

Facing the Challenges of an Aging Population

South Carolina's senior population is facing rapid growth that will greatly increase the demands and strain on the current system. Our state is not adequately prepared for the additional demand for aging services, with inadequate nursing home space and an economy still recovering from a devastating recession.

Our senior population is expected to nearly double from 900,000 to 1.8 million by the year 2030.

At the same time, over 10% of our state's seniors live in poverty.

And we, as a society, are not planning adequately for retirement with roughly 50% of those age 55 and older having less than \$50,000 saved for retirement.

These statistics are daunting and show the need for experienced leadership and a comprehensive plan designed to deal with the many issues that are required to protect our aging population. The office of the Lt. Governor manages the South Carolina Office on Aging, an agency on the frontlines of aging in South Carolina.

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Overview of the Office of Aging Plan

The Office on Aging works with a network of state-supported and non-profit organizations to achieve its goals including enhancing the quality of life for seniors by managing services designed to help seniors live safely, happily and healthy in their homes for as long as possible. When done effectively, this saves tax money by keeping older residents from relying on Medicaid-supported services and increases overall quality of life by helping them remain in their communities and with loved ones.

The South Carolina Lieutenant Governor's Office on Aging currently submits the State Plan on Aging to the United States Administration on Aging every four years with the input of the SC AARP, the Silver Haired Legislature, the SC Joint Legislative Committee on Aging, service waiting lists, and surveys. Lt. Governor Glenn McConnell submitted a comprehensive State Plan on Aging for 2013-2017. In an effort to provide continuity and maintain the significant improvements made in the Office on Aging under Lt. Governor McConnell and Office on Aging Director Tony Kester, this plan should remain the blueprint and baseline for managing the office.

Mr. McMaster will pursue additional advocacy goals in an effort to enhance the services currently provided by the Office on Aging and to improve the quality of life for South Carolina seniors. If done appropriately, using existing resources and streamlining government agencies currently tasked with similar missions, this can be done with a reduction in overall costs.

Utilize the Strategic Blueprint Developed by Lt. Governor McConnell

The main goals for the State Plan on Aging for 2013–2017 submitted by South Carolina Office of the Lt. Governor to the United States Administration on Aging are:

- Empower older people, their families, and other consumers to make informed decisions about, and to be able to easily access existing health and long term care options. It is critical that the elderly be provided choices and options.
- Enable older South Carolinians to remain in their homes with a high quality of life for as long as possible through the provision of home and community-based services, including support for family caregivers.
- Empower older people to stay active and healthy through Older American Act services and other non-OAA services provided through the SUA.
- Maintain effective and responsible management of OAA services offered through the SUA and within the ten service regions in South Carolina

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McMaster Advocacy Objectives

► Mobilize Non-Profit Resources and Promote Volunteerism

South Carolina has justly earned a reputation as one of the most hospitable places in the world. Neighbors still watch out for neighbors and there are an abundance of talented and caring individuals who want to help. By fostering relationships with volunteers, non-profits, churches and other resources, we can provide services to help protect our senior citizens at no cost to taxpayers. Many of these programs and organizations are already in place and their members are prepared to serve. With experienced leadership we can coordinate the efforts of these groups and provide better services, reduce duplication and create valuable synergies.

There are a number of extremely productive programs already in place in South Carolina at the local level that help seniors live happy, safe, and productive lives with little or no taxpayer-funded assistance. In Sumter County the Police Chief has instituted a program where police officers pay courtesy visits to senior citizens in order to provide additional security and make simple but vital home repairs and modifications. There are a number of youth mentorship and senior assistance programs that focus on youth volunteers. These programs improve the lives of not only the seniors being assisted but also the lives of the volunteering young adults. By educating other agencies around the state about these efforts, these effective programs can be voluntarily duplicated in new locations.

The Office on Aging counts on a network of volunteers, non-profits, churches, and other programs that help provide low-cost homes and services such as meals, home care, transportation and home modifications. By increasing the number of volunteer groups and persons and around the state, we can provide services for more than the nearly 30,000 seniors already depending on these programs.

► **Promote Physical Fitness**

The senior population faces a number of obstacles that keep them from being able to remain self-sufficient. One of the most important challenges is to remain physically mobile. Through educational materials and partnering with volunteer physical therapists and medical professionals, we can help keep our senior populations moving so that they are able to stay in their homes, where they can live longer, happier lives.

The Center for Disease Control says, “Regular physical activity is one of the most important things you can do for your health. It can prevent many of the health problems that seem to come with age. It also helps your muscles grow stronger so you can keep doing your day-to-day activities without becoming dependent on others.” By encouraging South Carolina’s senior residents to remain physically active for at least 2 ½ hours per week, we can improve the lives of our seniors and keep them independent.

Through education and volunteer efforts we can keep seniors physically active and able to live independently, reducing dependence on costly programs. By providing educational information and keeping seniors physically able, we can improve lives through healthy living.

► **Tax Relief for Seniors**

While our economy has improved and is on the road to recovery, the effect of the recession on seniors cannot be ignored. With investment incomes depleted, costs rising and the weight on every member of society increasing, we have seen more and more of our seniors falling into poverty.

In order to stay in their homes, our seniors have to be able to afford mortgage payments, home maintenance and elder-friendly modifications. Many seniors are unable to make ends meet by no fault of their own and we must relieve some of their burden. While the General Assembly has already taken some steps to try to assist those seniors who are teetering on the edge of losing their homes, we can do more.

By increasing the Homestead exemption and reducing or eliminating taxes on retirement and pension incomes we can provide the necessary financial relief to help seniors stay in their homes. These retired seniors have been paying taxes into federal, state, and local governments for their entire lives and at some point they’ve paid enough. By relieving them of these costly burdens, we can dramatically improve their lives.

For the past three years Governor Haley has successfully reduced small business income taxes on South Carolina's working families, including seniors. Relieving this burden allows seniors to stay in their homes longer, decreases the burden on our system, increases the attractiveness to civilian and military retirees to locate here, and puts money back into the pockets of those who have paid enough already.

Seniors who are able to stay in their homes and utilize services provided by the Office on Aging cost the state \$1,400 per year. In contrast, those who must depend on Medicaid for Full-Time Institutional Care cost the state \$52,000 per year. Providing tax relief allows those who are scraping by to afford mortgages payments and the opportunity to stay in their homes, effectively reducing the budgetary burden on the state and federal government. These reduced costs will help offset the reduction in tax collections.

► **Stopping Abuse of Seniors and Vulnerable Adults**

South Carolina seniors are vulnerable to abuse, neglect and exploitation. There are currently programs under the Department of Social Services (DSS) State Adult Protective Services, State Long Term Care Ombudsman, and others spread across state government that focus on the protection of vulnerable seniors and adults.

The Lt. Governor's Office and the Office on Aging will work with the General Assembly and Governor Haley to consolidate the programs and resources that protect vulnerable seniors and adults. By consolidating these resources and removing duplicitous programs across state government, we can improve the efficiency and effectiveness of the Office on Aging, and improve the services provided for the most vulnerable, while saving taxpayers money in the process.

Current senior protection programs are funded through federal, state, and local funds. Taxpayer funding does not need to be increased in order to expand and improve the effectiveness of these programs. As Attorney General, Mr. McMaster implemented pro-bono programs throughout the state to prosecute Criminal Domestic Violence cases. This program improved the prosecution rate and treatment of victims, and it is still in place. In the same way, it is possible through experienced leadership to expand and consolidate vulnerable adult and senior protection programs without affecting the taxpayer's bottom line.

Caseworkers are an important first step to protecting the most vulnerable in our society. After indentifying someone who would or has taken advantage of our seniors or vulnerable adults, the Lt. Governor's office will ensure that they are prosecuted. The Office on Aging will develop a memorandum of understanding with the offices of the South Carolina Attorney General and the United States Attorney to ensure these individuals are prosecuted to fullest extent of the law.

► **Senior Centers: Increasing Effectiveness**

Senior Centers provide locations for seniors to acquire educational materials, work on physical fitness and socialize within their community. Many of these centers have become outdated and ineffective. By working with non-profit groups to modernize these centers we can increase their use by the public and ability to deliver services.

The cost of health care is quickly rising and the funds to provide adequate care are dramatically shrinking. The Office on Aging and Senior Centers offer programs that can delay the need to rely on broken Medicaid-funded or institutional care facilities, resulting in positive results for everyone concerned. It saves the taxpayers money, while simultaneously providing senior citizens a higher quality of life.

These centers have often become little more than dining centers with no real focus on programs or education. AAA says that there are currently 80 active senior centers and 73 group dining sites across the state. These sites are woefully underutilized and refocusing their efforts to provide meaningful services and education materials is vital to improving South Carolina's seniors' quality of life.

► **Retirement Planning Education**

Retirement planning is most effective when started early. However, it is never too late to begin saving and planning for retirement. By helping to educate baby-boomers and future generations on the steps required to be adequately prepared for retirement, we can improve the quality of life and general readiness of our citizens.

Currently over 10% of our state's seniors live in poverty. In 2010, Social Security was the only source of income for 30% of individuals aged 65 or older. Additionally our states citizens are not adequately planning for retirement, with roughly 50% of those aged 55 and older having less than \$50,000 saved for retirement. Education is critical to prepare future generations for the perils of facing retirement ill prepared.

Additional Sources

<http://aging.sc.gov/SiteCollectionDocuments/S/STATE%20PLAN%202013-2017%20Draft%20for%20Public.pdf>

http://www.sctax.org/NR/rdonlyres/074EA7B9-42BC-4744-9D34-F8FC70B28F44/0/RETIREES_AND_SENIORS.pdf

http://www.sctax.org/Tax+Information/Property+Tax/CM_FAQs+Homestead.htm

<http://www.cdc.gov/physicalactivity/everyone/guidelines/olderadults.html>