



## Impact of the Economic Crisis on Home and Community Care Block Grant Services for Older Adults

The statewide network of Home and Community Care Block Grant (HCCBG) service providers was first surveyed in February 2009 to assess service needs and learn about strategies and issues pertinent to meeting these needs. The Division of Aging and Adult Services (DAAS) has resurveyed the network—most recently in April 2010. Of the 293 HCCBG providers contacted, 267 responded (91%). The results of this third survey suggest the effect of funding levels and the increased demand for HCCBG services. They also reflect anxiety about future funding, including the ending of the federal American Recovery and Reinvestment Act (ARRA) monies early next fiscal year for congregate and home-delivered meals. These comments illustrate some of the concerns:

*“Flat funding for so many years makes it very difficult to serve the very people who need HCCBG services the most.”*

*“We are serving more people with less money. We are also seeing people we have never seen before. They were making enough to just make it, but with the economy the way it is, they . . . come to us for help.”*

*“The one thing you do not want to hear is we desperately need more money, but that’s it!”*

### Service Needs and Wait Lists Remain a Concern

**7,975:** Seniors waiting for HCCBG-funded services from providers who maintain a waiting list. Those who provide the same services, but only through non-HCCBG funding, report an additional 858 waiting, for a total of **8,833**.

**10,795:** Seniors waiting for services from any funding source in the last 6 months among responding HCCBG providers who maintain waiting or inquiry lists.

**12,600 (rounded):** Estimated number of seniors needing home and community services through HCCBG providers (based on projecting responses to 100%)

In addition, 99 agencies across the state report that, for at least one of these services, they do not maintain any kind of waiting or inquiry list, but they are *not* able to serve everyone who needs the service(s).

80% of Information and Assistance (I&A) providers report increased requests for I&A, while nearly half (49%) say that community resources to which clients can be referred have decreased.

76% of senior centers report increased demand for their programs and services.

*“Although it is difficult to record underserved people on a waiting list, we frequently offer individuals part-time assistance when full-time may be more desirable to them. This is unfortunate, but enables us to serve a greater number of families.”*

*“We must have funds to expand the services! It’s a no brainer—the train is speeding down the hill and we have the funds to keep it on the track!”*

*“We are seeing an increase in the demands for services as more seniors have lost their jobs, lost much of their retirement savings in the financial markets, or have become victims of financial abuse. In addition most seniors have a higher percentage of debt than in previous generations. This increase in the demand for services comes at a time when there have been decreases in funding and decreases in staff positions.”*

—HCCBG Service Provider

### About the Home and Community Care Block Grant (HCCBG)

Established in 1992 under NCGS 143B-181.1(a)(11), the HCCBG was devised to provide a “common funding stream” for a comprehensive and coordinated system of home and community-based services and opportunities for older adults. HCCBG services are available to people age 60 and older, although the “average” client is nearly 80 years old and the program targets individuals who are socially and economically needy.

HCCBG is administered through the NC Division of Aging and Adult Services and the Area Agencies on Aging. It combines federal and state funds with a local match, and it gives county commissioners discretion in budgeting and administering aging funds.

### HCCBG Services at a Glance

- ◆ adult day care and day health care
- ◆ respite
- ◆ information & assistance
- ◆ congregate and home-delivered meals
- ◆ senior centers
- ◆ housing and home repair
- ◆ health promotion and disease prevention
- ◆ care management
- ◆ in-home aide services
- ◆ volunteer coordination
- ◆ general and medical transportation

Providers often use a variety of funding sources to support these programs.

## Providers Voice Future Concerns about the Two Largest Waiting List Services: In-Home Aide and Home-Delivered Meals

Three services account for 87% of the waiting list for services funded entirely or in part with HCCBG funds. For **in-home aide (IHA) services** there were 3,760, with another 904 people on inquiry list (80% of providers reporting); **home-delivered meals**, 2,523, with another 233 on inquiry list (99%); and **housing/home improvement**, 683 with another 75 on the inquiry list (99%); this service has another 505 waiting for other funding). Providers of these three services are much more likely to prioritize their applicants and take other actions to deal with current economic conditions.

While housing/home-improvement is the only service that has had to be suspended by some providers before the end of the fiscal year, nearly two-thirds of in-home aide providers are using at least two strategies to conserve funds. Just over half have reassessed clients to identify those whose services can be reduced or ended. Freezing client slots, reducing hours of service, and capping the amount of service that can be used by individual clients were reported as strategies that providers have already used (just over a third for each strategy), and reducing hours and capping services are the ones they most expect to use in the future. Nearly two-thirds of the providers who had frozen client IHA slots had not done so until this fiscal year.

While more than a third of home-delivered meal providers reportedly have not had to take any action to meet budget challenges, the federal ARRA funds that have helped sustain this service will end September 2010 (with much of the available ARRA funds already spent).

### Comments about In-Home Aide

*"[We are] Having each client miss the equivalent of one week of service per month.... Only providing services to clients who need bath help."*

*"Currently no new recipients have been added since Fe. 2010, except as part of an Adult Protective Services plan. Current customers are frozen at their current number of days and hours or at their current level of care."*

*"Since there has been a reduction in the CAP/DA slots and cuts in PCS services, the safety and well being of many adults in [our] County could decline. In turn this decline could cause an increase in requests for the In Home Aide program."*

*"Agencies depend on HCCBG funding, even if not their sole funding. Cuts to this funding can have severe effects on agencies' ability to provide needed services. Most clients served by HCCBG services are not eligible for other funded services (such as Medicaid for IHA services) and would not be able to maintain themselves in their own home without these services."*

### Comments about Home-Delivered Meals

*"We typically have a waiting list in home-delivered meals, but the influx of ARRA funds enabled us to temporarily eliminate the waiting list this fiscal year. We anticipate reinstating the waiting list as early as May 2010, but may be able to wait until July 1, 2010."*

*"With the ARRA money we had added clients for services but when this money runs out what will be the next step? Take them off, ask them to pay, ask family members to pay—What next?"*

## With Limited Resources, Providers Strive to Be Responsive and Good Stewards

- ◆ More than a third of the responding HCCBG providers said that they had either already run out of HCCBG funds for at least one service (14%) or expected to run out before the end of the fiscal year (24%).
- ◆ More than half of providers with funding through United Way (61%), corporate donations (57%), and private donations (54%) reported reductions or elimination of these funds.
- ◆ Administrative actions to reduce spending (e.g., limits on staff travel and training, freezing staff positions, cutting fringe benefits) have increased this fiscal year.

*"We have been offering ONLY Level II Personal Care Services to new clients. Home Management is no longer available through our program unless it is for a client who already has it, or as a 'piggy back' to personal care services....[V]ery seldom does someone get more than 8 hours per week. This way, we stretch our money far enough to be able to serve the maximum number of people.... We are looking at what will make the biggest impact for our frail elderly who are at risk of institutionalization."*

*"We have gone to a combination Hot/Frozen meal delivery for Home-Delivered Meals which is providing a cost savings. We also have frozen meals for our wait list folks and this is less costly than the Home Delivered Meal.... Churches are also helping to provide weekend meals on a more regular basis."*

