

Senate Aging and Youth Committee

Tuesday, March 10, 2009, at 11:00 a.m.

Nomination of John Michael Hall as Secretary of Aging

Chairwomen Vance and Washington and Members of the Committee, good morning. It is my privilege to be here today as you consider my nomination to be Secretary of the Pennsylvania Department of Aging.

Last fall, I was appointed by Governor Rendell to serve as Acting Secretary of Aging, where I currently oversee a wide range of programs, services and benefits designed to address the needs of older Pennsylvanians, including the PACE and PACENET prescription assistance programs, family caregiving, transportation, home- and community-based services, Alzheimer's programs, health and wellness education, senior community centers, nutrition programs, adult day services and protective services for older people at risk of abuse or neglect.

Funding for the Department's programs comes from the Pennsylvania Lottery (the proceeds of which are dedicated to meeting the needs of senior citizens), the General Fund, the Tobacco Settlement Fund, Medicaid and the federal Administration on Aging. Many of these services are provided through the state's 52 Area Agencies on Aging.

I've spent most of my career working with senior citizens and issues related to long-term care, starting as a young intern in a legal aid office, then as a senior citizen attorney circuit riding throughout a rural three-county region for an Area Agency on Aging and, later, as State Long-Term Care Ombudsman.

Before joining the Rendell Administration, I served as Commissioner of the Department of Social Welfare in Vermont (then known as PATH) and, subsequently, Deputy Commissioner for Health, Integrated Access & Strategy in the Maine Department of Health & Human Services. Over the course of nearly 15 years of service in state government, I have had the privilege of serving four Governors in three states in a variety of executive-level positions at Maine's Department of Health & Human Services, Vermont's Agency of Human Services and the Department of Aging & Disabilities in Vermont.

In January 2007, Governor Rendell asked me to lead the newly created Office of Long-Term Living (OLTL), a joint deputation that bridges Pennsylvania's Department of Aging and the Department of Public Welfare. Over the past two years, I have worked with the executive staff of both OLTL and the Department of Aging to create a new organizational structure equipped to meet the demographic challenges that lie ahead, one that emphasizes customer service and responsiveness, which eliminates territoriality, duplication and bureaucracy.

Further, I have sought to create a healthy organization with a culture that emphasizes fresh thinking, sound management practices, employee morale, mutual respect and

accountability, and pride in the nobility of public service. We have tried to create an environment where it is safe to say the things that need to be said, where we fix the things that need to be fixed and where the phrase “because we’ve always done it that way” is not part of the lexicon.

We have also worked hard to strengthen our partnerships and improve the quality of our relationships with advocacy organizations, providers, and the Area Agencies on Aging. I’d like to think that, today, those relationships are as strong and positive as they’ve ever been.

Much of this stems from the way we communicate and the way we formulate policy, which is interactive, consultative and collaborative. We do not ~ and cannot ~ agree on every issue, but we strive to accommodate the perspectives of our stakeholders and strike a reasonable balance, even where our constituents hold widely divergent views. We use an inclusive process, which hopefully leads to decisions that have integrity and transparency. I hope our stakeholders would agree that this approach is yielding thoughtful policy that is taking the Commonwealth in the right direction.

We have been charged with rebalancing Pennsylvania’s long-term care system and ensuring that the older Pennsylvanians and adults with disabilities have real choice if they reach a point in their lives when they can no longer meet their own care needs. This requires us to expand the range of long-term care options available so that elders and their families can find solutions that complement the unique circumstances each family brings to these situations. But, expanding the array of home- and community-based options available to elderly Pennsylvanians does more than afford choice – it also promotes cost-effective solutions and aligns the Commonwealth’s priorities with powerful changes that are occurring in the long-term care marketplace.

Through these efforts to rebalance our long-term living system, we aim to make Pennsylvania the best place in America to grow old or live with a disability. To be sure, we still have much to do to realize that aspiration, but our work over the past few years is beginning to show real progress. I would like to share a few of our accomplishments thus far:

- Through the hard work and support of this committee and its staff, along with your colleagues in the House, and provider and advocacy organizations, we succeeded in passing landmark legislation ~ Act 56 of 2007 ~ that establishes assisted living as a licensed service in the Commonwealth. I am currently managing the effort to complete the regulatory process, so that Pennsylvanians can take full advantage of this flourishing option, while having confidence that they know what they’re paying for.
- We are leading an important initiative integrating the Medicare and Medicaid systems to coordinate and improve care and health outcomes for older citizens.

- With any eye toward removing longstanding roadblocks that have hindered hospice and telehealth services from reaching their full potential, we will soon issue policy guidance memos designed to encourage utilization of these services.
- Recognizing that our audit and cost report process has been an ongoing source of frustration for many in the nursing home industry, we are updating our audit standards to comply with prevailing industry practices and, later this spring, we intend to initiate a comprehensive review of the cost report regulations with the goal of streamlining the process.
- We have convened leaders from across the Commonwealth to participate in discussions aimed at reinventing and reinvigorating our senior centers and nutrition/meal site programs for the 21st Century.
- We have forged a strong relationship with the Area Agencies on Aging as we prepare to implement the significant changes that renewal of the Aging Waiver requires, including standardized ratesetting for waiver providers and assurance that elders will receive comparable treatment and services, no matter where in the Commonwealth they reside.
- We are working closely with nursing facilities across the state to assist them in adjusting to changes in the long-term care marketplace, including modernizing and rightsizing their facilities, diversifying their product mix, restructuring their debt and equipping them to meet evolving consumer preferences.
- We continue to advance Pennsylvania's effort to rebalance the funding across all systems of long-term living, including community-based and institutional care. I am pleased to report that, over the last 8 quarters, our home- and community-based programs have expanded by 10% and the percentage of people served in community-based long-term care programs has grown from 28 to 34 percent.
- We continue to administer our highly successful Nursing Home Transition program, assisting more than 4,000 people to leave nursing homes and return to the community since March 2007. Pennsylvania is a national leader in providing support to people who wish to relocate to the community from nursing homes.
- We have created a quality assurance bureau to measure performance and health outcomes and assure efficient and effective use of tax dollars.

Before I conclude, I want to touch on one more important point. As you know, Governor Rendell is proposing legislation to consolidate PDA and OLTL into a single, integrated Department, a single point of focus and accountability for Pennsylvania's long-term living programs.

The progress we've made thus far would not have been possible without the creation of the joint Office of Long-Term Living, but it is now time to take the next step. As our population ages ~ by 2030, nearly one of every four Pennsylvanians will be over the age of 60 ~ long-term living issues will loom ever larger on the Commonwealth's agenda.

In order to manage these programs ~ and their attendant costs ~ in a coherent fashion, we must eliminate the remaining sources of disintegration and fragmentation that dilute our resources, frustrate our providers and pose unfair barriers to seniors and adults with disabilities who ask only that we make services and supports available that allow them to remain integrated in their neighborhoods and communities for as long as possible.

It is critical that Pennsylvania put in place a permanent, coordinated structure for managing our long-term living system, implementing a strategic vision for the future and providing a focal point for advancing the interests of our seniors and adults with disabilities. I ask you to join me in supporting this legislation and working to achieve its passage. Please know that I am happy to meet with you to discuss this proposal further.

My goal ~ indeed the objective I've pursued for most of my adult life ~ is creation of a long-term living system that allows our citizens to live with dignity and independence in settings they prefer. I appreciate the support this committee has lent to this endeavor in the past, and I look forward to our continued collaboration in the months and years ahead.

Thank you for your time this morning. I am happy to take any questions you may have.