

Testimony
of

Carmela G. Lacayo
President/CEO
Asociación Nacional Pro Personas Mayores
(National Association for Hispanic Elderly)

on the

Reauthorization of the Older Americans Act

Roundtable discussion
before the

Senate Committee on Health, Education,
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For further information contact:
(626) 564-1988 or ANPPM@aol.com

Mr. Chairman and Members of the Health, Education, Labor and Pensions Committee, the National Association for Hispanic Elderly (Asociación Nacional Pro Personas Mayores) appreciates the opportunity to participate in the roundtable discussion concerning the reauthorization of the Older Americans Act (OAA).

A. OAA Services Benefit Seniors in Many Ways

At the outset, we wish to express our strong support for the OAA and the vital services that it provides to seniors throughout our nation. The OAA continues to be the primary source for funding supportive and nutrition services for people 60 years of age or older. These services – such as homemaker or home health care – have enabled seniors to live independently in their communities, rather than being placed prematurely, and sometimes unnecessarily, in a nursing home at a much higher public cost.

Similarly, the national elderly nutrition program, which is probably the most visible Title III services program, provides millions of home-delivered and congregate meals to older Americans each year. Quite often, this program delivers the only nutritious meals that seniors will receive on a particular day.

Participants in the Senior Community Service Employment Program (SCSEP) have been enormously helpful in contributing to the noteworthy achievements of the OAA congregate meals and home-delivered meals programs. These nutrition programs, which have helped millions of older Americans over the years, could not have achieved their current success without the exceptional assistance from Title V participants.

The OAA also helps seniors access needed services. Routine tasks for most Americans – such as shopping, visiting friends or going to the doctor – can become formidable challenges for aged individuals without a car or suitable public transportation.

Unfortunately, far too many older Americans live under a form of “house arrest” because public transportation is often unavailable, inaccessible, or too expensive. OAA transportation services have helped elderly people in numerous ways and have made it easier for these individuals to cope with the challenges related to advancing age.

B. Serving Minorities More Effectively Through Targeting Language

Congress, in our view, has wisely included targeting language in the OAA to direct services to those seniors with the greatest economic need and greatest social need, with particular attention to low-income aged minorities. This language recognizes that there are not sufficient OAA resources to reach all older Americans. The targeting language has helped to focus OAA services on those seniors with the greatest needs. Additionally, the targeting language has improved minority participation in OAA programs. A good example is the SCSEP which had nearly a 45-percent minority participation rate for the program year ending June 30, 2004 – the most recent year that official public information is available.

We urge the Congress to retain the existing targeting language because it has directed additional services to those seniors who are truly needy. Earlier equity studies conducted for the Administration on Aging (AoA) found that aged minorities have a much greater need for services than non-minority seniors – oftentimes two to three times as great as for the Anglo aged. One important reason is that older minorities have a poverty rate that is typically two to three times as great as for Anglo seniors. Moreover, elderly minorities have a much lower level of educational attainment than the Anglo aged. A large proportion of older Hispanics has limited English-speaking ability, which

exposes them to a multiple form of jeopardy because of their age, minority status, and communications skills.

We reaffirm our support for maintaining the existing targeting language and oppose any efforts to dilute or otherwise undercut this essential language.

C. Cost Sharing

The 2000 OAA Amendments authorized cost-sharing for certain services under certain conditions. We opposed this measure because it can discourage minority participation in OAA services programs, despite some of the safeguards written into the law. We want to make certain that the existing cost-sharing language does not, in any way, discourage or reduce minority participation in supportive services programs. Furthermore, we want to assure that waivers from cost-sharing are granted when a significant percentage of older Americans in the planning and service area have incomes below the cost-sharing threshold, and cost-sharing would be an unreasonable administrative or financial burden upon the area agency on aging (AAA).

Existing law requires states and AAAs to develop plans prior to implementing cost-sharing to ensure that participation of low-income older individuals, with particular attention to low-income minorities, will not decrease because of the cost-sharing. AoA must enforce this measure fully and vigorously. Similarly, AoA must be vigilant in taking corrective action to provide services without cost upon a finding that cost-sharing is having a disparate impact upon the participation by low-income and minority older individuals. In short, we call upon AoA, state offices on aging, and AAAs to enforce the safeguards in the law to prevent a reduction in minority participation in OAA supportive and nutrition services programs.

D. SCSEP: Fine Tuning Rather Than Radical Overhaul

It appears now that the future direction for the SCSEP will be the most likely contentious issue for the reauthorization of the OAA.

Title V, in our view, is the most successful employment and training program ever enacted for older Americans, especially for low-income seniors with poor employment prospects. The SCSEP has been enormously effective for our nation, low-income senior participants, and the numerous communities served by the SCSEP. It has been evaluated on numerous occasions and has always received positive marks, whether from independent evaluators, elderly participants, host agencies, or others.

Title V has enabled low-income seniors to improve their economic well-being by helping others in their communities through the provision of much-needed services at libraries, hospitals, senior centers, nutrition sites and numerous other locations. Congress carefully crafted this program to address two crucial objectives:

1. Self-help through employment and training opportunities for low-income seniors who typically have poor employment prospects; and
2. The provision of vital community services that would normally not be available without the SCSEP.

One of the hallmarks of Title V is that it has given low-income seniors an opportunity to help themselves while helping others in their communities, rather than be dependent upon public assistance. It has taken some of the more disadvantaged older Americans in the U.S. in terms of limited educational attainment, outmoded work skills, or a long-term detachment from the labor force and helped to place them in gainful employment in our economy.

1. Avoid Disruptive and Harmful Changes

We favor a fine-tuning approach for continuing the SCSEP, rather than proposing major changes. Congress made fundamental and far-reaching changes for Title V with the enactment of the 2000 OAA Amendments. The result has produced four new national sponsors, new regulations governing the program, a different and much more complex reporting system, more stringent performance standards, and a shifting of numerous older participants from one national sponsor to another national sponsor. People who work with the program on a day-to-day basis and those who participate in community service employment need to reach a comfort level with the substantially revised SCSEP. They do not need more fundamental changes or a radical overhaul. This action would be harmful for the program, the low-income senior participants, and the communities that they serve. A fine-tuning approach is necessary to minimize disruption and to prevent Title V's achievements from slipping or falling precipitously.

In approaching this task, it is important to consider not only what should be done for the SCSEP but also what should **not** be done to the SCSEP. One important lesson is that what you do not do can be as important as what you do, and sometimes even more important.

2. Opposition to “De-Nationalizing” the SCSEP

There is an old adage that one should not attempt to fix something when it is not broken. This clearly applies for the SCSEP, and especially the proposal to “de-nationalize” Title V and to turn the program over to the states. States would conduct periodic competitions under this approach.

We oppose this proposal for several reasons:

- There is no authoritative research to support this proposal. Quite to the contrary, prior independent evaluations have given high marks to the existing SCSEP, which operates successfully now as a national program with a national sponsor-state partnership.
- Performance levels certainly do not justify this recommendation, primarily because national sponsors have consistently outperformed the states by most meaningful performance measurements. This is not meant to criticize states because they have a solid record in administering SCSEPs. National sponsors, though, have outperformed states according to key important standards. For example, national sponsors had a 30.6 percent unsubsidized placement rate for the program year ending June 30, 2004, compared to 26.8 percent for the states. National sponsors achieved this higher unsubsidized placement rate while serving more hard-to-place individuals on the basis of poverty status, lower levels of educational attainment, minority status, and a higher percentage of older participants.
- A “de-nationalized” Title V would become a balkanized program. It would lead to greater chaos and more disruption. The SCSEP has functioned well as a national program. It has operated as a successful partnership with national sponsors and states. Each party has something to offer to make the program operate more efficiently, effectively and successfully as well as to respond to the diverse population groups served by the SCSEP while meeting community service needs. For these reasons, the Asociacion urges Congress to maintain

(1) the existing partnership between national sponsors and states and (2) the existing ratio of funding between national sponsors and states.

3. Opposition to Incorporating SCSEP in the Workforce Investment Act

The Asociacion urges the Congress to avoid taking two specific actions, which would be harmful for the SCSEP, the participants served by the program, and host agencies working with the program. First, Title V should not be folded into the Workforce Investment Act (WIA). The Asociacion is fully aware that some people will argue that it is better to have all employment and training activities under one roof. They further maintain that there should not be separate programs for special groups. Congress tackled that issue more than 30 years ago and wisely decided that a SCSEP was needed for low-income people 55 or older with poor employment prospects because of their limited education, outmoded work skills, long-term detachment from the work force, and other limitations. Congress wisely opted for this approach when it became readily apparent that general employment and training programs oftentimes overlooked or ignored people 55 years of age or older. Congress realized that older workers were historically underserved by general employment and training programs. Congress was pragmatic in recognizing that employment service and national manpower activities placed a premium on serving younger workers because there is a mindset that these programs will receive “more bang for the buck” by focusing on youth and younger populations. General work and training programs enacted after passage of the Older American Community Service Employment Act – such as the Comprehensive Employment and Training Act (CETA), the Job Training Partnership Act (JTPA), and now WIA – do not have a good record of reaching out and serving older workers, and

particularly low-income, disadvantaged older Americans with poor employment prospects. In fact, the unacceptably low participation rate for older workers in these programs following creation of the SCSEP is a powerful reason to continue the SCSEP in its current form, rather than have it subsumed in a comprehensive employment and training program. Unfortunately, the record is all too clear that older workers lose under comprehensive employment and training programs because their participation rates are unacceptably low. The harsh reality is that older workers will effectively be swimming upstream because of the employment service and manpower network's preoccupation with serving younger workers first and foremost. Low-income aged minorities, especially those with limited English-speaking ability, can be particularly disadvantaged when seeking assistance from general work and training programs.

4. Continue the Longstanding Underlying Principles

Title V does not need a radical overhaul. A much sounder approach is to continue underlying core principles that have made the program successful. For example, the SCSEP should continue to target older Americans who have poor employment prospects. These individuals typically have the greatest need for training, employment or additional income. Quite often these people are simply not good candidates for employment in the private sector because they have outmoded work skills, a long-term detachment from the workforce, limited English-speaking ability or other disadvantages. It is important to target the SCSEP's resources in the most cost effective manner because Title V cannot possibly reach all the potentially eligible persons with existing funds now or those that will be available in the future. An emphasis on targeting those with poor employment

prospects will help to assure that the SCSEP's funds are utilized effectively, efficiently, and in a cost-effective manner.

Congress should continue the existing language directing SCSEP sponsors, to the extent feasible, to serve the needs of minority, limited English speaking people, and individuals with the greatest economic need at least in proportion to their numbers in the state where the project is located.

One of the hallmarks of the SCSEP is the community service aspect through which Title V SCSEP participants provide valuable services for aged community residents as well as the community at large. The Asociacion supports retention of the community service aspect for the SCSEP. We are opposed to any attempt to deemphasize community service under Title V. Many important programs flourish or are helped significantly by the services provided by SCSEP participants. Congress should encourage community service activities under Title V, rather than discourage them.

Title V has been a very successful program for numerous important reasons. Congress targeted the program in a way to reach those with the greatest employment, training and income needs. Congress was also realistic in developing a pragmatic program that was responsive to the needs of the SCSEP's clientele. Congress created a program that merged two important concepts: (1) community service employment to make more community services available and (2) self-help for those who performed these services. Another key principle is to encourage people to move from the SCSEP to employment in the private or public sectors. This not only enables more low-income older Americans to participate in the SCSEP; it also permits them to earn more as full-time employees in the private or public sectors. Title V provides part-time community

service employment as an incentive for participants to move into full-time employment in the private or public sectors. On the other hand, legislators who established the SCSEP recognized that there would probably be many participants who would not have a realistic prospect to find employment in the private or public sectors for a variety of reasons. Consequently, the leading sponsors of the SCSEP did not want the program to apply undue pressure to force these people out of the program. Thus, there was a reasonable and realistic balance established to be responsive to the program's goals and the participants' needs in the real world. These principles have worked well.

5. AoA Should Administer the SCSEP

Title V differs from the conventional training programs under the direction of the Department of Labor (DoL), such as the Workforce Investment Act (WIA). The SCSEP combines community service with employment and training for low-income seniors with poor employment prospects. DoL wants to model Title V after WIA. We think the opposite should occur: WIA should attempt to be modeled more after Title V. Moreover, general training programs, such as WIA, have had a poor record in serving older workers, and especially low-income seniors with poor employment prospects. Our view is that the SCSEP has been a far more effective program in achieving its objectives than WIA has.

In addition, there seems to be a more natural bonding between the way Title V operates, with its emphasis on community service, and AoA/OAA programs under the direction of the aging services network at the state and local levels. This has been an extraordinarily effective partnership that has been a "win-win" proposition for all concerned. Title III Supportive and Nutrition Services programs have been able to reach

out and serve many more older Americans, and more effectively. SCSEP participants have been able to improve their economic well-being while providing rewarding and valuable services in their communities.

For these reasons, we recommend that the administration of the SCSEP be transferred from DoL to AoA. We strongly believe that this action would improve the administration of the program as well as its performance. Moreover, there is a more natural affinity between the objectives of the supportive and nutrition services activities of the AoA administered OAA programs and the SCSEP than there is between Title V and WIA.

E. Conclusion

In conclusion, the value and worth of the SCSEP and other OAA programs have been amply demonstrated throughout the history of the OAA. These programs deserve to be continued and expanded. The OAA should be extended for at least four years, and ideally for five years.

We reaffirm that the SCSEP should be continued without major or fundamental changes to prevent disruption for the participants, the host agencies and the sponsors administering the program. All parties connected with Title V have already made significant adjustments and sacrifices to conform to the 2000 OAA Amendments. Every effort should be made now to permit a comfort level to be reached for those participating in the SCSEP as well as those administering the program.