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California Commission on Aging

## AGEWATCH

## California poverty level increases with Census Bureau tests of Supplemental Poverty Measure

With testing of the Census Bureau's new Supplemental Poverty Measure (SPM), California tops the nation in the number of people living in poverty. According to the US Census Bureau, where the new measure was developed, nearly one-quarter of Californians live at or below the supplemental poverty line – up from the 16.3% figure established under official Federal Poverty Level (FPL) guidelines. The Bureau reports that the new formula had the largest impact in California, where the high cost of living takes its toll on those with limited incomes. Using the SPM, poverty rates in the nation's older adult population nearly doubles, jumping from 8.7% to 15.1%.

The Census Bureau developed the SPM in 2011 to provide a more accurate picture of poverty for use in assessing safety-net programs. Unlike the 50-year-old FPL, the SPM factors in living expenses and taxpayer-provided benefits that the official formula leaves out. It looks at broader data, including housing costs, child care, medical expenses and adjusts for income earned from federal assistance, such as school lunch subsidies and the earned income tax credit. The Census Bureau's report on the SPM is available at <http://www.scribd.com/doc/113302179/U-S-Census-Bureau-Supplemental-Poverty-Measure>. Information from *California has the highest poverty rate in the U.S., New Census Bureau report reveals*. Nov. 14, 2012 KPCC/AP report.

## Federal Government proposes rules to implement health care law

The Federal Department of Health and Human Services (HHS) has announced proposed rules to implement provisions of the Affordable Care Act (ACA) that will affect the delivery of health insurance across the nation. Acting on the heels of an election that signaled support for Health Care Reform, the Administration released proposed regulations that prohibit discrimination against consumers with pre-existing conditions, make it easier for the public to compare health plan offerings, and establish standards for essential health benefits.

According to the HHS announcement, Secretary Kathleen Sebelius reiterated the Administration's goal of "building a health insurance market that works for consumers." Secretary of Labor Hilda Solis pointed to the ACA provisions that help employers establish wellness programs in the workplace, noting that the program will benefit employers with healthier employees and lower costs.

Fact sheets on the proposed rules and other aspects of health reform are available at the HHS website at <http://www.healthcare.gov/news/factsheets/2012/11/ehb11202012a.html>.

*Information from Nov. 20, 2012 HHS Press Release (www.hhs.gov/news/).*

AGE WATCH is an occasional publication of the California Commission on Aging (CCoA) intended to inform, educate, and advocate. The CCoA is an independent state agency established in 1973 to serve as the principal state advocate on behalf of older Californians. The CCoA office is located at 1300 National Drive, Suite 173, Sacramento, CA 95834. (916) 419-7591

[www.ccoa.ca.gov](http://www.ccoa.ca.gov)

## Special legislative session on health care postponed 'til January

A special session of the Legislature to address health care reform has been postponed until January. As reported by the L.A. Times in August, Governor Brown called the special session for December to address the state's implementation of the federal 2010 Patient Protection and Affordable Care Act (ACA). Given the uncertainty surrounding the ACA's future prior to the outcome of the November election, the Brown Administration moved cautiously in approving a number of ACA implementation bills during the 2012 session, which ended in September. With the re-election of President Obama, the State can now move toward putting the necessary program components in place to prepare for the ACA's full enactment in 2014.

The one-month postponement of the special session is not expected to have any impact on the health reform bills' fate or their implementation, given that special session bills become effective 90 days after they are signed. The Health and Human Services Agency announced the new special session start date last week. The change moves the special session to run concurrently with the start of the 2013-2014 regular legislative session, when Legislators will be back in their Capitol offices.

Information from *Brown to call special legislative session on healthcare law*, August 18, 2012 by Anthony York, Los Angeles Times and *Rescheduling Special Session in January Shouldn't Change Discussion*, November 28, 2012, by David Gorn, California Healthline Capitol Desk.

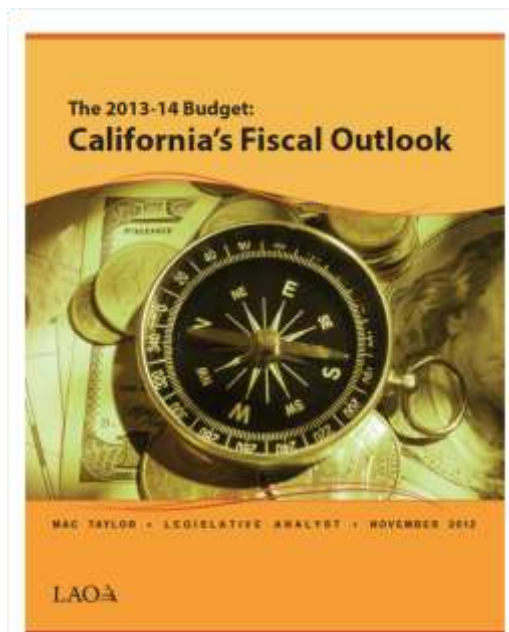
## November forecast shows shrinking deficits for California budget

A smaller deficit and rising revenues are projected in the latest State Budget outlook from California's non-partisan Legislative Analyst's Office (LAO). The projected \$1.9 billion shortfall through June 2014 is a fraction of the \$25 billion deficit the state faced in 2010. The LAO's annual budget forecast, *2013-14 Budget: California's Fiscal Outlook*, attributes the remaining deficit to higher-than-anticipated spending and less revenue than expected from redevelopment. The LAO credits the reduced amount of debt to "(t)he state's economic recovery, prior budget cuts, and the additional, temporary taxes provided by Proposition 30."

Following years of cuts to the state's safety net programs, the new projection is positive news for California's older adults, persons with disabilities, and the poor. While advocates don't expect to see the restoration of recent cuts to critical programs, the forecast implies that further cuts are unlikely.

The full LAO report, *2013-14 Budget: California's Fiscal Outlook*, is available at <http://www.lao.ca.gov/laoapp/main.aspx>

Information from *California faces \$1.9 billion deficit*, November 14, 2012 Sacramento Bee and *California's Budget Situation has Improved Sharply*, November 14, 2012 California Healthline.



## U.S. Senate Aging Committee studies financial elder abuse

The epidemic of elder financial abuse was the focus of a recent hearing of the Senate Special Committee on Aging. Convened by Chair Herb Kohl (D- Wisconsin), the Committee reviewed the growing rate of financial abuse against vulnerable older adults, and the skyrocketing costs to the victims. Kohl noted that one out of every five older adults are victims of financial scams, at a cost of about \$2.9 billion annually.



Senate Aging Committee Chairman  
Herb Kohl

Panelists at the hearing included Hubert "Skip" Humphrey III, Assistant Director of the Office of Older Americans with the Consumer Financial Protection Bureau and Kay Brown, Director of Education, Workforce & Income Security with the Government Accountability Office (GAO) who highlighted new programs that are being implemented to prevent elder financial abuse. Ms. Brown shared the findings of a new GAO report, *Elder Justice: National Strategy Needed to Effectively Combat Elder Financial Exploitation*, which describes what the federal government can do to help states combat financial exploitation.

To view the November 15 hearing or download panelists statements, go to [www.aging.senate.gov/](http://www.aging.senate.gov/). The GAO report is available for download at <http://www.gao.gov/products/GAO-13-110>

Excerpted from *Kohl Urges Action on Combating Elder Financial Abuse*, Senate Special Committee on Aging press release. November 15, 2012.

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## Low-Income Energy Assistance at risk from potential sequestration cuts

There's good news and bad for seniors who depend on the Low Income Home Energy Assistance Program (LIHEAP) to heat their homes this winter. The U.S. Department of Health and Human Services has released \$3.068 billion in LIHEAP funding through March. The amount represents 90 percent of the full year's funds for states, tribes and territories -- a higher proportion than is typically made available in the initial allocation.

The allocation gives States more certainty to plan for their upcoming heating season while allowing Congress flexibility in setting its final funding level for the program, as required by the continuing resolution that temporarily funds federal programs. But if sequestration takes effect on January 2, the program would lose \$285 million, leaving 290,000 households without heat. Without Congressional action to fill a \$1.2 trillion budget shortfall before the end of the year, across-the-board spending cuts will affect almost all federal programs.

LIHEAP is one of the federal government's critical safety-net programs, providing important help to seniors and families struggling to make ends meet. LIHEAP assistance can help a household avoid having its utilities shut off or can help a household reestablish service after a disruption. LIHEAP also can help pay on-going heating and cooling costs, assisting those who may have a hard time paying utility bills and meeting other basic household expenses such as food, prescriptions, rent, or child care. In addition, LIHEAP helps some households by weatherizing their homes, making them more energy efficient. To learn more about LIHEAP, go to <http://www.acf.hhs.gov/programs/ocs/news/liheap-fact-sheet>.

Excerpted from *NCOA Week*, Nov. 27, 2012

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## Latest challenge to CBAS implementation denied

A lawsuit challenging the Department of Health Care Services' implementation of the new Community Based Adult Services (CBAS) program was denied last week in federal court. The November 20<sup>th</sup> ruling rejects all assertions by Disability Rights California, which filed the motion that charged the Department with failure to comply with terms established in the Adult Day Health Care Settlement agreement reached in 2011.

The court found that the Department had complied fully with the settlement agreement and acted in good faith in the transition of Adult Day Health Care programs to CBAS. Disability Rights California has until Friday November 30<sup>th</sup> to file an appeal. To read more, go to: <http://www.californiahealthline.org/capitol-desk/2012/11/judge-denies-adult-day-services-motion.aspx#ixzz2DXU14Xyx>

Information from California Healthline, *Advocates' Challenge to Adult Day Process Denied*, Tuesday, Nov. 27, 2012

## ACL awards Elder Abuse prevention grants

The UC Irvine Center of Excellence on Elder Abuse and Neglect is one of 8 recipients nationwide to receive Elder Abuse Prevention Interventions Program funding from the federal Administration for Community Living. Developed to help implement the Elder Justice Act, the program will fund development and testing of interventions to prevent elder abuse, neglect, and exploitation. Recipients from five states and three Native American tribal organizations won the funding for their innovative prevention proposals that draw on existing research and promising practices.

UC Irvine established the **country's first** elder abuse forensic center in 2003 and serves as a model for other forensic efforts. The center brings together legal, medical, social services and law enforcement experts to better understand, identify and treat elder abuse; help prevent it; and determine more efficient ways of successfully prosecuting cases. The UCI Center of Excellence also serves as a clearinghouse for information, training and technical assistance, as well a useful research and relevant policy issues in California. To learn more about the UCI Center of Excellence on Elder Abuse and Neglect, visit <http://www.centeronelderabuse.org/>

Information from ACL New and Information, November 5, 2012, Administration for Community Living.

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### ***Upcoming Events***

December 3, 2012 -- Legislature reconvenes for the 2013-2014 Session

December 4-5, 2012 -- Joint meeting of the California Commission on Aging & State Independent Living Council, Long Beach Renaissance Hotel. [www.ccoa.ca.gov/meetings\\_agendas.htm](http://www.ccoa.ca.gov/meetings_agendas.htm) for agenda.

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