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MEMORANDUM

TO: All Members

FROM: Patrick Cucinelli, Senior Director of Public Policy Solutions

DATE: March 25, 2013

SUBJECT: **2013 PEAK Summit**

ROUTE TO: CEO, Administrator

Abstract: LeadingAge NY members caucus in Washington.

Introduction

In what can only be described as a turbulent and unsettling political environment at the Federal level, a large contingent of LeadingAge NY members gathered to lobby Congress on March 20th, as part of the LeadingAge [2013 PEAK Leadership Summit](#). Approximately 25 meetings were scheduled with both Senators and Representatives. LeadingAge NY wants to express our gratitude to members who wore out a fair amount of shoe leather roaming the offices of Congress to make the case that the Federal budget cannot be balanced on the backs of our most frail and vulnerable citizens. The need for shared sacrifice is understood, and the senior care and services sector has already contributed more than its share.

For a complete analysis of our Federal agenda please go to refer to the *Advocacy* section of the LeadingAge website at: www.leadingage.org.

The Biggest Challenge: Washington Gridlock

The caucus began with an address from the former Senior Senator from Maine, Olympia Snowe, who is now working through her [Olympia's List](#) initiative to address the vast partisan divide now gridlocking Congress. According to Sen. Snowe: "Government can work again, but only when

Americans support and vote for individuals who will follow the principles of consensus-building.” Unfortunately, the current picture painted by the veteran Senator is one of a Congress so deeply divided along party and ideological lines that it is difficult to see how any progress can be made in the short term.

Federal Agenda

Among the key issues addressed during our Hill visits were:

- ***Sequestration:*** The devastating and mindless cuts being implemented as part of “sequestration” must be reversed in favor of a sound public policy agenda that seeks a fair and balanced approach to managing the Federal budget deficit and does not impose a disproportionate burden on those least able to sustain cutbacks in health care, housing, and long-term services;
- ***Charitable Tax Deductions:*** The value of the not-for-profit sector as a guardian of fundamental values of caring, crucibles of innovation, cultivators of volunteerism, and stewards of the public interest must be preserved. Federal, state and local tax exemption rules should continue to recognize the historic underpinnings and the American tradition of the not-for-profit sector. In particular the tax incentives for charitable giving must continue for taxpayers at all levels;
- ***Medicaid Block Grants:*** Reject calls for Medicaid “block granting” that would inevitably shift more of the burden of funding the program onto individual, cash-strapped states, which would inevitably lead to a gradual, but certain erosion of the overall program;
- ***Payment Adequacy:*** Payment models must ensure that rates are adequate to pay for innovation and efficient care without compromising quality. The status quo in which Medicare payments are used to partially subsidize the losses that most provider experience on the Medicaid side is simply unacceptable and unsustainable;
- ***Older Americans Act:*** Congress should restore sequestration funding cuts to programs covered by the Older Americans Act, which includes services vital to keeping seniors in their homes such as meals-on-wheels. In fact, the program should be expanded to include new authorizations for congregate housing with services programs in affordable housing communities;
- ***Medicare Innovation:*** The Affordable Care Act’s bold investment in Medicare innovations is now threatened by Federal cutbacks. Investment is needed to build upon the successes of the CMS Innovation Center demonstrations and to expand the use of technology to improve efficiency;
- ***Affordable Housing:*** The Section 202, Section 8 and Low Income Housing Tax Credit programs need to be protected and even increased to accommodate the needs of a growing senior population and the need to use affordable housing as a basis for supportive services that can keep individuals out of more expensive institutional care. In addition, the government needs to be looking for more ways to expand public-private partnerships, that have formed the basis of our current subsidized housing programs; and

- **Observation Stays:** Everyone agrees that this is a true beneficiary rights issue and that the old three-day “in-patient” hospital stay qualifier is no longer workable. LeadingAge is pursuing legislation introduced in both houses of Congress that would remove the “in-patient” status requirement and simply allow for “three midnights” in the hospital to qualify for post-acute care Medicare coverage, regardless of the technical label attached to the stay. Working with other associations, LeadingAge NY has been advocating on this issue with the NYS Congressional delegation. We are pleased that Senator Schumer recently agreed to sponsor the bill in the Senate.

The Transition to Managed Care a Major Theme

In addition to advocacy, the 2013 PEAK Leadership Summit also included extensive educational programming. One major theme for this year was the move towards managed care and the various state initiatives. In terms of the move towards more managed care, coordinated care models and value based purchasing, New York is clearly not alone. Most states are now implementing some form of Medicaid managed care and are also pursuing monies under Federal demonstration waivers and grants to cover the needs of dual eligibles. Much of the educational programming this year was geared around understanding the variety of models that are out there and how providers can best re-tool their operations to compete and thrive in this new world of managed care.

Conclusion

LeadingAge NY once again wants to thank our members who came to Washington to personally advocate on these critical issues. For anyone unable to make it to Washington there is still opportunity to make our voices heard through the LeadingAge Advocacy website and by meeting with the members of our Congressional delegation while they are back in their home districts during the current recess. As always, the staff at LeadingAge NY stands ready to assist with any talking points or other guidance you may need in contacting an elected official.

Please contact me with any questions at pcucinelli@leadingageny.org or call 518-867-8827.