



**Statement of Marci Phillips
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Older Americans Act Reauthorization – SCSEP Stakeholders Meeting
Senate Health, Education, Labor & Pensions Committee
September 9, 2011**

On behalf of the National Council on Aging (NCOA), I greatly appreciate the opportunity to talk with you today about Older Americans Act (OAA) reauthorization and the Senior Community Service Employment Program (SCSEP).

NCOA (www.NCOA.org) is a nonprofit service and advocacy organization headquartered in Washington, DC. NCOA's mission is to improve the health and economic security of millions of older adults, especially those who are vulnerable and disadvantaged. NCOA is a national voice for older Americans and the community organizations that serve them. Working with nonprofit organizations, businesses, and government, NCOA develops creative solutions to help seniors find jobs and benefits, improve their health, live independently, and remain active in their communities.

SCSEP, authorized under Title V of the Older Americans Act (also known as Community Service Employment for Older Americans (CSEOA)), is the nation's oldest program to help low-income, unemployed seniors find work. Workers age 55 and older with incomes at or below 125 percent of the poverty line are provided part-time community service employment and training. Participants placed with eligible host agencies (primarily faith-based and community organizations) are paid minimum wage for an average of 20 hours per week while they build skills and self-confidence to help them transition into unsubsidized employment.

SCSEP is administered by state agencies and 18 national sponsors¹, including NCOA. In FY 2010, approximately **120,000** older workers were assisted by the program, and it is anticipated that **70,500** will be served in FY 2011. The program's regulations prohibit termination of participants when funding is reduced; therefore, this year, work hours have instead been scaled back in most communities to 12 to 15 hours a week. The overall decrease in the number of participants is due to attrition and lack of resources to add new seniors to the program. Wait lists for the program are approaching 100 in several of the communities that NCOA serves, and that number exceeds 600 in New York City alone.

NCOA has consistently exceeded performance goals for participants entering unsubsidized employment every year. At the end of FY 2010, **1,276** older workers (62.5% of participants) began a new career. On average, seniors who obtained jobs with NCOA's assistance received a starting wage of **\$9.76** with an average of **31.7** hours per week. On average, these jobs increased their economic security by boosting employment wages to **\$1,237.57** per month.

SCSEP is the nation's only workforce development program designed exclusively to maximize the productive contributions of a rapidly growing older population.² Mainstream employment and training programs are not as effective in serving this population, particularly those with outdated skills who face discrimination in hiring. Significant numbers of SCSEP participants are struggling to make ends meet. Nearly 90 percent live in poverty, with incomes at or below \$10,890. More than a third are homeless or at risk of homelessness. About two-thirds are female, and many of these older women spent the majority of their adult lives as caregivers and did not acquire the skills that would make them competitive in today's workforce.

While older workers develop skills and receive training and placement assistance in SCSEP, they also help local organizations maintain or increase their capacity to provide services to their communities, such as delivering meals to the homebound, assisting in libraries, and administering disaster relief. In PY 2011, participants provided over 67 million hours of community service, with nearly 16 million hours assisting other older adults. The value of this service to states and communities is estimated at \$1.4 billion.³

As the nation struggles to recover from the recession and create jobs, older workers face significant obstacles to returning to the workforce. Unemployment rates for older workers are at record highs. In July 2011, the unemployment rate for adults aged 55 and older was 7.3%, a level more than twice the January 2008 rate.⁴ Once they have lost a job, older Americans are more likely than any other age group to remain out of work for 99 weeks or more.⁵ The need for SCSEP has never been greater.

With the population of older individuals expected to grow exponentially in the coming years, the Aging Services Network (ASN) faces incredible challenges associated with the influx of older individuals into OAA programs. During this Congress, the OAA should be strengthened through reauthorization, which provides an important opportunity to modernize and improve services by supporting efficiencies and innovations, reassessing the Act's successes and limitations, and addressing its ability to effectively serve older Americans in need.

NCOA supports the SCSEP reauthorization recommendations agreed upon by the Leadership Council of Aging Organizations (LCAO)⁶, including:

- Allow the use of pilot and demonstration authority in Section 502(e) to:
 - Provide new services for participants as well as extend services to older adults who are low-income but do not qualify for SCSEP;
 - Expand the scope of SCSEP to provide a broad range of direct and referred services for seniors who need job training and placement services and income supports by adopting a person-centered approach that includes assessment of need, economic casework, coordination of benefits, and engagement of diverse service providers⁷; and
 - Authorize a pilot to test “Sector Strategies” in SCSEP to create employment opportunities and applicable training to place older workers in jobs where local labor market need is identified. Jobs will be created with an emphasis on addressing older worker issues such as requisite physical conditioning, discrimination, workplace culture, flexibility, and job specific skills and employer issues, including recruiting and retaining older workers and redesigning roles for older workers.

- Create a competitive grant making process that ensures efficiency, fairness, and minimal disruption to customers and is based on experience and performance. Grantees that meet performance expectations should not have territories disrupted every four years, which results in a decrease in services to older workers, at least for the first full year after competition. Absent unusual circumstances, grantees should not be awarded territories for which they have not applied and do not have expertise to serve.

- Support the administration of the program through employment and training administrative funds rather than reducing grants to cover the cost of administration.

NCOA also supports the Administration’s proposal to transfer the SCSEP program from the Department of Labor’s Employment and Training Administration (ETA) to the Department of Health and Human Services’ Administration on Aging (AoA). We believe the transfer will benefit the program and those it serves for the following reasons:

- 1) **It would provide an opportunity to modernize SCSEP to include a more robust focus on critical supportive services that will ensure the long-term economic security of today’s older adults.** There is a growing body of evidence that supports the use of a holistic, person-centered approach to assisting individuals of all ages experiencing economic distress. Under AoA’s leadership, the current Title V statute and regulations could be leveraged to support a more concentrated and consistent focus on providing SCSEP participants bundled wraparound services, including, but not limited to, public benefits, legal assistance, money management, debt management, and other stabilizing financial services.

- 2) **It would improve coordination of existing resources.** AoA’s oversight of elder abuse resources, pension assistance, and ASN initiatives could be better harnessed to complement SCSEP services. Through grant agreements and T&TA efforts, AoA could ensure their large portfolio of services and programs are leveraged and woven into plans for mature workers seeking assistance from SCSEP.

- 3) **It would focus on the most disadvantaged older adults.** The program’s is currently focused more on job placement rates and less on the supportive services that can help the most vulnerable older workers achieve successful employment. Placement of SCSEP at AoA, where more attention is given to the OAA mandate of targeting seniors with the greatest social and economic need, would create an opportunity to focus on the holistic economic and health needs of mature workers to truly empower them to forge a path back to safety and security, and remain a vibrant part of their communities.

Thank you again for this opportunity to share our views. We look forward to working with you and other members of the committee on important nutrition and other issues of concern to vulnerable older Americans.

¹ “SCSEP Grantee Contact Information.” U.S. Department of Labor. Accessed Sept. 8, 2011. http://www.doleta.gov/Seniors/html_docs/PYdirectory.cfm.

² Johnson, Richard W. “Boost Employment of Older Adults.” *Biggest Bang for the Buck: Researchers Weigh Stimulus Proposals*. Urban Institute. Accessed Sept. 8, 2011. <http://www.urban.org/issues/recovery.cfm#johnson> and Sherrill, Andrew. *Multiple Employment and Training Programs: Providing Information on Colocating Services and Consolidating Administrative Structures Could Promote Efficiencies*. General Accountability Office. January 13, 2011. <http://www.gao.gov/products/GAO-11-92>. (p. 13)

³ “Value of Volunteer Time.” Independent Sector. Accessed Sept. 8, 2011. http://independentsector.org/volunteer_time.

⁴ Johnson, Richard W, et al. *Unemployment Statistics on Older Americans*. Urban Institute. Updated Aug. 5, 2011. http://www.urban.org/UploadedPDF/411904_unemploymentstatistics.pdf.

⁵ Mayer, Gerald. *The Trend in Long-Term Unemployment and Characteristics of Workers Unemployed for More than 99 Weeks*. Congressional Research Service. Dec. 20, 2010. <http://www.fas.org/sgp/crs/misc/R41559.pdf>.

⁶ “Consensus Recommendations for the 2011 Older Americans Act Reauthorization.” Leadership Council of Aging Organizations. Apr. 6, 2011. http://www.lcao.org/docs/consensus_document_oaa.pdf.

⁷ *A Blueprint for Increasing the Economic Security of Older Adults: Recommendations for the Older Americans Act*. National Council on Aging. Mar. 28, 2011. <http://www.ncoa.org/news-ncoa-publications/publications/blueprint-for-economic-security.html>