P U B L I C H E A R I N G

before

THE ASSEMBLY SENIOR CITIZENS COMMITTEE

on

Home Health Care as Recommended by The Casino Revenue Fund Study Commission

October 2, 1986
Room 341
State House Annex
Trenton, New Jersey

MEMBERS OF COMMITTEE PRESENT:

Assemblyman John Rooney, Chairman
Assemblyman Robert W. Singer, Vice Chairman
Assemblywoman Dolores Cooper
Assemblyman Thomas H. Paterniti

ALSO PRESENT:

Norma Svedosh
Office of Legislative Services
Aide, Assembly Senior Citizens Committee

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ASSEMBLYMAN JOHN ROONEY (Chairman): At this time, I would like to open the public hearing, on matters affecting home health care for senior citizens and disabled persons, and also those who care for the senior citizens and the disabled.

The importance of the issue is emphasized by the fact that the Casino Revenue Fund Study Commission, in their December '85 report, included a recommendation for a home health care services program to be established to provide affordable community-based care to eligible senior citizens and disabled persons. The recommendation for the establishment of these services was one of only three new programs that were supported by the Commission. It is clear to all that home health care should be the option of first resort, not of last resort. Surely we would all agree that home health care is a preferable option to nursing home placement.

The discussion of the need for home health care should not be viewed as one in which we must go about establishing a completely new program. In fact, there are currently available programs that respond to some of the home health care needs of the elderly and the disabled. One such program is the Community Care Program for the Elderly and the Disabled -- CCPED -- which is funded by both Federal and State money. These programs are doing a good job with the money allotted to them. But there is an urgent need to increase the availability of home health care. Such an increase in home health care would assist senior citizens in remaining in their home, without being forced to pauperize themselves in order to get the help they desperately need.

There are currently many senior citizens who fall within the no care zone. These people have small savings which prevent them from being eligible for assistance, but are unable to afford to pay for the private home health care. I believe that it is accurate to say we are all in agreement that the home health care problem needs to be addressed. As members of

the Assembly Senior Citizens Committee, we have a responsibility to senior citizens and disabled people, to support legislation that insures that funds will be used for services that will be helpful to those in need.

On behalf of all the members of the Committee, I would like to say we look forward to hearing from all of you today, and please rest assured that we are working hard to address the needs of all the senior citizens in the State.

Again, I would like to apologize for Assemblyman Singer, that we were going to have this hearing in your hometown of Lakewood, and were prevented from doing so; so this is a rescheduled hearing for that purpose.

We have a testimony list, and I'm going to start with Assemblyman Singer, as one of the cosponsors of the bill.

ASSEMBLYMAN SINGER: It will make it a little easier, Mr. Chairman-- Is Joe on his way? (response is inaudible) I know Assemblyman Azzolina is going to be testifying also, as the other sponsor of the bill.

Certainly, the importance of this issue is undeniable. Assembly Bill 3177 was sponsored by myself and Assemblyman Azzolina because we became aware of the urgent need of senior citizens, that they were the persons for home health care. And I must expand on that a little. As Secretary-Treasurer of the Ocean County Board of Health, we run the largest visiting homemaker service and visiting nurse service in the State of New Jersey today. And certainly I am aware of the problems facing the seniors and disabled within our Community and throughout the State -- the problems we face with funding, and the fact that there are many seniors and disabled who slip through the cracks, that we are unable to work with because of the funding restrictions.

In my own municipality of Lakewood, which I'm Mayor of, we give additional money every year, so that the people who don't meet all the criteria but do need the help -- in some

way, at least we could help some of them. Unfortunately, there's just not enough money to be able to give a substantial amount to the municipality, and many municipalities don't participate at all. So therefore, there is a problem -- there is a dire need for this type of funding for these people.

Home health care will allow a senior citizen or disabled person to remain in their home. This is such an important thing. As you visit nursing homes and other things throughout the State, you are concerned. I believe, and from talking to seniors and from working with senior groups, that certainly, the most sensible place, the most comfortable place for a person, is in their own home. And too many times, we consider when a person goes to a nursing home, that they will never come out, they will never get better; whereas a person who is recuperating in their home or remains in their home, certainly, tends to fend better, tends to have that opportunity -- that thought of recovering, of the full recovery, or at least enjoying himself in his own surroundings, instead of unfamiliar surroundings and really going into that hospital type of atmosphere.

We want them to receive full services, and this will assist them in their daily chores. And this is so important -- you've got to be able to help them on a daily basis. This assistance can come in the form of nursing, therapy, homemaker assistance, medical transportation, adult day care, and respite care according to the needs of the senior citizen and disabled person.

This bill would authorize the county offices on aging, certified home health agencies, and county boards of social services to administer the home health care program. All these agencies presently provide home health care. By having these agencies participate in the home health care program, the Department will be able to select the agency which will best be able to meet the needs in each county. By having the agencies

that currently administer similar home health care programs oversee the program under A-3177, we will be building on an administrative structure that is currently working well for the Community Care Program for the aged and disabled -- CCPED program.

It's important that we don't reconstructure (sic) the wheel. Too many times you want to set up new agencies to do things; again, another agency, another bureaucracy. It's important to use the present, existing ones. Senior citizens and disabled people are familiar with these agencies, they're familiar with the people in their county that deal with them. We want them to keep using those agencies. It's a key factor in talking to groups.

By insuring the most effective administration is being used for this program, we are assured that most of the money will go to the senior citizens and disabled, instead of being used for administrative cost. Again, that re-setting up of programs, re-setting up of administrators -- let's use existing programs. Let's just embellish them a little bit.

In our current fiscal situation, where there is an urgent need for services and a decreasing amount of dollars to be found, it is necessary that we become concerned with the way in which money is appropriated for useful services such as home health care is spent. A-3177 will utilize the present mechanism that is in place and prevent similar programs to provide for home health care from being run on separate tracks.

With all the costs and confusion that separates systems that this would cause, I introduced this bill because of the urgent need for such a program. I request the Chairman, Assemblyman Rooney, to establish this bill as a priority of the Assembly Senior Citizens Committee, and post it for a vote of the Committee as soon as possible. I ask for this preferred treatment for A-3177 so that we could help and assist (indiscernible) offered to our senior citizens as quickly as

possible. This bill, in my opinion, is the best way to provide needed services to our senior citizens and disabled. It is my sincere hope that all concerned parties will work together in good faith for the best interests of the senior citizens and disabled to establish a practical and feasible health care program.

Again, I just want to add, the need is there, and I do represent the largest senior citizen county in the State of New Jersey. I do deal with this problem on a daily basis. I cannot state more how important it is that we provide that home care service. It is something that I feel extends the lives of many people, and if we force them to continue to go into the nursing home syndrome and other things like that, I think we're really cutting their lives short. With that, I thank you, Mr. Chairman.

ASSEMBLYMAN ROONEY: Thank you, Mr. Singer.

I see Mr. Azzolina, the other cosponsor of the bill, is in our presence; and I would welcome him to make a statement.

A S S E M B L Y M A N J O S E P H A Z Z O L I N A: I'm Joseph Azzolina, State Assemblyman, 13th District, Monmouth-Middlesex Counties. Mr. Chairman, I thank you for giving me the opportunity to speak on behalf of my bill, A-3177, the Home Care Expansion Act.

I don't know what he said, so here's what I have, anyway. It is a surprising fact that New Jersey has the oldest population in the United States, outside of Florida. Authorities predict that by the year 2000, one out of every five of our State's residents will be 65 years of age or older. The social and economic impact of this increased graying of New Jersey is evident in the tolls being taken both on the elderly and on their families. Our senior citizens have been forced to impoverish themselves before they can become eligible to receive home health care services; and their families have been forced to become providers of that health

care through a major restructuring of their lives. Twenty percent of New Jersey's employed aged 30 or older are caring for an older person, many of them while simultaneously raising young children. There are critical problems being faced by an increasing segment of our population, and ones which we as legislators must address now on their behalf. The Home Care Expansion Act is a response to those problems, and it incorporates recommendations made in 1985 by the Casino Revenue Fund Study Commission.

In its final report, the Commission suggests the creation of a home health care service program to help the increasing numbers of elderly people afford quality health care. This bill implements this recommendation, and it appropriates $8 million from the Casino Revenue Fund annually to the Department of Human Services to provide home health care, medical day care, non-emergency medical transportation, case management, social day care, homemaker care, and respite care.

The terms of the bill further expand all of these services to the disabled as well. The concept of home health care provides an important alternative to costly nursing home environments. It has been estimated that 25% of nursing home patients could be cared for at home if a long-term care policy existed. Home services are already provided to the elderly under the Medicaid program, the Community Care Program for the Elderly and Disabled, the county boards of social services, the county offices on aging, and the new medically needy program. But the funding for these programs is limited, and the financial restrictions imposed on patients has allowed these services to be available only to the poor. A patient must have no more than $1000 a month in income, and liquid assets of no more than $1700, to be eligible for Medicaid and the CCPED programs. This puts many needy recipients in a no care zone, faced with the dilemma of either denying themselves the care

they need or impoverishing themselves down to the level at which they would then become eligible for the care programs.

My bill expands the care zone, allowing the patient to retain $5000 in liquid assets and to still be eligible for services. But while more patients will be eligible to acquire needy care, it will still be insured that those in need, and unable to pay privately will be those who receive those services.

This bill places responsibility for administering the home care expansion program in the Department of Human Services, which has extensive experience and resources in the home care field. Their existing and successful CCPED program would be expanded by this legislation. By complementing a program already in place, the need to set up a new bureaucracy to oversee the home care expansion program would be eliminated. This will insure that a minimal amount of the appropriated money will be spent for administrative costs, and that most of these funds will be used in providing direct services to the people it was meant to assist.

The expansion of home health care to our elderly and disabled is necessary now, and will become increasingly more necessary in the future. I believe my bill, the Home Care Expansion Act, increases these services in the most efficient manner possible, allowing the caregivers to reach and serve many more patients than ever before, and to greatly improve the quality of life for them and their families.

Thank you for allowing me the opportunity to testify on behalf of this bill. I believe there's somebody here from Human Services who would like to testify also.

ASSEMBLYMAN ROONEY: Just before we go to that, we have a list of people on our agenda, so one thing I'd like to do is acknowledge and thank Assemblywoman Cooper for supplying an excellent article on growing old in the '80s, and also, the home health care problem. We've made copies for the Committee,

and I'd like to add it to the record. Dolores, you have a copy already, so do you want an extra?

Please give one to each of the members of the Committee. It's an excellent article on what the problems are in the State. I think we should add it to the testimony that we've got.

We're going to stick to our list -- the witness list that we have, and the next speaker on the list is Lois Hull, Director of the Essex County Office on Aging. Is Lois here? (no response) All right. This meeting was scheduled for 10:30, so some people may be coming in later. We will go over the 10:30 time, I'm sure; so we will have no problem there.

C A R L W E S T: (Speaks from audience) Yes, I'm representing Lois Hull.

ASSEMBLYMAN ROONEY: Oh, okay, fine. I would have called her later if she was on her way.

MR. WEST: My name is Carl West. I'm Executive Director of the Mercer County Office on Aging, and a legislative representative for the New Jersey Association of Area Agencies on Aging.

I'm not going to give you any long, detailed testimony this morning. However, what I would like to supply to the members of the Committee are copies of testimony that have been presented by myself and Lois Hull to the Senate Committee on Aging relating to S-2132. We feel that S-2132 has the potential for expanding home health care; however, we have certain reservations with the bill which are indicated within this testimony that we will supply to you.

We feel that, without question, that there is a tremendous need for additional home health care services to the elderly of New Jersey. It is our position that before any legislation is enacted, that there should be a very careful review of existing programs; and that any new legislation should consider those existing resources that are available.

We did suggest to the Senate Committee that there would possibly be an ad hoc committee that would be empowered to review existing programs, and make certain recommendations to the Legislature regarding the proposed legislation for increasing home health care. Again, I think that it should include representation from many of the service providers -- many of the funding sources that are presently providing home health care services, including representatives from the Department of Health, representatives from the Department of Human Services, representatives from the Department of Community Affairs as well as those service providers that are presently providing home health care; and where possible, representation from the senior population itself.

So, other than to say that we are very supportive of any additional legislation that would provide meaningful increased services for home health care, and that the legislation--

ASSEMBLYMAN PATERNITI: (away from microphone) I thought it wasn't supposed to start--

ASSEMBLYMAN ROONEY: (to witness) Please continue.

MR. WEST: --does provide for the utilization and review of existing resources. We are extremely supportive and available for whatever assistance the Committee might find itself -- we could be of assistance to you.

ASSEMBLYMAN ROONEY: Thank you, Mr. West.

Mr. Paterniti, we're on the record. We had a meeting at 10 o'clock for ACR-63, 64; we finished that early, and we're continuing with this hearing. We started a little early. We knew we would cover all the--

ASSEMBLYMAN PATERNITI: I thought it was 10:30.

ASSEMBLYMAN ROONEY: The Committee meeting started at 10 o'clock, according to the same letter. If you read the last paragraph, it says that ACR-63 and 64 were being considered at 10 o'clock. So, I think you should read the entire letter and stop disrupting the Committee when you come in. We're on the record--

ASSEMBLYMAN PATERNITI: Thank you. Thank you.

ASSEMBLYMAN ROONEY: We're on the record, and I would appreciate it if we weren't interrupted on the record. Thank you, Mr. West, and I'm sorry that you were interrupted, unfortunately.

MR. WEST: No problem. If the Committee has any questions, we would be glad to respond to them.

ASSEMBLYMAN SINGER: Mr. Chairman, I know that we have other people (indiscernible), but I just would like to say there are substantial differences between bill A-3177 and S-2132 that change a lot of things. For example, of course, the funding source is different, the State level of administration is different-- For just one example, the State level administration in S-2132 is the Department of Health, and in A-3177, it is the Department of Human Services, Division of Medical and Health Services, Medicaid. Eligible agencies, in S-2132, certified home health care aides, visiting nurse service association -- in our bill, it's certified home health agencies, county boards of social services, county offices on aging -- which I think is important to expand that -- the client eligibility criteria is different. To go on a little further, the services in S-2132: nurses services, homemaker/home health aide case management-- In our bill, it's the home health care nursing therapy, home health aide, homemaker, adult day care, medical transportation, respite care, and case management. And these are-- The reimbursement as grants for the agencies is his fee for services. There's a big difference.

Administrative costs -- their administrative costs alone are limited to $500,000. Administrative costs expect to be similar to or lower than existing CCPED costs. Very, very important -- that's an important aspect of it.

Physical controls: no standardized care planning, no limit on service to individual clients. That's on the other

bill. Ours is uniform care plan procedures, service costs limited to 70% of annual cost of nursing home care for all clients. Again, we understand what you're saying, but I think you have to understand there is substantial differences in Assembly Azzolina's and my bill and the Senate bill. And I think the difference is, it makes one bill a better bill, but we don't know.

MR. WEST: I think you will find in reviewing the testimony of both myself and Lois Hull that we do address a number of those issues which you just mentioned. We are-- And I want to make it perfectly clear, it is not the position of our Association as it relates to who is going to be the ultimate agency responsible for the administration of these programs. We're more concerned that whatever funds are made available, that they do find their way to the client; that administrative costs be kept to a minimum wherever possible; and that we recognize existing programs; and that whichever bill is finally approved, that it does recognize those existing agencies and the programs are designed to accommodate those.

ASSEMBLYMAN SINGER: Absolutely right. And that's the thrust of what Joe and I are concerned with.

ASSEMBLYMAN ROONEY: Thank you, Mr. West. I understand that the S-2132 is being heard in the Aging Committee this morning, and there are several amendments -- considerable amendments -- that are being proposed, so by the time it gets over here, it might be substantially different than your report. But we appreciate your testimony, and your comments.

MR. WEST: Thank you.

ASSEMBLYMAN ROONEY: Could we go to Miss Ruth Boer, Administrator, Home Health Agency of Hackensack Medical Center?
R U T H B O E R: I'm at the right Committee; I have to reach for my glasses.

Chairman Rooney, members of the Assembly Senior Citizens Committee, ladies and gentlemen. I am Ruth Boer, Administrative Director of Home Health Services at Hackensack Medical Center in Bergen County. I am representing the Home Health Agency Assembly, a Princeton-based, non-profit organization whose members are dedicated to providing quality home care, accessible to those who need it. I am mainly speaking for the patient, the sick, the disabled, the elderly, and their families, who often must accept enormous burdens of responsibility for care.

This Committee does not need to have home care defined, or to be reminded of the statistics of aging. Twelve percent of the United States population is now aged 65 or older, and there has been an increase of 56% for those over 85. Revolutionary medical terminology continues to decrease mortality; and one thing is certain, as mortality is reduced, there is a concomitant increase in disability. This means a greater need for home care and long-term care.

I thank you for giving me this opportunity to describe the Home Health and Community Partnership Program. The Home Health Care Partnership Program is designed to provide community-based home health care services by local Home Health Care Partnership centers. These services will be provided to functionally impaired persons who are at least 65 years of age or older, and who need assistance in carrying out activities of daily living.

This program is designed to care for those people who are not eligible for Medicare because of restrictive regulations which limit the use of the home health benefit or because they have a chronic condition. It is for those people who have some assets and a modest income, but are not able to pay full fee for the services. It is for those seniors who do not qualify under Medicaid or Medicare, and do not have other insurance coverage.

It is also for those agencies who have the professionals to provide these services, yet the agency does not have the surplus funds to serve patients on a sliding-fee scale. For these providers of home health care services, revenues must cover expenses in order for the agency to continue providing services. These agencies are already placed in a deficit position by the Gramm-Rudman-Hollings Medicare reimbursement reduction from 100% of cost to 98.7% of cost for the last 10 months of 1986.

The Home Health Care Partnership Program is directed to those people who need home care help to maintain their independence or those with chronic illness which requires regular monitoring of their health condition to maintain their level of functioning and prevent deterioration, decreasing the possibility of hospital or nursing home care. The frail elderly with multiple impairments and few informal supports will be the first served by this program.

The Partnership will combine State funds with locally-raised private funds from corporations, foundations, and individuals. Major employers have a direct interest in reducing stress and absenteeism of their employees caused by the responsibility of caring for aged and ill relatives. The establishment of services to help families would be consistent with these aims. The input of leading members of the business community for strategic guidance and development of alternate funding streams will be a component plus the involvement of civic, consumer, and religious leaders through Local Partnership Advisory Councils. The Partnership approach is unique with its design to pool funds for care from both public and private sources. Care will be available to all, yet scarce public funds will be supplemented by private payment from individuals who can afford to pay, and philanthropic contributions will be sought.

The services to be provided include outreach to the homebound frail and disabled elderly, geriatric assessment, case management, and health monitoring and maintenance by a certified home health agency team supervised by a community health nurse with geriatric expertise. Other services can include homemaker/home health aide, volunteers, transportation, housekeeping, adult day care, respite, companion care, and those non-traditional services -- which is one that we're trying to do in our own agency -- such as a latchkey program designed to check on the elderly, or a bathing and tuck-in service which provides personal care and assistance in and out of bed, morning and evening.

New Jersey's Medicaid programs are doing a fine job for that limited population that they are designed to serve, but the vast majority of elders are not Medicaid eligible. An expansion of the Community Care program for the elderly and disabled conforms to our goal of providing more home care services for the elderly, but the income and resource limitations which must be included will continue to preclude the availability of these services to all who need them. It still remains a welfare-based program. Many older citizens may find this demeaning.

The Partnership will be established as a model pilot program. Senior citizens groups have identified the need for home health care as one of their highest priorities. Just as New Jersey was innovative in leading the country with prospective payments for hospital care, it now has an opportunity to develop the prototype long-term home care model for the country.

The Home Health and Community Care Partnership is directed towards coordination, cooperation, and participation on many levels. It provides strong consumer protection by requiring that care be coordinated by either a certified home health agency or an area Office on Aging. It requires the

partnership of these providers of care with homemaker services. Through the mechanism of case management, every effort will be made to coordinate and maximize the resources of Title XX of the Social Security Act, Title 111 of the Older Americans Act, and the provisions of the Medically Needy program and the Medicare Waiver program.

Local businesses and foundations, churches and civic groups, and senior citizens organizations can focus their contributions through the Partnership Center. They can give their share of help with confidence, because they will know that a professional assessment of each patient's needs will target help to those who need it most.

I urge you to support the Home Health and Community Care Partnership Program as a major step towards providing those home care services which will promote long-term care based in the community, rather than in costly nursing homes and hospitals. I am committed that as much as is humanly possible, health care and supportive services should be delivered at home. Home care is truly the heart of health care.

And I would like to state, along with the preceding speaker, that we in home care really appreciate what is being done by any bill.

ASSEMBLYMAN ROONEY: Thank you very much, Mrs. Boer. Any questions from the Committee? (negative response) Next on our list is Kenneth Dolan, who is Executive Director of Home Care Council of New Jersey. Mr. Dolan?

K E N N E T H D O L A N: Thank you, Assemblyman.

My name is Kenneth Dolan, and I am the Executive Director of the Home Care Council of New Jersey, the State Association exclusively representing non-profit home care providers. I am here today to speak on behalf of the Council's member agencies, the 21 non-profit homemaker/home health aide agencies across the State who provide valuable in-home health and supportive services to thousands of New Jersey's homebound

sick, frail elderly and disabled. Last year, our agencies provided more than 3.3 million hours of services to more than 25,000 clients.

I would like to thank Assemblyman Rooney and members of the Senior Citizens Committee for providing this opportunity to those of us who are most involved in the provision of long-term home care services to express our opinions regarding the establishment of a home health care program.

It is a documented fact that the need for long-term care services is determined not so much by medical diagnosis, the presence of specific disease, or even general health conditions as by the dependencies and needs for assistance which these conditions can create. A recent Federal report on the types of services needed by older adults to remain living in their communities indicates that as people advance from young-old to old-old -- those over 75 -- the most dramatic increase in need for assistance occurs in need for assistance occurs in basic physical activities such as walking and going outside, and in home management activities such as shopping, cleaning and cooking. One long-term care researcher succinctly summed up this and other research studies with the statement: "Most long-term care services...simply constitute replacements for things individuals have done for themselves since childhood."

Given the rapid growth in New Jersey's elderly population, the Council applauds the Committee's goal of expanding the availability of home health care services. Based on our member agencies' extensive experience in providing home health care services, we strongly encourage the Committee to approve A-3177, the Home Care Expansion Act. As you are aware, A-3177 proposes to expand the very successful Community Care Program for the Elderly and Disabled. The Council's member agencies are all providers to this program, and have found the programs' success to be based on several key program elements:

-The first one is that there is a single point of entry within the community. At this point of access, potential clients receive a comprehensive assessment to identify needs and problems and determine the most appropriate types and levels of service for meeting these needs.

-The second element is a full continuum of community-based services which are available to clients without having to deal with divergent, confusing, and incompatible funding streams.

I'd like to depart from my testimony at this point to make a point about 3177, as opposed to S-2132. S-2132 -- one of the problems that we've had -- our organization -- with that bill is the fact that it's very limited in terms of the services that it will directly fund. It's basically limited to three services: initial assessment, nurse monitoring -- no laying on of hands, no direct nursing care, but just nurse monitoring -- and homemaker/home health aide services. All the other services are identified as maybe being able to be provided it if other funding can be found in volunteer services. And I can tell you that, representing agencies that are out there in the community right now, if you get services -- volunteer services -- for this program, you're taking them away from some other program. So, you're not going to create something out of nothing; it takes money to provide these services; it takes volunteer hours. Whatever this program can provide -- S-2132 -- it's going to take away from some other program.

The advantage of the Community Care Program for the Elderly and Disabled is, it provides a broad range of very much needed services. My agencies provide homemaker/home health aide services -- that's a vital service element. But there's others just as important: adult day care, the medical transportation. Those are as important services as any home care -- what we call a traditional home care service is.

The third element -- going back to my testimony-- The third element that makes the CCPED program so successful is that there's a basic goal of the program of enhancing and sustaining the desires and efforts of family to care for their own. Services are carefully targeted to provide support relief which encourage familial and informal care-givers to keep their elderly family members at home.

Over the next 10 to 15 years, as we in new Jersey face the tremendous challenges presented by the "geriatric imperative," it is important that we rethink our traditional approaches to funding and providing long-term home and community-based care. A major state commitment to bold and innovative programs like CCPED will be needed if we ever hope to develop a comprehensive, cost-effective long-term care system which meets the needs of all of our frail elderly and disabled citizens.

Thank you very much.

ASSEMBLYMAN ROONEY: Thank you, Mr. Dolan.

ASSEMBLYMAN SINGER: Mr. Chairman? Again, I appreciate those comments. That's what our bill -- Joe's and my bill -- has been seeking to do. I think also, we're also looking at -- the county has some option as to who they want to run the program. For example, in our county, the visiting homemaker services run under the Board of Chosen Freeholders, and therefore, will most likely be designated the one in our county who might be handling it. Yet it gives the option of whether you want that, or whether you get the visiting nurse service, or whether it be the Office on Aging or somebody else like that. I think that option belongs to the county level. They are best equipped to decide who in your county will do that function for them. But I think you agree, and I think you put it in that bill, that the care is far greater than the Senate bill goes. And if we don't put it in the bill, like we

have in our bill, we're going to have to come back later and say, "We made a mistake, and let's modify it." So, let's put it in right to start the first time.

MR. DOLAN: Yes, I agree with you, Assemblyman.

ASSEMBLYMAN ROONEY: Thank you, Mr. Dolan.

Next on our witness list is Carol Kurland, Division of Medical Assistance and Health Services.

C A R O L K U R L A N D: Good morning. My name is Carol Kurland; I'm the Administrator of the Office of Home Care Programs for the Division of Medical Assistance and Health Services of the Department of Human Services. So, I'm representing the Department.

I want to thank you for the opportunity to testify in this very important issue, and to express our support of A-3177.

The Department of Human Services has particular expertise and interest in home health care. The Department administers most of the home care services provided in this State. Millions of dollars each year are distributed to a variety of home care agencies via the Social Services Block Grant Program, Title XIX -- which is Medicaid -- including the Community Care Program for the Elderly and Disabled, known as CCPED; personal services, home health services, and the upcoming respite care program which Governor Kean proposed in his "State of the State" message.

The Department has also done extensive Federal and state-funded research and demonstrations, including the well-known national long-term care channeling demonstration to identify the most efficient ways to provide high quality home care services to the elderly and disabled.

I will not dwell today on the need in the community for home care services, for I'm sure that this need is well known to all of you in your first-hand experience with people in your own districts. I also believe that we all agree about

the benefits of home care. What I want to address is how to best build on a current system to deliver home care services to more of the people who need them.

At the beginning of the Kean administration, the State was spending $20 on nursing home care for every $1 it spent on home care. Because of major efforts to reform the system and develop a balance between institutional and home care, that ratio is now $10 to $1. We have tripled our home care expenditures.

Despite this major effort, funds for home care services in the community are not meeting the increased demand. The Department is painfully aware of the needs of those elderly and disabled who do not qualify for existing Federal and State programs, such as CCPED which due to Federal rules have strict financial eligibility criteria. We're aware that more people want to stay home. We're very supportive of the quality of life for these people. We're also very supportive of a cost-effective program targeting appropriate populations.

Programs such as the Social Services Block Grant Program have more liberal eligibility criteria, but they have a long waiting list and do not always serve those most in need of help. Four years ago, our Department developed a comprehensive program for delivering home care services throughout the State, through the Medicaid waiver process which is called the Community Care Program for the Elderly and Disabled. It has taken great effort and cooperation to place it into operation in all of the 21 counties.

In the three years that it's been in existence -- and actually, the third year ended September 30th -- it has successfully served over 3200 low and moderate income people who have limited assets, who would have been institutionalized if it were not for the availability of this program. The program is a statewide, uniformly administered program, although operating in all 21 counties.

This program has demonstrated both its effectiveness and efficiency in service delivery. The program provides assessment, case management, home health care and all ramifications of home health care; homemaker service, adult day care, respite care, and transportation. We use an efficient state-of-the-art system, and involve home health agencies, county boards of social services, offices on the aging, and homemaker agencies, depending upon the county's commitment. These are all used as case management sites, and we have cooperative arrangements designed for the unique needs of the county.

The Department has independently evaluated this program -- CCPED -- and has assured that it provides high quality care in a most efficient way. In fact, the Federal health care financing administration has had high praise for the quality of case management under the program. There is only one problem: we can serve only a limited number of people. In the past, it was 1800 maximum; we have just recently received approval to serve up to 2100 -- because of the Federal rules, and those who are served must meet strict financial criteria. However, if we had State funding, it would be possible to change the financial eligibility criteria and serve those in need who have resources over the current limit.

Because of the success of CCPED, expanding it appears to be the logical way to build upon existing systems, and make sure we serve the maximum number of clients. Given the limited funds available, CCPED has been completely accepted within each county, and the letters from happy families praising the program are numerous. CCPED has features which assure program coordination, targeting the service to those most in need, and efficient administration; and above all, the provision of a quality service program.

CCPED coordinates with Medicaid and the nursing home placement process; that is, it is targeted to those who are

medically eligible for institutional care. Clients are offered a choice between institutional and home care. CCPED has systems in place to assure that those most in need, medically and financially, are served.

Because available service dollars are low and will continue to be limited, it is critically important to spend as much money on direct services as possible, rather than on administration or creating new service systems. CCPED expenditures are carefully controlled to maximize direct services available to clients to meet their health care needs within the most cost effective manner.

In summary, expanding CCPED would make home care services available to those most in need. By building on a proven system in which the State has already invested large amounts of effort and time and money, we can be certain of serving individuals equitably across the State, serving those most in need, and maximizing resources to serve more of those who need care.

I thank you very much for allowing me to speak.

ASSEMBLYMAN ROONEY: Thank you, Mrs. Kurland. Could we have a copy of your testimony?

MS. KURLAND: Yes. Unfortunately, it is not in shape to give to you at this point. We'll be glad to get it to you, though.

ASSEMBLYMAN ROONEY: Thank you very much.

MS. KURLAND: Are there any questions?

ASSEMBLYMAN ROONEY: Any questions from the Committee?

ASSEMBLYMAN SINGER: Excuse me. Will you forward a copy of that to us?

ASSEMBLYMAN ROONEY: Yes, she said she would.

MS. KURLAND: Yes. I'd be happy to.

ASSEMBLYMAN ROONEY: Next on our witness list is Nancy Grippe, Coordinator of Home Health Care, Department of Health.

N A N C Y G R I P P E: Good morning, my name is Nancy Grippe

and I am the coordinator of Home Health Care for the Department of Health. With me is Dr. Lawrence Meyner (phonetic spelling). He is the Director of Adult Health Services, Local and Community Health Services, of the Health Department.

I am pleased to have this opportunity to appear before the Assembly Senior Citizens Committee to discuss the Department of Health's commitment to home health care.

The Department of Health is supportive of the expansion home health services for all groups. We recognize that home health services are a growing component of the health care delivery system.

Two factors among many which have resulted in this new status are the increasing proportion of elderly and disabled needing long term care and the concern about the high social and economic costs of institutionalization. Additionally, the family which has traditionally provided care for family members has undergone social and economic changes. As a result of these changes, families are less able to provide care for family members.

The Department of Health's primary purpose is to protect the health and well being of New Jersey residents. This principle is especially important with home health care.

Within the Department there are three Divisions involved with home health care. The first is Health Planning and Resources Development which establishes the State health plan for home health services, administers the certificate of need review program, and collects and analyses data on home health agencies. The second is health facilities evaluation which establishes licensure standards for home health agencies and inspects these facilities. The third is Local and Community Health Services in which we have a Gerontology Program which organizes and establishes services in the community to meet the needs of Alzheimer's victims and directly

addresses other issues such as gerontology training of public health nurses and the certification of homemaker/home health aides.

The Department of Health recognizes the following critical priorities in home health care. The first is funding. There is a need for increased funding for paraprofessional services targeted to those low income, elderly, and disabled individuals not currently receiving services under existing programs.

Secondly, quality assurance. Much of the present home care delivery system is not covered by basic quality of care standards. Standards are needed for operating procedures of agencies as well as the training of paraprofessionals and their supervision.

And the third is system entry. There is duplication and fragmentation of the local home care service delivery system. There is need in each county for an agency to act as a gateway in order to facilitate individuals in contacting the appropriate service provider.

The Department of Health's first priority must be to assure quality health care is provided in the home to all citizens. This means there must be minimum standards for both agency operations and personnel for all home care providers.

The Department of Health supports the use of casino revenues for the expansion of home care services. We recognize, however, with limited State funds available, we must assist our most needy residents. The Departments of Health, Human Services, and the Division on Aging should undertake the formulation of an efficient and effective funding plan. The implementation of such a plan should take into account existing programs in all departments of State government in order to prevent duplication of effort.

We will continue to work closely with the other State agencies, such as the Department of Community Affairs,

Department of Human Services, Office of the Ombudsman, and other interest groups to coordinate and expand the accessibility of home care for our citizens.

Thank you.

ASSEMBLYMAN ROONEY: Thank you. Could we have a copy of your testimony, please?

MS. GRIPPE: Yes, sure. Are there any questions?

ASSEMBLYMAN ROONEY: Any questions? (negative response) Thank you, Mrs. Kurland (sic).

We have two additional people who have signed in. Mr. David Keiserman, Senior Citizens Legislative Task Force?

D A V I D K E I S E R M A N: Hi. Chairman Rooney, members of the Committee. I wasn't aware that this was sort of going to be a hearing on 3177, and my testimony is more aimed at 2132. But I'd like to make some statements after-- My statement, by the way, has already been submitted to your Committee.

ASSEMBLYMAN ROONEY: Yes, I have it.

MR. KEISERMAN: Thank you for permitting me to present the views of the 8 major senior citizens organizations that make up the Task Force on Legislative Concerns. This Task Force established two priority programs more than three years ago: Home Health Care and Rental Assistance. Since then, the New Jersey State Commission on Aging and the bipartisan Casino Revenue Fund Study Commission have both made the same determinations.

With seniors being discharged earlier from hospitals "quicker and sicker" because of the DRG and PRO programs, most find themselves in the "no care zone" due to the new Medicare regulations. The need for a home health care program is now more acute than ever. Such a program, however, must not be limited to the very low income persons only. The program must set up a sliding scale whereby persons who can afford to pay some or up to all of the costs should also be eligible. There should never be a "no care zone" in the State of New Jersey.

Other home health care recommendations approved by the Task Force call for:

-The new program as the secondary provider of services if the patient can be taken care of by Medicare, Medicaid, the CCPED Program, or the Medically Needy program.

-There be no duplication of services.

-The full responsibility of services should not rest on any one agency. Services should be apportioned to other qualified agencies by a designated agency in each county.

-The funds may be granted for seed money, but ongoing funds should be paid to provider agencies only as reimbursement for services performed.

-The county offices on aging should be involved in any and all of the following ways: outreach, volunteer services, fund raising, fiscal agent, advisory capacity, community education, and publicity.

-Existing agencies that are qualified should be given priority before establishing new groups.

-All hospitals shall provide full information to their patients upon discharge.

This Task Force appreciates the difficulties that exist in the writing of legislation that addresses a problem as complex as home health care, and extends the thanks and appreciation of the more than one million members we represent.

My thanks for your interest and efforts on behalf of our sick and aged citizens, and for your consideration of the Task Force recommendations.

What I would like to add -- I have-- The Task Force -- and I am now David Keiserman for the New Jersey Council -- 250,000 members I represent on the Task Force. In reading 3177, I find some of the problems that concern me on it are, there will still be a no care zone. There will be a cap put on it, and somebody who's one dollar over your cap may be destitute and reduced, actually, to becoming a pauper.

Whereby, if we can have a partnership type of program-- In other words, both bills have good qualities that we support strongly; and I think we should try to combine both bills rather than take either-or. It should be either column A or column B. Let's take A and B both; combine both programs as best we can, and have a viable program that will help everyone. Thank you.

ASSEMBLYMAN ROONEY: Thank you. That's exactly what we intend to do when -- I believe there's many amendments proposed to the Van Wagner bill, today on the agenda in the Senate Committee. And we in turn will be hearing the Assembly bill very shortly, and I'm sure we'll hear both the bills the same day. So, we'll be looking to come up with the best solution, and we appreciate your input -- very much so.

MR. KEISERMAN: Thank you. And thank you Mr. Singer, Tom.

ASSEMBLYMAN ROONEY: The last speaker -- the last person I had on the agenda is Sandra Bosna, Department of Community Affairs.

S A N D R A B O S N A: Thank you for granting me the time, although I had not prepared to speak today.

The Department was not aware that 3177 was going to be discussed. We received the bill just yesterday, and we are reviewing it. We have already commented on 2132, the Senate Home Health Care Partnership Act; and a representative from the Department of Community Affairs is working on the Committee, which is preparing amendments to that bill.

The Department strongly feels, however, that there is a definite need for additional home health care services; and we will review the bill, but we want it to go on record as being strongly in favor of home health care services.

ASSEMBLYMAN ROONEY: Thank you very much, Miss Bosna.

ASSEMBLYMAN SINGER: Thank you.

ASSEMBLYMAN ROONEY: Any questions? (negative response) At this time, we have no one signed in, so we will now hear from the Committee. Any members of the Committee have any comments? (negative response) At this time, we will close the public hearing on home health care. I really appreciate everyone coming before us today. I think we have a lot of material to digest; and all that material will be very good input for both bills that we will be considering in the very near future. Thank you very much for your attendance and your input.

(HEARING CONCLUDED)

APPENDIX

NEW JERSEY CO-ORDINATING COUNCIL OF ORGANIZED OLDER CITIZENS, INC.

an association of senior citizen organizations
at the state, county, city and municipal levels

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C.

Dear Assemblyman Rooney;

The New Jersey Co-Ordinating Council of Organized Older Citizens is in favor of bills substituting for ACR 62 and 63.

These bills will help many seniors to be better able to pay their taxes. Many of these at present to pay their taxes must go without thilngs which help to make life a little more bearable. We do not feel the loss of revenue because of this will affect our statew budget too much.

As you know the Senate is considering a bill SX 2132 hwich is the bill for the Home health care program. We have taken the position that this is one of the most important to come before the legislature in a long time, however the bill as written has serious flaws which we believe should be corrected before it is passed. The Department of agings Task Force will have recommendations in a short while on what they feel should be in this bill. I know that they will be glad to testify when the report of their committee is ready.

Thank you for allowing us to submit this. We will be glad at any time to sit sown with your staff or you and give our views on how the bill should be changed.

Respectfully,

Bernard H. Winstock

Bernard H. Winstock V.P.
18 Mountain Ave, Rockaway 07866

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PETER SHAPIRO
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LOIS HULL
DIVISION DIRECTOR

Testimony by Lois Hull, Director, Essex County Division on Aging
Senate Committee on Aging Public Hearing
Re: S-2132
September 30, 1986

My name is Lois Hull. I appear before you today as the Director of the Essex County Division on Aging and as the representative of the New Jersey Association of Area Agencies on Aging.

Home health care is one essential component of community based long term care. Older people, and younger disabled adults, are disproportionately victims of chronic incapacitating physical and mental conditions which jeopardize self-sufficiency and independence, and which often force individuals and families to choose institutional placement, when remaining at home is the clear and obvious preference. Sometimes, it is not possible to find an appropriate, and affordable, institutional placement, and, in the absence of adequate resources to provide home care, many families suffer stress far beyond the scope of any normal human coping skills. skills. The resulting intergenerational conflicts, benign neglect, caregiver abuse, and costly remedial emergency intervention is a shameful indictment of the failure of public policy on this increasingly important issue.

The Association's Legislative Chairperson, Carl West, Director of the Aging Office in Mercer County, addressed this Committee at an earlier public hearing (August 4, 1986), at which time he conveyed the unanimous support of our Aging Network for additional in-home services and for improvements in the planning and delivery of community based services. We commend Senator Van Wagner,

2x

Senator Pallone, and the Aging Committee membership, for recognizing the need and for publicly confronting this difficult challenge.

We wish to offer some suggestions for improving this important legislation (S-2132), as both Senators Van Wagner and Pallone have indicated an openness to such suggestions.

First, the bill, as it is currently drafted, has the potential for compounding the inefficiencies of an already large and, sometimes, cumbersome bureaucracy. Our current delivery system operates under the aegis of at least three State agencies and, at the local level, County systems vary in organization and scope, but in few instances is the degree of coordination satisfactory. Where, for example, one County agency is designated, and authorized, to oversee the full range of in-home services, as in Union County, and to a lesser degree in Essex County, the incidence of duplication and service gaps are greatly reduced. We believe that designating home health agencies as "Partnership Centers" introduces a new and redundant administrative agent and, according to to the bill as drafted, ascribes to these "centers" functions now performed in most New Jersey counties by the Area Agency on Aging.

Second, while community-based care for the frail and incapacitated elderly population of our State is in need of your support, we urge that you look more closely at the existing programs and networks as the basis for any new legislative initiatives. For example, in Essex County, the Division on Aging now administers funds under the Older Americans Act, and the Social Services Block Grant, from the Division of Youth and Family Services, the New Jersey Commission for the Blind and Visually Impaired, and the New Jersey Division on Aging to provide in-home services to the frail elderly. We would be enthusiastic about working cooperatively with the certified home health agencies in our County to provide a more comprehensive service to a larger population in need. We would be astonished, however, to discover that a parallel planning and administrative mechanism was to be established in our County.

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We have, for more than a decade, worked at developing a coordinated and comprehensive system of community based services for older adults in Essex County; we have made slow, but steady progress. Any new legislative initiatives should build upon existing strengths, and should positively capitalize on proven systems, those already in place at the County level.

Third, in the interest of maximizing service dollars, we at the local level are intensely concerned about minimizing administrative costs. Clearly, to the extent that it is possible to do so, we believe the existing administrative apparatus should be utilized. We believe it would be wise to adopt a broader and more flexible approach to the designation of "partnership centers", and prevent unnecessary bureaucracy from incurring unnecessary costs.

We are confident that the lively and widely publicized debate surrounding your deliberation of S-2132 will produce a more responsive and efficacious piece of legislation.

Thank you.