



WEB Master — pro bono
SeniorsResourceGuide.com
Karin Hall 303-794-0799

Chairman

Bob Epstein
303-470-0438

President

Ed Shackelford
720-353-3775

Treasurer

Karen Brown
303-432-2311

Secretary

Karin Hall
303-794-0799

Immediate

Past President

Michael Drake
303-862-8555

**Board Members
at Large**

Ky Agnew
303-233-3122

Seth Greiner
720-369-1665

Jeanette
Hensley
303-249-5598

Rich Mauro
303-480-6778

Harvey
McWhorter
720-275-5746

Anne Meier
303-722-0300

John Stoffel
303-757-6302

Strategic Action Planning Group on Aging

The "Strategic Action Planning Group on Aging" was authorized by HB15-1033. The legislative declaration acknowledges the historic demographic shift that has already begun and will continue over the next fifty years as the percentage of Colorado's population fifty years of age and older increases rapidly and significantly. (Section 3403 defines "older adult population" as fifty years of age and older.)

The Colorado Senior Lobby (CSL) considers this to be important and necessary legislation to prepare the state for the anticipated increase in the older population.

This legislation was the direct result of strong leadership by Rich Mauro, one of our Directors and Chairman of our Legislative Committee.

Rich's primary job is Senior Policy and Legislative Analyst for the Denver Regional Council of Governments (DRCOG). One of their important programs is the management of the Area Agency on Aging for 8 counties in the metro Denver area. By their nature, the Area Agencies on Aging offer an important "boots on the ground" perspective for the needs of the aging population, and for programs and support services that are cost effective. So the impact of the aging population is very important to Rich and to DRCOG.

We are also honored that **Karen Brown, a Director and Treasurer of CSL** is a member of the Planning Group and one of 5 members of the executive committee.

The Colorado Senior Lobby is committed to providing support to the Planning Group, to do all that we can to assure that this effort will be successful and provide clear direction for the state and local governments and the public and private sectors over the next 15 years, and beyond. We encourage all our members and all other interested parties to monitor the Planning Group and make suggestions and participate whenever the opportunity arises.

Reproduction of newsletter provided by Ed Shackelford, REALTOR®: Real Living CO Properties 720-353-3775 National Award Winner, Premier Service

Reflections by Rich Mauro:

This Planning Group represents at least 15 years of effort to bring to the forefront issues around the impact of an aging population. In 1999 the Area Agencies on Aging (AAA) were experiencing increasing requests for services, which combined with stagnant funding were creating funding shortfalls. The AAAs fund programs and services such as Meals on Wheels, Transportation Assistance, Long Term Care Ombudsman and several other important programs designed to assist older adults to live independently in the setting of their choosing as long as possible. The projected demographics of an older population were becoming more indicative that the state could expect this problem for a long time.

DRCOG took a leadership role as part of a coalition of advocates (that included AARP Colorado and the Colorado Association of Area Agencies on Aging) committed to supporting legislation and public policy that recognized the increasing need for funding. The coalition had success at the Capitol from 2000 to 2008 in obtaining increased funding for AAA services. But most of that funding was inconsistent, and especially during the two recessions, it became difficult to preserve those funding increases.

Yet, the demand for services continued to grow, even as there had been no increase in funding from 2008 to 2013. Over this time it also became apparent that the state needed a clearer picture of the impact of the projected demographics and needed a plan for it. There was an early attempt to have the state develop a strategic plan for aging in 2010.

Representative Jim Riesberg introduced HB 10-1053 as a directive to the Department of Health Care Policy and Financing (HCPF) to do a study of Alternative Care Facilities (a type of assisted living that cares for seniors with greater needs). He accepted an amendment Rich proposed to direct the Colorado Department of Human Services (CDHS) to prepare a strategic plan on aging for state government. But the study never occurred. Because it was during the recession, no money was appropriated for the study and no outside funding was forthcoming.

In the years 2013, 2014 and 2015 the coalition of advocates convinced the legislature to provide additional funding each year for the Area Agencies on Aging. During this time it began to crystalize even more that the aging population would continue to have a significant impact on the state budget through 2030 and beyond.

LEGISLATION BEGINS WHEN THE FEAR OF DOING NOTHING AT ALL FINALLY TRUMPS THE TERROR OF DOING IT BADLY, OR NOT AT ALL. Paraphrased from Alain De Botton, author

At the same time, there was a realization that the increasing older population also impacts local governments and the private sector. Rich observed DRCOG Executive Director Jennifer Schaufele promoting integration of aging issues into DRCOG's regional planning. This led to a very successful program DRCOG implements with its member local governments named the "Boomer Bond." More and more local governments in DRCOG's region are signing up to participate.

Also during the last few years, the importance of data quantifying the impact of the growing older population on state and local government began to gain attention in projections regarding the allocation of public resources. In particular, work by the State Demographer, the Colorado Futures Center at Colorado State University, and The Bell Policy Center demonstrated the significance of this unprecedented demographic shift.

All this contributed to an "AHA" moment!

During the 2014 legislative session Rich had conversations with the senior management of Colorado Department of Human Services about resurrecting the concept of a strategic plan. The Department decided against legislation, and instead initiated a process with the Commission on Aging that culminated in the preparation of the "Colorado Aging Framework." This was an important step forward, but it had become clear it was necessary to have an even more COMPREHENSIVE approach, even more inclusive than just state department input. The new approach would include input from local governments, employers, and other providers and users of services.

Shortly after the end of the 2014 legislative session, Rich convened a core group of advocates to start the process of "planning the plan". This included both consideration of short-term funding and long-term strategic planning options. Kelli Fritts of AARP Colorado and Bob Semro of The Bell Policy Center became key leaders of this emerging coalition.

By the fall of 2014, Rich, Kelli and Bob set about finding sponsors, drafting the bill (primarily Bob) and building a coalition of support.

Those involved, were surprised (even amazed) at all the support there was for the concept and the subsequent bill. It was said, "People literally came out of the woodwork."

Most legislators also recognized it was time to get serious about this issue. The result — bipartisan support in both houses. Special credit goes to the legislation's primary sponsors: Representative Primavera (D-Broomfield) and Senator Crowder (R-Alamosa).

So now there is a Strategic Action Planning Group on Aging.

The planning group has a rare opportunity to be part of something special — dramatically improving the Quality of Life for all Coloradans — by addressing the challenges and opportunities presented by the aging population.

**Visibility — Education — Action — Implementation:
all based on reliable data, and community input.**

This will be a long-term effort. There will be short and long term actions, and strategies to implement over the next five years, and beyond. There must be a commitment to continue the efforts of the Strategic Action Planning Group on Aging beyond its final report, which will be submitted in November 2016.

Data Analysis [Section 3406 (1)(c)]

The Strategic Action Plan must include the following areas of data analysis:

- *statewide and regional demographic analysis of Colorado's older adult population;*
- *analysis of the impacts, both positive and negative, of the demographic shift on the state economy and workforce participation;*
- *analysis of the impacts, both positive and negative, of the demographic shift on state and local revenues including income, sales, and property tax;*
- *projected effects of the demographic shift on state and local revenues and identification of possible revenue shortfalls;*
- *projected state budget impact of the demographic shift on Colorado's Medicaid Program;*
- *projected state budget impact of the demographic shift on other state departments and programs;*
- *analysis of the financial security of Colorado's older adult population that are in or approaching retirement in order to determine projected future demand on Medicaid and other state-funded safety net programs;*
- *analysis of the retirement savings gap and retirement security for the state's older adult population;*
- *analysis of projected cost trends of private long-term care, services, and supports;*
- *analysis of the number of persons in the older adult population who would benefit from receiving additional community-based services and the types of services and supports required for members of this population to remain in their own residences and communities for as long as possible;*
- *analysis of any federal spending actions relative to Medicaid, Social Security, Medicare, and other federal programs the Planning Group considers relevant and the effect on General Fund expenditures and reserves as well as nonrelated state expenditures;*
- *analysis of existing and proposed private sector initiatives to address retirement preparedness and long-term care, services, and supports for the older adult population; and*
- *economic impact of caregiving on Colorado families, businesses, and the state economy.*

Actionable Recommendations [Section 3406 (1)(d)]

Recommendations shall include at least:

- options to address the long-term impact of the demographic shift on Colorado citizens, state government, and the private sector;
- options to address disproportional regional demographic shifts in older adult populations;
- options to improve financial security and retirement preparation for the older adult population;
- recommendations to enhance access to services and public education on aging issues;
- options to strengthen and improve service quality and infrastructure for long-term services and supports to better enable the services and supports to meet future demand;
- options to reduce administrative and service delivery costs of public and private long-term services and supports while maintaining service quality;
- administrative and regulatory reforms needed to more cost-effectively organize state agencies to implement state programs and services;
- private sector options for state-based long-term care, services, and supports;
- options to extend and improve other services and supports that would allow individuals to remain in their residences and communities for as long as possible;
- options to improve the accessibility and sustainability of affordable housing and transportation services;
- options to improve caregiver supports and mitigate both the financial and non-financial impacts of caregiving on patients, caregivers, businesses, and the state;
- projections on the economic, fiscal, and personal impacts of implementing or not implementing the recommendations. This analysis should also consider the non-financial and quality-of-care impacts of the recommendations on Colorado's long-term care, services, and supports, healthcare infrastructure and workforce; aging, and caregiver populations;
- possible legislation for consideration by the General Assembly in order to implement the planning group's recommendations and achieve its stated goals; and
- possible regulatory changes to be offered to state departments in order to implement the Planning Group's recommendations and achieve its stated goals.

SAVE THE DATE

***SENIOR DAY
AT THE CAPITOL***

***WEDNESDAY
MARCH 30, 2016***

DETAILS WHEN AVAILABLE

This newsletter is intended for entertainment purposes only. Credit is given to the authors of various articles that are reprinted when the original author is known. Any omission of credit to an author is purely unintentional and should not be construed as plagiarism or literary theft. Copyright© 2015 Colorado Senior Lobby. This information is solely advisory, and should not be substituted for legal, financial or tax advice. Any and all financial decisions and actions must be done through the advice and counsel of a qualified attorney, financial advisor and/or CPA. We cannot be held responsible for actions you may take without proper financial, legal or tax advice.

Colorado Senior Lobby
P. O. Box 102662
Denver, CO 80250-2662

*The ultimate folly is to think that
something crucial to your welfare is being taken
care of for you.*
—Robert Brault, American operatic tenor

“Healthy citizens are the
greatest asset any
country can have.”
— Winston Churchill

Go Green:

Recycle This Newsletter!

After you've enjoyed our newsletter,
please recycle it by passing it along
to a family member, friend, neighbor
or coworker.

Colorado Senior Lobby — Nonprofit, non-partisan, volunteer organization

MEMBERSHIP: Single \$30 Family \$40 Organization \$75 \$ _____

Organizations: Attach three names and contact information

Additional contribution to support our vision for seniors' quality of life \$ _____

Total (This payment is not tax deductible) \$ _____

Name/Business/Organization: _____

Address: Street _____

City _____ State _____ Zip Code _____

Phone: Home _____ Business _____

Cell: _____ Email Address: _____

Circle one: **BILL ME** or **CHECK ENCLOSED** — payable Colorado Senior Lobby

P. O. Box 102662, Denver, CO 80250-2662 DATE: _____

Newsletter by **EMAIL** or **SNAIL MAIL**

Join or renew your membership online at coloradoseniorlobby.org

Regarding: Federal Cost of Living Adjustment – COLA, Medicare Part B premium increase, and Medicare Part D premium increase

Jeanette Hensley October 20, 2015 Director – Colorado Senior Lobby

Medicare enrollees are facing a 13 percent increase in health care premiums this coming year, and there will not be a Cost of Living Adjustment (COLA) for Social Security in 2016. We have all heard these announcements in the media, but what can we do to make changes? We can talk to our elected officials about making changes and introducing and supporting legislation to protect seniors and individuals with disabilities from having to pay more for health care while receiving less money.

The Social Security COLA is based upon the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). There was no increase in the CPI-W from the third quarter of 2014 to the third quarter of 2015. Therefore, under existing law, there can be no Social Security COLA in 2016.

The Department of Health and Human Services recently announced that the Medicare premium for part B in 2016 will be \$159.30; this is a 52% increase. Part B covers your out-patient care such as doctor visits, physical therapy visits, lab, xray, and specialty care. With this increase in the Medicare Part B premium, the law contains a “hold harmless” provision that protects approximately 70 percent (about 7 million) of Social Security beneficiaries from paying a higher Part B premium, to avoid reducing their net Social Security benefit. Those not protected under the “hold harmless” provision include higher income beneficiaries who have an income-adjusted Part B premium and newly enrolled beneficiaries in 2016. In addition, beneficiaries who have their Medicare Part B premiums paid by state medical assistance programs (Medicaid) will see no change in their Social Security benefit. The state will be required to pay any Medicare Part B premium increase. The chart below shows the cost for Part B premium for higher wage earners for 2016.

Table 1. Income-Related Medicare Part B Premiums

	Income thresholds				
Single	<\$85,000	\$85,000-\$107,000	\$107,000-\$160,000	\$160,000-\$214,000	>\$214,000
Married	<\$170,000	\$170,000-\$214,000	\$214,000-\$320,000	\$320,000-\$428,000	>\$428,000
2015	\$104.90	\$146.90	\$209.80	\$272.70	\$335.70
2016 - Held harmless	\$104.90				
2016 - Not held harmless	\$159.30	\$223.00	\$318.60	\$414.20	\$509.80

Sources: Centers for Medicare and Medicaid Services (2015a, b).

In addition to the Part B premium increasing enrollees in stand-alone Medicare Part D plans are projected to face an average 13 percent increase in premiums if they remain in their current Part D prescription plan for 2016.

The Kaiser Family Foundation reviewed the Medicare Part D prescription plans for the coming year and found that the average beneficiary will have a choice of 26 stand-alone Part D drug plans, down from 30 last year. If you stay in the same plan that you are enrolled in, next year, the average premiums are projected to rise to \$41.46 per month, up from \$36.68 this year. Many enrollees have access to plans that could lower their premiums or reduce their total drug costs. It is important for you to review your Part D plan during the open enrollment period from October 15, to December 7.

Other changes coming for 2016 could result in Medicare enrollees paying more out of pocket to fill their prescriptions. For instance, more than half (53%) of stand-alone Part D (prescription) plans will require enrollees to meet the standard Part D deductible, the largest share to impose the maximum allowable deductible since the start of the program. (The standard deductible will be \$360 in 2016, up from \$320 this year).

Rising drug costs pose serious threats to Medicare enrollees. According to the Centers for Medicare and Medicaid Services (CMS), total Medicare Part D prescription costs per capita grew by almost 11 percent in 2014, driven mostly by high-cost specialty drugs. Spending for specialty prescription drugs rose 30 percent in 2014. Approximately half of all specialty spending occurs under the Part B medical benefit rather than the pharmacy benefit because many specialty drugs are administered by physicians. As a result, this hike in specialty drug spending threatens to drive up Medicare part B as well as Part D spending.

To make matters worse, generic drug prices are rising as well. Many drugs that have been historically inexpensive have seen significant price increases in recent years. According to an analysis by pharmaceutical economics blog Drug Channels, nearly half of all retail generic drugs became more expensive from November 2013 to November 2014. Some generic prices increased tenfold during this period.

So what can we do, we can write to our congressional members and ask them to endorse S. 2023, "The Prescription Drug Affordability Act." This bill helps to reduce the abruptly rising drug costs, which threatens access to affordable prescriptions.

To address rising prescription drug prices, this bill:

- ✦ instructs the Secretary of Health and Human Services to negotiate drug prices under the Medicare Part D prescription drug program. According to one estimate this could save the federal government as much as \$541 billion;
- ✦ allows individuals, pharmacists, and wholesalers to import prescription drugs from licensed Canadian pharmacies;
- ✦ requires manufactures to provide a rebate to the federal government for drugs covered under Medicare Part D for low-income Medicare beneficiaries;
- ✦ requires generic drug manufacturers to pay an additional rebate to Medicaid if their drug prices rise faster than inflation;
- ✦ closes the Medicare Part D donut hole for brand and generic drugs by 2017, three years earlier than under current law; and

prohibits anti-competitive arrangements between brand and generic drug makers where the brand name drug manufacturers pays the generic manufacturer to delay bringing their generic alternative to market.

Colorado Senior Lobby is in support of helping to reduce health care costs for all seniors and individuals with disabilities. It is imperative that members of Congress address this issue of rising health care and prescriptions costs. Therefore, we are asking you to contact your Congressional Member and ask them to help reduce health care costs for all.

References:

Georgetown University and the Kaiser Family Foundation; National Committee to Preserve Social Security and Medicare; Forbes Investing; Centers for Medicare and Medicaid (CMS); Drug Channels