to offer our views on what more can be done to boost state support for older Pennsylvanians.

For AARP, it is recognized that millions of Americans are faced with the stark reality that they are not financially prepared for retirement. In fact, findings from the [AARP Financial Security Trends Survey](#) revealed that nearly 1 in 5 adults 50 years of age and older say they are unprepared for retirement. Of those that do have money set aside for retirement, nearly a quarter have less than \$50,000 saved; and only 33 percent of adults 50-plus believe they will have enough savings to be financially secure in retirement.

These findings naturally lead us to explore the factors that contribute to this complex problem, one that this Committee is contemplating today – the need to boost support for the seniors of today and of tomorrow.

For starters, *Americans are living longer than ever before*. Someone at age sixty can expect to live another 20-plus years thanks to advancements in medicine, public health, and living standards. This is undeniably a wonderful development, but one that also puts extra onus on folks to stretch their savings for decades past typical retirement age.

As a result, [more than half \(57%\) of all non-retirees](#) age 50-plus expect to work in retirement for financial reasons. Many older workers are turning to gig or independent work, which comes with more freedom and flexibility than a traditional full-time position. The [most cited reason](#) for deciding to work independently is to “make extra money.” For many older adults, the new word for retirement is WORK.

Another factor - which was alluded to above - is *the lack of access to retirement savings accounts*. We know that workers are [15 times](#) more likely to save if they have a means to do so at work, and 20 times more likely if that savings is automatic.

Yet, nearly half of private sector employees do not have access to retirement saving plans at work. Disparities in access to savings plans become even greater when you consider other

factors such as business size and educational attainment of employees. For example, [nearly 8 in 10 workers](#) in an organization with fewer than 10 employees lack access to a savings plan.

Another factor is that *for many older adults' their only source of income in retirement is Social Security*. Across the country, more than 22 million people – [42% of Americans age 65 and older](#) – count on Social Security for at least half of their income. For older women, the numbers are even higher. 46 percent of all women 65-plus rely on Social Security for at least half of their income.

[In Pennsylvania](#), the average Social Security retired worker benefit is \$1,601 per month – about \$19,200 annually. The average disabled Pennsylvania worker Social Security benefit is \$1,282 per month - about \$15,400 annually. Overall, 973,261 Pennsylvania residents - or 42 percent of individuals 65 and older - live in families that rely on Social Security for at least half of their income.

Yet another factor is embedded in the fact that *sudden financial events, like experiencing a scam, can really set older adult's long-term financial stability back*. While adults of all ages fall victim to fraud, when older adults experience a financial crime, they often have more to lose due to years of hard work and savings. For example, [in 2022](#), those under 19 lost on average \$300, while those 70-79 lost an average of \$1,000 and those 80+ an average of \$1,674. Older adults have less time to recoup these funds, putting a dent in their savings.

A final factor to mention is *that rising prices threaten retirement security*. Even when positive economic indicators occur, people's pocketbooks continue to feel the weight of inflation. This impacts their ability to afford everyday necessities such as groceries, utilities, housing, and prescription medications. Older adults, many of whom are on a fixed income, are particularly sensitive to increased costs. Simply put spending more on the goods and services you need today leaves you with less saved for tomorrow.

Each of these factors make a direct pivot to today's discussion on what proposals need to be pursued that would benefit older Pennsylvanians, including:

- *Help boost retirement security*. Across the country, AARP has urged state legislators to pass [legislation](#) to make it easier for folks to save money for retirement out of their regular paychecks who otherwise wouldn't have access to a retirement plan at their workplace. Among the states that have enacted legislation creating ["work and save"](#) programs to directly facilitate nest-egg building are California, Colorado, Connecticut, Illinois, Maine, Maryland, Oregon, and Virginia. The passage of Keystone Saves would be a positive step to boost retirement security for nearly two million Pennsylvanians.

- *Work to protect and educate older adults about the warning signs of frauds and scams.*
[AARP's Fraud Watch Network](#) - a free resource for everyone - provides reliable, up-to-date insights, alerts and fraud prevention resources to help people avoid becoming the victim of a financial crime; and, if someone has been targeted by scams or fraud, AARP trained fraud specialists provide support and guidance on what to do next and how to avoid scams in the future. Collaborating with AARP Pennsylvania to offer local Scam Jam events, hosting Teletown Halls and Fraud Watch Minutes, modernizing Pennsylvania's Older Adult Protective Services Act to include a chapter on financial exploitation, and fully funding the Commonwealth's network of area agencies on aging who are responsible to conduct elder abuse investigations would serve as tangible, proactive steps to protect older adults from fraud and scams and financial exploitation, provide consumer protections, and hold perpetrators accountable.

- *Stand with consumer advocates to fight against the rising costs of utilities to ensure folks can keep more of their hard-earned dollars in their pockets and save for retirement.*
Seemingly every day, the cost of necessities such as food, housing, utilities, healthcare, and transportation are all on the rise, and people's dollars just are not keeping up with the cost of living. In fact, [AARP research](#) finds that 41% of adults aged 30 and over are worried about having enough money to cover their basic expenses. This is why, at a time when so many are struggling to keep their budgets in check and save for the future, stepping up to ensure that utility companies don't improve their bottom line on the backs of consumers and that families have affordable, reliable, and safe utility services is essential.

- *Preserve and protect the Pennsylvania Lottery for services that support older Pennsylvanians.* The Pennsylvania Lottery is the only lottery in the country that dedicates its proceeds to programs for its senior residents. Since the very first ticket was sold in 1972, during the ensuing five decades, the Pennsylvania Lottery has generated over \$36 billion for programs and services that benefit older Pennsylvanians. Today, Lottery funded programs and services are administered through the Pennsylvania Departments of Aging, Revenue, Transportation, and Human Services.
 - *Department of Aging:* In addition to funding received through the federal Older Americans Act, the Commonwealth's network of 52 local area agencies on aging administer services that many older Pennsylvanians rely upon, including home-delivered meals, low-cost prescription medications, personal care assistance - such as bathing, transportation, community senior centers, and protective services to support victims of abuse, neglect, financial exploitation and abandonment. In 2022-23, the Lottery contributed more than **\$263.2** million to Area Agencies on Aging to provide this wide range of local services. Although Lottery officials announced that the PA Lottery generated a profit of more than \$1.22 billion to benefit older Pennsylvanians during the

2023-2024 fiscal year – marking the 13th consecutive year that the Lottery has generated more than \$1 billion for senior programs – in the 2024-2025 budget, the Department of Aging and its network of local area agencies on aging were flat funded. Correcting this oversight will ensure that our Area Agencies on Aging will not be forced to create or expand waiting lists or decide which services they will need to reduce or eliminate.

- *Department of Revenue:* The Property Tax/Rent Rebate (PTRR) Program supports eligible homeowners and renters across Pennsylvania by providing a rebate to older adults and people with disabilities age 18 and older. In 2023, AARP Pennsylvania successfully supported the expansion of the PTRR Program which delivered the largest relief for eligible participants in nearly two decades. Since 1971, the PA Lottery has delivered more than \$8 billion in property tax and rent relief to recipients of the PTRR Program.
- *Department of Transportation:* Persons age 65 or older can either ride fixed-route public transit or commuter rail at no cost; or they can also qualify to use on-demand, shared-ride services at a reduced rate. On average, the Lottery helps provide more than 72,000 free and reduced-fare shared rides for older Pennsylvanians, every day.
- *Department of Human Services:* The Pennsylvania Lottery funds care services for older Pennsylvanians who are nursing facility clinically eligible and medical assistance (MA) eligible. These long-term living services are either provided at home or in the community via the Community Health Choices Program or are provided in a nursing home licensed by the Department of Health. In 2022-23, the Lottery provided more than **\$348.9** million for care services administered by the Department of Human Services.
- *Family Caregivers:* Considering that family caregiving is a responsibility that knows no bounds of age, race, or gender, combined with the fact that it's an unpaid labor of love that can be emotionally, physically and financially challenging, it should come as no surprise that more needs to be done to support Pennsylvania's nearly 1.5 million family caregivers, who provide over \$22 billion in unpaid labor every year, and spend on average \$7,242 on out-of-pocket costs annually. They help their older parents, spouses and other loved ones live independently in their homes and communities. They manage tasks big and small, from shopping for groceries and managing medications to organizing financial matters and much more. Family caregivers are the backbone of the long-term care system.

The statistics paint a sobering picture:

- 61% of family caregivers are juggling caregiving responsibilities with work,
- More than half (56%) report that their role as caregivers makes it hard to care for their own mental health, and just under a quarter (23%) say the same about their physical health,

- Close to 8 out of 10 routinely pay for care expenses out of their own pockets, spending an average of \$7,242 annually, and
- Women over 50 who leave the workforce to care for aging parents can lose more than \$300,000 in lifetime wages and retirement income.

Further expanding and educating working families to take advantage of Pennsylvania's Child and Care Dependent Care Tax Credit is imperative.

When we ask people where they want to live as they get older, most often, the same answer comes back. People want to stay in the comfort of their homes. So those who do not qualify for Medicaid or who do not yet need nursing facility services, greater access to a more robust system of home and community-based services is an investment worth making so that Pennsylvanians can age where they prefer with the dignity and respect they deserve.

Thank you for the opportunity to be with you today. AARP Pennsylvania looks forward to working with you on these critical issues in the days ahead.

for residents with SSI living in personal care homes (PCH) in Pennsylvania has been \$85 per month since 2009. To maintain the purchasing power of \$85 in 2009, the PCH PNA should be increased to \$120 per month with an annual COLA. Raising the PNA is among the top issues expressed by residents who say the lack of income impedes their ability to live a dignified life.

Keystone Saves

As you know, Keystone Saves, [H.B. 577](#), passed the House with bipartisan support but no action has occurred in the Senate. The Pew Charitable Trusts estimates that between 2021 and the end of 2040, [insufficient retirement savings will have cost](#) states and the federal government a combined \$1.3 trillion in increased public assistance spending and reduced tax revenue.

We hope the Keystone Saves legislation will be reintroduced next year so Pennsylvania can join the 17 other states that allow businesses without an employer-provided retirement plan to offer a no-cost, voluntary retirement benefit for their workers. These savings plans can save states money while helping workers save for their retirement.

Alzheimer's Disease and Related Disorders (ARD)

CARIE applauds the legislature and Governor Shapiro appropriating \$1.9 million to create an Alzheimer's Disease and Related Dementias Office in the Department of Aging, and passing bipartisan legislation that also requires the Department to hire a full-time dementia director, create the Alzheimer's, Dementia, and Related Disorders Advisory Committee, and update the state's dementia plan every five years.

This new division will help in obtaining federal funds to advance a public health approach to Alzheimer's Disease and Related Disorders (ARD) as occurs in other states and most importantly help Pennsylvania become a dementia capable state to provide support to over [282,000 Pennsylvanians currently living with Alzheimer's Disease](#), thousands more with other types of dementia, and their caregivers.

Conclusion

Some older adults have lived in poverty throughout their lives, while some older adults are thrust into poverty in their older years at a time when they are least equipped to live with inadequate resources. We all value the ability to age with dignity, choice, and independence. It is important that basic safety and economic needs are met in a way that ensures an individual's dignity and self-determination.

Thank you again for the opportunity to testify today. We look forward to supporting your efforts to advance policies that benefit older Pennsylvanians. For more information, please feel free to contact me at johnson@carie.org, or Kathy Cubit, Advocacy Director, at cubit@carie.org.