



Leaders in Aging Well at Home

October 15, 2023

To: Committee on the Budget, Health Care Task Force, U.S. House of Representatives

From: Amy Gotwals, Chief, Public Policy and External Affairs

Re: [Request for Information on Health Care Spending and Outcomes](#)

USAging appreciates the opportunity to provide input to the House Committee on the Budget's Health Care Task Force as part of your efforts to understand the key drivers of our nation's health care spending and find solutions to improve health outcomes. **While we expect much of your work will focus on acute health care systems, USAging urges you to also explore how aligning social care with health care can improve patient outcomes and reduce unnecessary expenditures.**

USAging is the national association representing and supporting the network of Area Agencies on Aging (AAAs) and advocating for Title VI Native American Aging Programs that help older adults and people with disabilities live with optimal health, well-being, independence and dignity in their homes and communities. Our members are the local leaders that develop, coordinate and deliver a wide range of home and community-based services, including information and referral/assistance, case management, home-delivered and congregate meals, in-home services, caregiver supports, case management, long-term care ombudsman programs and more to millions of Americans each year.

AAAs were formally established in the 1973 Older Americans Act (OAA) as the "on-the-ground" organizations charged with helping vulnerable older adults live with independence and dignity in their homes and communities. Beyond the OAA, large numbers of AAAs have Medicaid home and community-based services (HCBS) waiver roles (either directly with the state or via a contract with a managed care organization) and increasing numbers (47 percent) now contract directly with health care entities to address health-related social needs. As long-standing, trusted community resources on health aging and home and community-based services, AAAs are expert at providing programs and care that address the social and environmental factors that affect health outcomes. These social determinants/drivers of

health include but are not limited to access to housing, employment, nutritious food, transportation and social support.

USAging urges the Task Force to recognize the importance of addressing the social determinants of health via community-based, social care interventions, which can serve as a key tool in improving health outcomes and avoiding unnecessary health care spending.

In recent years, the health care sector has taken a closer look at how social factors impact health—particularly for those who have chronic conditions or other complications that are expensive to manage. Addressing these factors improves long-term health and wellness outcomes. This has led to the health care and social care systems exploring how to best work together including through contracting. However, much work remains to fundamentally integrate the historically disparate and siloed health and social care systems.

However, in working toward better integration, it is critical that we *do not medicalize social care* and lose the cost-effective value of social care and its expertise. Physician practices that serve high volumes of vulnerable populations are often undercapitalized and may lack the infrastructure to hire additional personnel to deliver and supervise social care services. Even in a well-resourced practice or system, it makes economic and practical sense to tap existing expertise and resources in the social care arena—instead of acute health entities medicalizing the social care work. As social care clinicians, AAAs are already experts at working with older adults, including those who have multiple chronic conditions, cognitive impairments, low incomes or are frail or vulnerable, as well as other health and social challenges.

A 2020 study published in *Health Affairs* used USAging’s data from our National Survey of AAAs to highlight the value of AAAs efforts to drive improved health and independence (measured via reduced nursing home use) and cost savings to Medicare.

“The difference-in-differences analysis indicated that the establishment of partnerships with two specific types of health care organizations was associated with reductions in health care use or spending for older adults. When AAAs initiated formal, contractual partnerships with mental health organizations, counties covered by the AAAs experienced a significant reduction of 0.5 percentage points in low-care nursing home use. **And when AAAs established any type of partnership with hospitals, counties covered by the AAAs**

experienced a significant reduction of \$135.50 per beneficiary per year in Medicare spending.” (Health Affairs, Vol. 39, No. 4: Integrating Social Services and Health, <https://www.healthaffairs.org/doi/10.1377/hlthaff.2019.01515>)

This is why USAging urges the Health Care Task Force to recognize the role of AAAs and other aging and disability organizations in improving health and reducing costs. While certainly not a sole solution, we believe advancing better integration between social care and health care has tremendous potential to improve the health of Medicare and Medicaid beneficiaries in cost-effective ways that deliver cost savings through improved health.

Policy Recommendations

Therefore, USAging recommends the Health Care Task Force consider the following actions to drive smarter solutions that support improved health outcomes that ultimately reduce unnecessary expenditures.

- **Direct the Centers for Medicare & Medicaid (CMS) to ensure social care specialists and organizations at the community level are included in future models,** policies and agency efforts to drive person-centered care, better population health outcomes, and ultimately reduce health care spending. Any new social care models, coding standards or systems take into consideration the extensive work already invested in by federal, state and local governments.
- **Invest in the aging and direct care workforces that deliver social care** (primarily via Medicaid HCBS but also through Older Americans Act programs and services) that allow people to age well at home and in the community by addressing the social drivers of health. Without these services, more older adults will end up in nursing homes, which are more expensive to the taxpayer and families. The Better Care Better Jobs Act (S. 100) would significantly invest in the Medicaid HCBS workforce and increase access to services for older adults and people with disabilities via an enhanced Federal Medical Assistance Percentage along with other incentives to states. Without investments, population health will decline and health care costs will inevitably rise.
- **Recognize the critical role that family caregivers play in our nation’s health and long-term care systems.** There are an estimated 53 million unpaid caregivers in the U.S. AARP estimates that family caregivers provide \$600 billion worth of support to friends and family annually. As an aging nation, we can’t afford not to invest in these caregivers—to recognize the role they play, to support them in those roles and ensure that, as is too common an occurrence, their

own health doesn't deteriorate due to their caregiver duties. The health care system could do a much better job of recognizing and involving family caregivers, and with more funding for programs like the Older Americans Act National Family Caregiver Support Program, more caregivers would get the support they need to continue. A more resilient caregiver means better health outcomes for their care recipient; a caregiver who can't continue often means the loved one may require a higher level of care at much greater expense (e.g., paid caregivers, nursing home, etc.) We urge the Task Force to consult the [National Strategy to Support Family Caregivers](#) for further policy ideas that could complement your work to lower health care spending through better health outcomes.

We welcome future conversations and collaboration to advance our shared goals of ensuring Medicare and Medicaid beneficiaries have access to the services they need to live and age well. If you or your staff have any questions about our comments, please feel free to contact me at agotwals@usaging.org or Olivia Umoren, Director of Public Policy and Advocacy, at oumoren@usaging.org.