

Answers to questions about the Butler County levy surplus

By Suzanne Burke, CEO Council on Aging of Southwestern Ohio



Many Butler County residents are understandably concerned and angered by the report of a \$20 million surplus in the tax levy fund that supports the Elderly Services Program. There is also concern about reports that some senior centers are in danger of closing. I'd like to explain the surplus and clarify how the program and levy work.

Before the Elderly Services Program (ESP), seniors of modest means had few options if they needed help to remain in their homes. One option was to move to a nursing home, deplete their savings and go onto Medicaid, the government insurance program for the poor. That's unfortunate for them, but also a bad deal for taxpayers to pay for institutional care if it's not needed.

In 1996, voters approved the tax levy that enabled ESP to begin. With this and every subsequent levy vote, taxpayers have allowed thousands of their elderly friends, neighbors and relatives to remain with safety and dignity in the homes and community they love. And they've done it at a fraction of the cost of nursing home care (\$4,800 a month vs. \$330 a month).

In the Aug. 13 story, *"Contract's impact worries senior services agencies,"* Partners in Prime CEO Steve Schnabl said his senior centers would become "extinct" if his organization is not awarded a contract to provide care management for ESP.

The levy, however, was not designed to fund senior center operations; its sole purpose is to help disabled seniors in their homes. The levy helps many seniors who are homebound, frail, and unable to use a senior center. Senior centers have other sources of funds, such as the federal Older Americans Act, and they existed long before the levy.

Of course, the larger issue is the projected \$20 million levy surplus.

Since the levy passed in 2005, Council on Aging has monitored levy expenditures against projections and reported to the program's community oversight board. When the second year financial information was available, Council on Aging and members of the board approached county administration about the projected surplus.

Let me add here that levy funds are not held by Council on Aging, but remain in the county treasury until Council on Aging receives payment from the county for actual expenses.

In determining the size of the levy, Council on Aging joined with others including county officials; provider agencies (Partners in Prime, LifeSpan and others); and members of the community board.

At the time of levy forecasting (spring, 2005), there were several issues that impacted the millage recommendation. Major factors included: a reported waiting list of nearly 900 people; a change in state tax law; and provider reports that their rates should be higher due to rising costs.

The biggest factor was the waiting list. All signs pointed to pent-up demand and growing need for the program. We expected that most people on the list would enroll if the levy passed, but we had no way of knowing the actual number. We also projected that if the levy passed, the program would see a rapid influx of new clients within the first year.

In fact, 536 people enrolled from the waiting list. The others no longer needed services because their health had improved, they had moved to a nursing home, or they had died.

In addition, we didn't see the rapid initial enrollment we had anticipated. Since that first year, however, enrollment has been gaining speed. Since the levy passed, client enrollment has increased by 46 percent. If we continue at current pace, by 2010, we will be only 81 clients lower than the original projections in 2005.

For the impact of change in state tax law, the levy committee relied on the expertise of the county auditor. Around Ohio, there were different interpretations of what the law's impact might be. A conservative interpretation was used in Butler County and actual revenues have been higher.

With regard to provider rates, a very unexpected thing happened. Providers reported it was costing them more to provide services. The levy amount was adjusted accordingly. However, increasing competition has driven prices down. That's a good thing, but it did add to the surplus. About \$3.5 million of the projected surplus resulted from Butler County's competitive marketplace.

I say sincerely that everyone involved with this program takes their responsibility to the seniors and the taxpayers very seriously. Many taxpayers actually take pride in being able to help disabled seniors. And, if you were to visit clients in their homes, you would hear nothing but gratitude. It is now up to the county commissioners to determine the best course of action for the surplus.

To read more about the Elderly Services Program and the people it helps, please visit our Web site, www.help4seniors.org.

About Council on Aging

Council on Aging of Southwestern Ohio (COA) is a nonprofit organization dedicated to enhancing the quality of life for older adults and their families.

Since 1974, COA has been designated by the state of Ohio as the Area Agency on Aging for Butler, Clermont, Clinton, Hamilton and Warren counties. COA plans, coordinates, funds and administers programs for an area that is home to more than 252,000 adults age 60 and older.

COA promotes choice, independence, dignity and well-being of older adults through a range of services that help them remain in their homes for as long as possible.

One call to COA links people to the wide variety of agencies, information and programs that serve older adults.

For Answers on Aging:

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