

[ERRATA]
**NATURALLY OCCURRING RETIREMENT
COMMUNITIES: A MODEL FOR AGING IN PLACE**

HEARING
BEFORE THE
**COMMITTEE ON
HEALTH, EDUCATION, LABOR, AND
PENSIONS**
UNITED STATES SENATE
ONE HUNDRED NINTH CONGRESS
SECOND SESSION

ON
EXAMINING NATURALLY OCCURRING RETIREMENT COMMUNITIES AND
WHAT IMPACT THEY MAY HAVE ON THE ABILITY TO CREATE LIV-
ABLE COMMUNITY OPTIONS FOR ALL AMERICANS

MAY 16, 2006

Printed for the use of the Committee on Health, Education, Labor, and Pensions



U.S. GOVERNMENT PRINTING OFFICE

27-586 PDF

WASHINGTON : 2007

For sale by the Superintendent of Documents, U.S. Government Printing Office
Internet: bookstore.gpo.gov Phone: toll free (866) 512-1800; DC area (202) 512-1800
Fax: (202) 512-2250 Mail: Stop SSOP, Washington, DC 20402-0001

[ERRATA]

S. HRG. 109-599

The above referenced publication was inadvertently printed without the statement of the United Jewish Communities. The statement follows.

STATEMENT OF UNITED JEWISH COMMUNITIES

Introduction

United Jewish Communities and the Jewish Federations of North America are delighted that Chairman DeWine and Ranking Democrat Barbara Mikulski have scheduled today's Subcommittee on Retirement, Security and Aging hearing on lessons learned and best practices associated with the Older Americans Act NORC Supportive Services demonstration projects. We believe that the Older Americans Act reauthorization process provides a timely opportunity for Congress to consider the benefits of furthering NORC Supportive Service Programs in the face of a burgeoning older adult population. In this vein, we strongly support the subcommittee's pending consideration of a proposal to authorize a NORC grant and technical assistance initiative, as it looks to promote new and innovative ways to improve community planning and services programs in the field of aging.

United Jewish Communities' Involvement With NORC Supportive Service Programs

Developing solutions that enable seniors to remain living at home for as long as safely feasible, is in keeping with their preferences, promotes their physical and mental wellbeing, and is a promising solution to help deflect the significant financial costs of long-term care anticipated with the retirement of the 78 million Baby Boomers. This issue is an immediate concern of the Jewish community, which is presently aging at nearly twice the national average. As such, it is a top priority of United Jewish Communities—the umbrella organization of the Jewish Federations of North America (one of the Nation's major networks of non-profit community-based health and social service agencies).

United Jewish Communities has helped foster the development of NORC Supportive Service Programs throughout the Federation system as part of its responsibilities to promote innovation, best practices, and program opportunities among the system's health and social service providers. The NORC demonstration projects arose as an opportunity to test on a system-wide scale the applicability and adaptability of the NORC Supportive Service model first developed in New York by UJC's largest federation, UJA Federation of Jewish Philanthropies of New York. The New York model, introduced in 1985, has proven to provide a very practical infrastructure for serving the needs of the elderly who are living independently in naturally occurring retirement communities. NORCs are communities, housing developments, apartment buildings, and neighborhoods with high concentrations of older residents. The model now serves more than 40 sites in New York State, where greater than 50,000 older adults reside.

Since 2002, Congress has supported the establishment of more than 40 NORC demonstration projects in 25 states. These demonstrations enjoy bi-partisan support in both chambers of Congress. UJC provides these projects with technical assistance on program development; conducts annual meetings that bring the participating communities together for information exchanges and seminars on issues and subjects of mutual interest; represents the projects at regional and national conferences on aging; and is currently conducting an outcomes evaluation of the demonstrations to gauge the impact of the NORC Supportive Service model on reducing social isolation among participating older adults. Social isolation has been linked to adverse health outcomes, an increased risk of premature institutionalization, and its reduction is a common programmatic thread that links all of the NORC demonstrations together.

Public Policy in Support of the Establishment of an OAA-Authorized NORC Program

According to AARP surveys, more than 90 percent of older adults prefer to remain in their homes for as long as possible. This trend has led to many communities becoming Naturally Occurring Retirement Communities. AARP has reported that as many as 25 to 36 percent of seniors live in NORCs. This trend is here to stay as the majority of 45 and older Americans (almost 85 percent) also want to age in

place, according to AARP, and want to receive the services that will allow them to do so.

Interest in NORC programs as a strategy to promote aging in place is increasing, and the number of programs is growing. A study funded by the Robert Wood Johnson Foundation and conducted by the Florence Heller Graduate School of Brandeis University found NORCs provide singular opportunities to deliver health and supportive services cost-effectively; increase service availability; organize cooperative health promotion, crises prevention, and community improvement initiatives; and develop new human, financial, and neighborhood resources for the benefit of older residents. According to this study, with the older adult population expected to mushroom to 78 million (20 percent) of the U.S. population by 2025 (from 12.5 percent today), the number of NORCs is likely to grow significantly.

At a 2002 Senate Special Committee on Aging hearing on the impact of the baby boom generation on long-term care in America, David M. Walker, Comptroller General of the United States, testified that in coming decades the sheer number of aging Baby Boomers will swell the number of elderly with disabilities and the need for services—nearly quadrupling current spending for long-term care for the elderly by 2050. Given the anticipated increase in demand for long-term care services resulting from the aging of the baby boom generation, the Comptroller General recommended in his testimony that reform of long-term care financing should, in addition to traditional health care services, encompass services related to maintaining quality of life, preserving individual dignity, and satisfying preferences in lifestyle, including where one wants to live or what activities one wants to pursue. The NORC Supportive Services paradigm (conceptual framework) embodies these very goals.

At a May 17, 2005 Subcommittee on Retirement, Security and Aging hearing on Older Americans Act reauthorization, Assistant Secretary Josephina Carbonell testified that long-term care services in this country are out of sync with the needs and preferences of older Americans; there is a lack of integration of programs and services that has led to poor coordination and inefficiencies in the delivery of long-term care; and that the pending demographic expansion of the older population will drive the cost of long-term care to unsustainable levels. In light of this assessment, the Assistant Secretary further testified that the U.S. Administration on Aging has made central to its strategic mission:

- Increasing consumer choice in community-based services that enable older Americans to stay at home for as long as possible, maintain their independence, and ensure their quality of life;
- Improving efficiencies and integration in access to long-term care and, thereby, reducing service fragmentation;
- Engaging older adults in the planning and control of their own long-term care in order to maintain their health and reduce the risk of disease, disability and injury; and
- Promoting emerging solutions to respond to the challenges of escalating long-term care costs.

In concluding her testimony, the Assistant Secretary remarked that the NORC Supportive Service model affirms that older adults want to remain aging in place, and provides a “perfect” example of improved coordination of care and support that comes to bear on the quality of life of older Americans. We are pleased with this recognition, and agree that NORC Supportive Service programs are on point with the Administration on Aging’s central mission in that they:

- Organize and locate a range of coordinated health care and social services and group activities on site;
- Draw strength from partnerships that unite housing entities and their residents, health and social service providers, government agencies, and philanthropic organizations;
- Promote independence and healthy aging by engaging seniors before a crisis and responding to their changing needs over time;
- Provide seniors with vital roles in the development and operation of the program (both in governance and volunteer roles); and
- Fill the gaps (but do not duplicate) where Medicare, Medicaid, or Older Americans Act services are insufficient or inadequately coordinated.

Furthermore, at a February 14, 2006 hearing on Older Americans Act reauthorization held by the Senate Subcommittee on Retirement, Security and Aging, Jo Reed, AARP’s National Advocacy Coordinator for Federal Livable Communities and Consumer Issues, testified that AARP has taken great interest in Congress’ NORC demonstrations. She stated that there is an evolving awareness in the Aging Network that NORCs exist, and that we need to recognize the opportunities they

present to achieve economies of scale and bringing services to where people live and want to remain.

Conclusion

The Administration on Aging, the Comptroller General of the United States, and leaders in the Nation's Aging Network agree that there is a vital public interest in promoting and assisting greater and more effective options in the provision of community-based health and social services to older adults as a means to sustain and make more responsive the Nation's already-strained system of long-term care. In the face of the unprecedented and dramatic shifts in economic and social forces that are expected to occur with the rapidly expanding older adult population, the NORC Supportive Service model has resonance for its innovation and applicability to serve millions of older adults residing in thousands of communities across the country. Our community, whose demographic make-up serves as a bell-weather for the Nation's pending baby boom, strongly supports the establishment within the Administration on Aging a grant and technical assistance program to assist community-based, non-profit health and social service providers to develop and implement comprehensive and coordinated systems of health and social services targeted to serve older adults living in NORCs. Today's hearing is a timely step in this direction and we thank Chairman DeWine and Ranking Democrat Mikulski for scheduling the hearing, in conjunction with the subcommittee's consideration of its OAA reauthorization recommendations, including the possibility for the establishment of a NORC pilot and technical assistance program within the reauthorization package.

(United Jewish Communities (UJC) represents 155 Jewish Federations and 400 independent communities across North America. Through the UJA Federation Campaign, UJC provides life-saving and life-enhancing humanitarian assistance to those in need, and translates Jewish values into social action on behalf of millions of Jews in hundreds of communities in North America, in towns and villages throughout Israel, in the former Soviet Union, and 60 countries around the world.)