



April 1, 2021

Sen. Charles E. Schumer
Majority Leader
U.S. Capitol Building
Washington, DC 20510

Rep. Nancy Pelosi
Speaker of the House
U.S. Capitol Building
Washington, DC 20515

Sen. Mitch McConnell
Minority Leader
U.S. Capitol Building
Washington, DC 20510

Rep. Kevin McCarthy
Minority Leader
U.S. Capitol Building
Washington, DC 20515

Dear Sen. Schumer, Sen. McConnell, Rep. Pelosi, Rep. McCarthy:

The pandemic has made it abundantly clear that the United States is not ready for its rapidly aging population. Today, 15% of the population is age 65 or over; in 2034 that will be 20%; and in 2040, 25%. Anyone turning 65 years old today has a 50% chance of needing some paid long-term services and supports (LTSS) before they die. The U.S. does not have the physical or programmatic infrastructure to support this. On top of this, the health and economic shock of COVID-19 has been most profound for older people, who are exponentially more likely to have experienced severe symptoms or die, if infected.

LeadingAge is pleased to see that Congress is focusing on building and rebuilding the country's infrastructure for the 21st century. Our collective vision for this infrastructure is that it must be focused on making the U.S. a good country to grow old in. During 2020, the following realities were underscored and exacerbated:

- There are significant workforce shortages across nursing homes, home health and hospice care, and home and community-based services.
- The nation's 15,000 nursing homes have been underfunded by Medicaid for decades. On average, nursing home buildings are 40 to 50 years old.
- Two out of three older adults eligible for affordable senior housing are not able to receive that help because the housing simply does not exist.
- While there will always be a need for nursing home care, many older people prefer and are able to receive help at home, or in the community, through home care or programs such as adult day services or PACE. But these programs also have been chronically underfunded and/or limited in how many people they can enroll; as a result, many have long waiting lists or are not universally available.
- Many patients and families expressed a preference for and can receive safe and high-quality skilled care at home through the Medicare Home Health Benefit.
- People want to die at home and need access to high-quality hospice services in order to do so; additionally, the demand for non-hospice palliative care services rose dramatically during the COVID-19 pandemic.

This letter outlines our Blueprint for a Better Aging Infrastructure, a series of recommendations for Congress to consider in order to ensure that aging services – essential given our country’s demographics – are a part of our renewed and revitalized infrastructure. Our recommendations include investments in physical and technological infrastructure, supports for essential health care work, and economic, social, gender, and racial equity.

LeadingAge is a national organization focused on education, advocacy, and applied research. The mission of LeadingAge is to be the trusted voice for aging. Our 5,000+ nonprofit members include the entire field of aging services providers – including nursing homes, home health, hospice, home and community-based services, affordable housing, retirement communities, and assisted living.

Workforce

The most critical component of an aging services infrastructure is the people who do the work. Recruitment and retention of older adult services workers have long been the critical issue for nearly every provider member of LeadingAge. The pandemic exacerbated and exposed these widespread staffing challenges to a broader audience. Concerns emerged about wages, benefits, “pandemic pay” increases, the cost of replacing staff, and staff members’ needs for trauma and recovery support.

Further pointing to the urgency of this situation, as the population ages there will be fewer informal caregivers (friends and family members) to support increasing numbers of older people who need help.

LeadingAge supports a living wage, determined by locality, for all aging services workers across the continuum of care, with providers fully reimbursed to cover wages and benefits.

LeadingAge requests that Congress takes steps on the following solutions to the workforce crisis as part of any infrastructure package:

- Permanently increase the federal match (FMAP) by 10% for both home and community-based and nursing home services.
- Strengthen federal investments in competency-based training programs, offer career pathways to advancement opportunities, and provide support for loan forgiveness programs, especially in rural or underserved communities.
- Provide adequate funding and programs to train additional geriatric nurses and physicians and establish programs and initiatives that train COVID-19 frontline staff to address fatigue and mental health challenges.
- Enact the Palliative Care and Hospice Education and Training Act (PCHETA) which would allow more training of specialized workforce to support those with serious illness.
- Provide \$300 million to ensure a Resident Service Coordinator is present in every HUD-assisted senior housing community, and promote training and compensation benchmarks for the profession
- Make meaningful changes to immigration policies to support hiring foreign-born workers at all levels and positions in aging services. Include provisions that ensure that workers hired under these programs be protected from exploitation and have a path to citizenship if they so choose.

Care in the Home and Community

Most people want to live in their own homes if possible, receiving care and services as needed, rather than moving into congregate living environments. Today, more than half of all Medicaid LTSS dollars go to services in the home and community. The infrastructure package provides an ideal opportunity to revisit and redesign how we care for older adults.

In addition, the home and community-based care field is growing fast, and with the right federal investments could be the source of potentially millions of new jobs over the next decade as the 65+ population grows and ages. This includes policy that expands access to traditional Medicaid home and community-based services (HCBS), integrated models of care like PACE, and Medicare-funded home health and hospice services.

Investments are also needed to build accessible physical spaces that can house day centers for adult day services operators, PACE organizations, and other center-based aging services providers.

LeadingAge requests that Congress takes steps on the following solutions to address home and community-based services challenges as part of any infrastructure package:

- Ensure full access to Medicaid HCBS by reclassifying these benefits as mandatory to improve the aging services infrastructure and doing so in a geographically equitable way.
- Incentivize states to eliminate waiting lists with generous matching and pay-for-performance metrics.
- Support states to develop and improve capacity to provide HCBS, consistent with [Senator Casey's framework](#) outlined in 2020.
- Expand access to integrated models of care like PACE by making it easier for PACE organizations to expand service areas, increase enrollment, and serve additional populations.
- Make permanent Money Follows the Person and HCBS spousal impoverishment protections.
- Provide expanded support for programs under the Older Americans Act.
- Invest in programs to design, revamp, and build accessible physical spaces, such as day centers used for adult day services, PACE organizations and senior centers.
- Add an in-home respite level of care in hospice; this would also provide more jobs.
- Establish pilots that allow for community-based advanced illness services to provide an extra layer of support to patients with serious illness prior to hospice eligibility.
- Modify the home health benefit to be inclusive of more personal care, technology, and other necessary services to provide a higher level of care in the home for those who want it.
- Maintain COVID-19 telehealth flexibilities into the future and expand them to include appropriate reimbursement for Medicare home health and PACE providers.
- Make sure that providers of care in the home and community are eligible to receive technological infrastructure investments such as those offered by the Federal Communications Commission (FCC) and other sources.

Affordable Senior Housing

There simply is not enough affordable senior housing to meet the need, and post-pandemic the need is expected to increase. Thirty percent (2.6 million) of older adult renter households spend more than half of their incomes on housing. In many parts of the U.S., older adults represent the fastest growing age segment of the homeless population. The lowest income older adults with severe housing cost-burdens

spend 50% less on out-of-pocket healthcare expenses and 47% less on food than older adults living in housing they can afford.

The shortage of affordable senior housing will only worsen over the coming decades. There will be a 16.1 million net increase in households formed between 2020 and 2040, and 13.8 million of these households will be headed by someone older than 65, 40% of whom (5.5 million) will be renters. Of these new 5.5 million older adult renter households, 2.6 million will be Black older adult renter households.

LeadingAge requests that Congress takes steps on the following solutions to address affordable housing challenges as part of any infrastructure package:

- Expand the supply of affordable senior housing by investing \$2.5 billion in the U.S. Department of Housing and Urban Development's (HUD's) Section 202 program to build approximately 54,000 homes.
- Build back better with a \$1 billion pool of capital funds under an Age Friendly Retrofit program for HUD-assisted senior housing, and the homes within them, to guarantee physical accessibility, make room for health and wellness activities, and improve air ventilation systems.
- Ensure equity in internet access. Define broadband as a subsidized utility in HUD, Treasury and USDA rental assistance programs, as proposed in the Broadband Justice Act (H.R. 1904). Most HUD-assisted older adults, who have annual household incomes of less than \$14,000, either do not have internet access in their apartments or are paying much more than they can afford for that access. Invest \$5 billion to modify federal programs to enable equal access to the health/telehealth, economic, and social connectedness benefits of the internet.

Nursing Homes and other Congregate Living Communities

There will always be a need for residential, 24/7 care for a small percentage of the population over age 65, including those with advanced dementia, those with no family caregivers, and those with significant functional impairments. The COVID-19 pandemic has been sobering for congregate living communities, their residents, staff, and leadership. The question of whether and how these communities continue, and more importantly thrive in the future, is critical to address in any infrastructure package, as the very buildings themselves must be brought into the post-pandemic 21st century.

LeadingAge requests that Congress takes steps on the following solutions to address nursing home challenges as part of any infrastructure package:

- Build back better by enacting provisions to support outdated physical structures, ensuring private rooms and person-centered care.
- Enhance the quality of clinical care with a requirement for 24-hour registered nurse coverage, a 30-day minimum supply of personal protective equipment, and improvements to the role of infection preventionists; all tied to increased reimbursement to cover the costs.
- Improve staffing ratios in nursing homes with enhanced FMAP and a requirement that increases be passed through to workers.
- Direct CMS to modify the nursing home regulatory framework consistent with recommendations from the National Academies of Sciences, Engineering, and Medicine's forthcoming report.

- Mandate improvements in the survey process that enable person-centered resident care and rapidly turn around or close poor-performing nursing homes.
- Establish a publicly reported customer satisfaction measure.
- Enhance FMAP across the board for nursing homes and HCBS.
- Establish federal guidelines for state allowable cost definitions.

Long-Term Care System and Financing Reform

Most Americans do not have resources to pay for a potential need for long-term care; and very few have made a plan. As a result—with the exception of the very wealthy who can afford to pay for care and services out of pocket, the fewer than 10% who have private long-term care insurance, and those who qualify or spend down to Medicaid—it’s a patched together solution at best.

The pandemic has given many people a moment of reckoning. We encourage Congress to use the opportunity of the infrastructure conversation to take steps to establish an affordable, meaningful set of policies to finance long-term care for those who need it and build an aging services infrastructure that includes high-quality services across the continuum. It is no longer acceptable for the United States to be one of the few developed countries in the world that has not put policies in place to address this need.

Coming Out of the Pandemic

Aging services providers – particularly nonprofit and similar communities whose mission is to help older people live their best lives -- have been devastated by COVID. The resident and staff lives lost can never be replaced.

But Congress can begin its infrastructure work by creating a strong foundation from which to build back better aging services. We recommend that Congress ensure access by financially sustaining existing providers so that they are able to step up and be part of building the infrastructure building that prepares the country for this country’s rapidly aging population.

We request that Congress take the following steps:

- Establish a “Hardest Hit” Provider Relief Fund for aging and long-term care providers, with \$6 billion to ensure that nursing homes, assisted living, life plan communities, adult day services, PACE, home health, hospice, and other home and community-based service providers continue to be available to deliver services to our aging population.
- Ensure that the cost of required testing and personal protective equipment, which keep staff and residents, patients, and clients safe, are fully covered.
- Expand the number of Service Coordinators and the availability of internet in affordable senior housing communities.
- Invest in a nationwide broadband infrastructure that allows for broad adoption of technology enabled care, including both a continuation of COVID-19 related telehealth flexibilities and other technological additions that help provide more accessibility to high-quality care.

Aging Services are an Essential Part of the Nation’s Health Infrastructure

As the population of the United States continues to age, we urge Congress to use the lessons of the pandemic to address the gaps in the nation’s aging services. It is no longer acceptable that our health

care system does not include coverage of a set of services that half of us will need before we die. It is no longer acceptable that low-income older individuals, especially those whose income and well-being declined in 2020, do not receive housing when they qualify for it.

Building back better means addressing inequities that leave older people on their own to patch together the supports they need with whatever resources they can come up with. Building back better means modernizing aging physical structures, as well as ensuring that needed services are in place and financed adequately.

Please contact Ruth Katz (rkatz@leadingage.org) for additional information on our Blueprint for a Better Aging Infrastructure or to discuss these ideas.

Sincerely,

A handwritten signature in black ink that reads "Katie Smith Sloan". The signature is written in a cursive, flowing style.

Katie Smith Sloan
President and CEO
LeadingAge