



**Testimony for the Deficit Reduction Committee  
March 10, 2009  
9:00 AM, Room 212 Capitol Building**

Thank you Mister Chairman and Members of the Committee:

AARP would like to highlight with you the importance and value of the following reforms and services:

**Health Insurance Reform:** Since the recession began, 14,000 individuals in the nation lose their health insurance every day. In Illinois, 650 residents lose their jobs daily – many of them also lose their health care coverage. There are almost 750,000 uninsured adults in Illinois who do not qualify for public health insurance coverage. Furthermore, private insurance is increasingly unaffordable: in Illinois, a family of four pays an annual average premium of \$5,438, while an individual would pay \$2,500.

At AARP we believe the State of Illinois should take a first step in making healthcare more accessible and affordable for the taxpayers. The insurance industry should guarantee access to health insurance regardless of pre-existing conditions. The state should pass legislation to prevent insurance companies from charging more based on health status or gender, and establish an Office of Patient Protection to conduct external independent reviews of denied claims and rate increases. Without any additional burden to tax payers, Illinois can establish new guidelines to allow small businesses and self-employed individuals better access to affordable policies.

**Health Information Technologies:** The American Reinvestment and Recovery Act dedicates more than \$20 billion nationwide in federal funding to implement electronic health records and data exchange. We believe that the state should also recognize these

essential building blocks for health care reform, including support for health information technology that includes critical privacy provisions, anti-fraud protections, health care comparative effectiveness research, and nurse and primary care training. These changes are critical because we cannot fix our economy if we do not address our broken health care system.

**Older Americans Act Services:** These are services coordinated and funded by the Area Agencies on Aging. They include home delivered meals, transportation services, information and assistance with finding help for older adults and their caregivers and many more. These services are available to all seniors regardless of their financial status, but increases in the cost of providing these services have put severe strain on these programs causing them to limit the amount of service they provide and the areas they cover. These services are supported by federal funds and local matching dollars in addition to state dollars. Reductions to funding will result in further limitations on the number of services they can provide and on the regional coverage areas.

**Community Care Program and Care Coordination:** The Community Care Program, through a federally matched Medicaid Waiver, provides home and community based care options for older adults that are eligible for institutional services. While this program meets the needs of older adults in the environment seniors prefer, it also provides a significant cost savings to the state. These services are provided at only a fraction of the cost of facility based care and every single client on the program meets the disability threshold for nursing care. Reductions in funding for these services have already created an unprecedented back log in bills carried from one year to the next. If funding continues to fall short these seniors will have only one option for service and that is nursing facility placement. On average, this option will more than double the amount the state will pay for care currently provided by the Community Care Program.

**Long Term Care Ombudsman:** The long term care ombudsman program protects the rights of older adults in long term care facilities. This program works at a local level often with volunteers that visit long term care facilities to ensure that the residents are safe and receiving the care they need. The ombudsmen work closely with monitors from the Department of Public Health to identify and resolve problems faced by seniors in

facilities. A part of the funding for this program comes from the federal Civil Monetary Penalty Fund which is expected to be reduced next year.

**Elder Abuse and Neglect:** The Elder Abuse and Neglect program received reductions in funding last year. These services are critical for protecting older adults that are being abused. Law enforcement is not enough. Often the abuser is also providing critical care and if there are no support options available, the abused senior feels they must continue to live in a dangerous environment. Additionally, a few years ago self neglect laws were passed by the legislature and added to the Elder Abuse and Neglect Act, but no funding has been appropriated to implement the provisions of the law.

**Home Health:** Home Health Care services include skilled nursing, home health aide, occupational, physical and speech therapy provided in the home for treatment of an illness or injury. The services are prescribed by a physician to home bound patients. Without this care patients would have to receive higher cost of care services in a hospital, rehabilitation facility or nursing home.

**Conclusion:** AARP wants to make it easier for every American to get health care—including those aged 50-64, who often have the most difficulty accessing affordable, comprehensive health care coverage. We believe the insurance reform proposals strive to cut the waste out of our health care system by paying for health care in smarter ways. These proposals will increase quality and reduce costs.

In addition, the above Long-Term Care services allow older adults to remain safe and independent as they get older and begin to struggle with the effects of aging. But these services also represent exceptional cost savings to the state through federal and local matching funds, as well as cost efficient alternatives to state funded institutional placement. AARP encourages this committee and all elected leaders to support funding for these programs and also to recognize the additional cost to state funds and human dignity that would result from cuts to these services. AARP stands ready to support fair and equitable revenue enhancements proposed by the legislature that will ensure the support of necessary services.