



NEW YORK STATE SENATOR

Diane J. Savino

Idc Release Extensive Report Highlighting the Rising Living Costs Facing New York Seniors and Outlines Senate Budget Proposals to Help Make New York More Affordable

DIANE J. SAVINO March 19, 2014

INDEPENDENT DEMOCRATIC CONFERENCE RELEASE EXTENSIVE REPORT HIGHLIGHTING THE RISING LIVING COSTS FACING NEW YORK SENIORS AND OUTLINES SENATE BUDGET PROPOSALS TO HELP MAKE NEW YORK MORE AFFORDABLE

Senate Budget Plan Provides Financial Relief Measures that will Expand Prescription Drug Coverage, Implement a Paid Family and Caregiver Leave Program, and Protect Seniors from Crushing Utility Rate and Rent Increases

ALBANY, NY – Today, members of the Senate’s Independent Democratic Conference unveiled a comprehensive report documenting the dramatic rising in living costs facing New York seniors. The report also lays a series of concrete proposals that would lower these costs and make New York more affordable for seniors and families. Among the IDC’s proposals are initiatives aimed at lowering the cost of prescription drugs for middle class seniors,

establishing the Office of a Consumer Advocate to protect seniors from rising energy costs, and freezing rent payments for middle-income seniors across New York.

All of the IDC's proposals, which were signature issues in their Affordable NY policy agenda, were included in the senate one-house budget resolution that passed the chamber last week.

“This report drives home a very simple truth—New York is becoming too expensive for our seniors and they cannot afford to wait a moment for real solutions. By freezing rents, lowering the costs of prescription drugs, and protecting seniors from unnecessary utility rate hikes, our Affordable New York plan offers the right solution at the right time for our seniors. We included these proposals in our budget resolution. Now it's time to get them done for our seniors” said Senator Co-Leader and Independent Democratic Conference Leader Jeff Klein.

Senator David Valesky (D-Oneida), Chair of the Senate Aging Committee, said: “In my role as Chair of the Aging Committee, I am immensely dedicated to protecting all seniors in New York State, providing them the continuous support that they deserve. As part of our Affordable New York plan, the IDC has outlined several initiatives to make New York State more affordable for our seniors. Last week we passed a Senate budget resolution that supports these efforts by creating and expanding programs like EPIC that we know matter most to New York State seniors.”

EPIC Expansion

The IDC survey found that while 70% of respondents are currently living on fixed incomes, nearly one-third (29%) of seniors spend \$50 - \$100 per month on prescription drugs. In 2012, prescription medication prices rose 3.6%, twice the 1.7% inflation rate, according to the Bureau of Economic Analysis.

In order to help seniors afford these costly prescription drugs, the IDC called for a major expansion of the successful Elderly Pharmaceutical insurance Coverage program, or EPIC. This program assists more than 270,000 income-eligible seniors age 65 and older to supplement their out of pocket Medicare Part D drug plan costs. Currently, EPIC is available to these residents who earn up to \$35,000 for single seniors, and \$50,000 in joint income for married individuals.

Under the IDC plan, EPIC would expand to include individuals earning up to \$75,000 and couples making \$100,000. The proposal would also eliminate social security income from EPIC eligibility determinations. The senate's proposed expansion of EPIC eligibility would come at a cost of only \$2 million.

Rent Freezes for Seniors

Due to rising rent costs, many seniors are facing the prospect of losing their homes. According to New York City's Housing Vacancy data, there are 90,000 older New Yorkers paying 40-50% or more of their income in rent. For that reason, IDC is proposing a \$5 million expansion of the Senior Citizen Rent Increase Exemption (SCRIE), which will increase the income eligibility threshold to \$50,000 and help thousands of seniors living in some of New York's most expensive counties.

Establishing the Office of a Consumer Advocate

As the report illustrates, the rising costs of utility bills is rapidly making gas and electricity unaffordable for too many New York seniors. According to the IDC survey, 67% of seniors spend more than \$200 per month of utilities (i.e. water, cable, gas electric), yet 68% of seniors are not familiar with how utility rates are set. This disconnect causes added confusion and frustration to many renters and homeowners who rely upon affordable energy costs.

The IDC thus calls for the creation of a Statewide Consumer Advocate Office to help protect seniors in rate proceedings and demand greater representation before the Public Service Commission. In doing so, this would adhere to the guidelines and recommendations already outlined in the Governor's Moreland Commission on Utility Storm Preparation and Response report while mitigating future rate increases for all New York residents. The IDC's survey found that 93% of seniors supported this proposal, which has generated millions of dollars in savings in other states.

Paid Family and Caregiver Leave

According to a recent AARP survey of New Yorkers over 50, over a third of individuals are providing or previously provided care to a senior, which ultimately affects monetary expenses. Family caregivers are at the forefront of providing quality care, with only 11% of the elderly receiving care in nursing homes or assisted living facilities; compared to 58% who live in their own homes and 20% living with a caregiver.

In response, the IDC has proposed a Family Leave Insurance benefit for New Yorkers who provide care for their parents, grandparents or in-laws. The plan would help alleviate this by extending 6 weeks of Family Leave benefits to New Yorkers on a sliding scale, offering a replacement wage that would raise the maximum weekly benefit for individuals who cannot work. In addition, the IDC is committed to fight for additional funding in this year's state budget for Community Services for the Elderly (CSE) to the tune of \$5 million in fiscal year 2014-15.

Fully Funding Community Services for the Elderly

The IDC is fully aware of the issues facing family caregivers and the critical services that they provide. According to the New York State Office for the Aging (SOFA), unpaid caregivers

provide the majority of all long-term services to older adults and individuals with disabilities. Without these services, it is estimated that over 50% of older residents would likely be placed in institutional settings and would result in additional taxpayer liability through Medicaid programs. At the same time, our state ranks 48th in the nation in providing support to the over 4 million unpaid caregivers who deliver an estimated \$32 billion per year in care, according to a report backed by AARP.

In order to support our caregivers, the IDC is committed to including additional funding in this year's budget for cost-effective services under SOFA's Community Services for the Elderly (CSE) program. As such, the IDC is fighting to include \$5 million in additional funds for the fiscal year 2014-15 year for CSE funding to better ensure seniors' independence, protect taxpayer dollars, and ensure more access to services.

Lowering the Cost of Driver's License Renewals

The budget package would also reduce the cost of driver's license renewal for senior citizens by 10%. The IDC fiscal analysis determined that this benefit would only cost taxpayers \$1,721,250 in Fiscal Year 2014-15 and helping to absorb this financial burden for seniors on limited fixed-incomes.

"As the Baby Boomer generation continues to grow our senior population, we must take proactive steps to ensure that New York State remains affordable for the individuals who

have helped to shape our communities,” said Senator Diane Savino (D-Staten Island/Brooklyn). “The steps outlined in our Affordable NY plan that were included in last week’s Senate budget resolution are a win for all generations of New Yorkers.”

“Affordable NY lays out a definitive approach of how to make our state more affordable for working families, especially our seniors,” said Senator Tony Avella (D-Queens). “I have long been an advocate for our seniors, and was proud to see initiatives from Affordable NY and issues that matter most to me, included in last week’s Senate budget resolution. I personally championed an initiative in our budget resolution that will provide a 10% reduction in the cost of driver’s license renewals for senior citizens, encouraging a sense of freedom that is very valuable to our seniors.”

"Seniors deserve to live their golden years in comfort, not in poverty," said Senator David Carlucci (D-Rockland/Westchester). "Thanks to common sense plans outlined in our Senate Budget resolution, seniors can continue to afford the American dream and live during their retirement in comfort. I look forward to working together with my Senior Advisory Task Force and my colleagues in Albany to continue to protect the high quality of life our seniors deserve."

“AARP commends Senator Klein for his leadership and the IDC for their support on crucial issues impacting older New Yorker's kitchen table economies across the state," said Beth Finkel, State Director for AARP in New York State. "From taking a step towards creating a utility watchdog to help consumers fight unfair rate hikes to helping older New Yorkers

better pay for high prescription drug costs and afford their housing, and moving to cut waiting lists for home and community based services." "AARP strongly believes this agenda should be part of a final budget deal to make our state a better place to live, work and age for all New Yorkers."

"We commend the Senate for supporting elder New Yorkers by expanding EPIC eligibility and by proposing an additional \$5 million for the Community Services for the Elderly (CSE) program," said Laura Cameron, Executive Director of the Association on Aging in New York. "Every day seniors and their caregivers reach out to local offices for the aging for information, assistance and services. The demand for services continues to escalate, fueled by a growing senior population. The additional CSE funds will address areas of greatest need within communities, including in-home personal care, transportation to medical appointments, and nutritious meals. Enhancing these vital services will make it possible for more New York residents to remain in their homes and communities as they get older. That's good for them - and it's good for New York."

"Lifespan is committed to making the golden years of New York's older adults the best they possibly can be," Ann Marie Cook, President & CEO of Lifespan said. "The Senate Majority Coalition's one house budget reflects those same priorities. On behalf of the tens of thousands of older adults Lifespan services every year, I want to thank Senator Klein for his leadership on issues impacting them and their family members. From Elder Abuse funding, funding CSE and expanding EPIC, the Senate Majority Coalition is at the forefront fighting for our older adults."

Maria Alvarez, Executive Director of NY StateWide Senior Action Council, said: "We thank the members of the IDC for these cost saving issues in the Affordable New York's budget proposals. Older New Yorkers, living on fixed incomes, are constantly grappling with the rising costs of food, heating and other utilities, housing, healthcare and prescription drugs. These budget proposals will help seniors continue to live productive lives with dignity in their homes and communities."

Igal Jellinek, Executive Director, Council of Senior Centers and Services, states, "On behalf of the thousands of older New Yorkers who struggle to age in place with dignity in their homes, Council of Senior Centers and Services applauds the Senate for including a package of programs protecting senior citizens. Increased funding for the Community Services for the Elderly program begins to eliminate waiting lists statewide for services such as meals-on-wheels, case management, and transportation to doctors and supermarkets. This is vital to allowing seniors to remain home while also supporting family caregivers. Enhancing affordability of basic living costs for tens of thousands of seniors living on a fixed income through the establishment of a consumer advocate to ensure utility rates are fair and affordable, expansion of the EPIC drug prescription program and the SCRIE rent subsidy program are right on target. These are all sound investments towards New York remaining affordable and providing a better quality of life for older New Yorkers."