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COUNTY**

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PROGRAMS:

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HEALTHY AGING

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MEALS ON WHEELS

OUTREACH/OMBUDSMAN

RSVP/BRIDGES/VOLUNTEERS

SENIOR CENTERS

SENIOR COMPANIONS

SENIOR EMPLOYMENT

TRANSPORTATION

Fostering independence
for Salt Lake County's
older generations by
offering advocacy,
resources, and volunteer
opportunities.

TESTIMONY OF

Shauna O'Neil
Director

Salt Lake County Aging Services
Salt Lake City, Utah

Before the

U.S. Senate Special Committee on Aging

**Hearing on the Senior Community
Service Employment Program**

April 6, 2006, 10:00 a.m.
106 Dirksen Senate Office Building
Washington, D.C.

Good morning, Chairman Smith, Ranking Member Kohl, and distinguished members of the Committee. I am Shauna O'Neil, Director of Salt Lake County Aging Services, the local Area Agency on Aging based in Salt Lake City, Utah. I am very pleased to be with you today to discuss our experience with the Senior Community Service Employment Program (SCSEP).

Introduction

Salt Lake County Aging Services is the largest Area Agency on Aging (AAA) in Utah and manages a comprehensive system of services to older people and their caregivers. This service array includes: one of longest-standing state-funded in-home services programs in the nation; a Medicaid waiver program for the elderly; a caregiver support program; 17 senior citizen centers; Meals-on-Wheels; transportation; information and referral/assistance; Healthy Aging Program; and a Long-Term Care Ombudsman program. And, for years, we have operated the SCSEP program.

We initially became interested in launching an employment program for older job seekers after numerous needs assessments revealed that income needs ranked among the first or second highest priorities of older adults in our area. Salt Lake County has 163,000 individuals who are over the age of 55, comprising approximately 41 percent of Utah's older population. Through the SCSEP under Title V, our AAA is able to help older job seekers obtain the necessary training, skills and experience that could lead to a job.

Salt Lake County, which has 68 of the 74 Utah SCSEP slots, has been the reason Utah has ranked in the top five states nationally for four of the last six years in the percentage of program participants placed in unsubsidized jobs. Our placement rate last year was

48.5 percent, which is 18.5 percentage points higher than the national placement standard of 30 percent.

Besides SCSEP, the Salt Lake County AAA is also a grantee for the Foster Grandparent and Senior Companion Programs, funded through the Corporation for National and Community Service. As the administrator of all three programs, we are able to help provide an additional source of income for low-income seniors and cross-refer appropriate candidates.

As an indication of the importance that our region places on the SCSEP, Salt Lake County, from its General Fund Revenue, provides approximately \$230,000 in additional support every year. Additionally, by leveraging other funding, the Area Agency on Aging is also to provide SCSEP participants and their families' with needed information and services.

Assisting Older Adults to Overcome Barriers to Employment

We believe one of most important goals of the SCSEP is to serve older people who have barriers to employment. We have aided widows who have not worked for 30 years because they were raising families. These women, often in their fifties, typically have no income and little savings, and are not eligible for Social Security, Medicare or welfare benefits.

We have successfully worked with ex-convicts after their release from prison, and have been able to help them find a job and begin to build a place for themselves within our community. We have also achieved success in finding jobs for long-term alcoholics and

drug addicts, as well as Vietnam and Korean War veterans still suffering from post-traumatic stress disorder.

As these examples indicate, many older job seekers face considerable barriers and have few marketable skills necessary in today's job market and little or no experience in searching for a job. Consequently, they are in need of our assistance to overcome those barriers and obtain employment. The SCSEP offers these older adults a longer period of time for needed skill development, specialized assistance and referral than the local Workforce Investment Act "one-stop" employment centers can provide.

Fostering Private Sector Involvement with On-the-Job Training

Because our primary goal is helping older workers find a job, our program has always emphasized providing both job search skills as well as job skills training as a means of helping seniors move toward unsubsidized employment. Over the years, one of the most successful strategies we have used is on-the-job experience, or OJE, as a means of helping participants obtain gainful employment in the private sector. The SCSEP program subsidizes the training period of a participant in a private sector job, with the private employer agreeing to hire the participant upon successful completion of the training period.

Through our "on-the-job experience" efforts, we have developed a wider range of training sites that have enabled participants to find jobs in both the private and non-profit sectors. We have also used this training to develop good relationships with employers in our community. This effort has helped create a wider range of employers within our

county who see older workers as a valued asset and are eager to hire them, even without the incentive of a subsidy from a government program.

Program Operation Since the 2000 OAA Reauthorization

Rule Changes:

The changes instituted under the 2000 reauthorization of the SCSEP did not truly start until July 2004 when the implementing rules took effect. Those July 2004 rule changes substantially altered the focus of the program, and largely because these rules continue to change, have created challenges for agencies like mine that are struggling to implement them. Here are some examples of the challenges we currently face as a result of the rule changes.

The eligibility criteria changed. The eligibility criteria changed from permitting us to enroll underemployed participants to restricting enrollment only to those older individuals who have been unemployed. As a practical example, this means that an older woman who is paid for babysitting on the weekends is no longer eligible to participate in the SCSEP. As a result of her \$50 a week babysitting job, she is prohibited from the SCSEP training, and thus unable to increase her marketable skills and financial self-sufficiency. Whether it is the older woman who babysits or the older man who takes on odd jobs, many older persons have small jobs such as these, yet need both more income as well as access to benefits than these jobs provide. However, because of the new restriction, they are not able to get help through SCSEP to improve their lives.

The implementation of stricter income eligibility guidelines for the program has radically changed the type of older worker who is now eligible for the program.

Previously, we could count only 75 percent of an individual's Social Security income, and none of their income from Social Security Disability Income and Veteran's pension and disability payments, in determining their financial eligibility for the program. With the new eligibility requirements, we must count 100 percent of any Social Security, Social Security Disability Income and Veteran's pension and survivor benefits. This, together with fewer exclusions of income, has limited the type of senior we are able to bring into the program. Many older adults who we can no longer serve need the program and would have been excellent participants and highly successful.

Those excluded include a 66-year-old divorced woman who was referred to our program because of multiple age-related barriers to employment that kept her from obtaining a job. As a result of the 100 percent Social Security inclusion, we were not able to help her. Without a job, she lost her home and is now in subsidized housing — a situation we may have been able to have avoided if we could have helped her remain independent with a job.

The six month annualized eligibility determination rule change has made it more difficult for potential participants to access the SCSEP. Previously, a 65-year-old man referred to us from a vocational rehabilitation agency who had a job for three months during the last twelve months could be accepted into the program. Now, however, if that man had a full-time job for four of the last six months and had to quit because of health issues, we would be required to annualize his income and he would probably be ineligible for SCSEP assistance.

Reporting requirements relating to the SCSEP performance measures have been in a state of continual change. Efforts to improve the data collected from performance

measures has resulted in changes in procedure without advance notice. These changes take time from the program's mission as staff are trained on the new procedures, new forms are created and additional steps are taken to implement them. Multiple changes in procedures result in a staff that is confused, and recruitment and training strategies that are imprecise and constantly in experimental stages, which increases the likelihood of error. It is costly in terms of both productivity and employee and participant morale.

Administrative Burdens:

Additionally, the program has become more difficult to administer and more expensive.

The reporting requirements for the program have become far more complex and have added significantly to the program's administrative expenses. The U.S.

Department of Labor has instituted a software-based reporting system that has never worked effectively. From the time the system was first implemented, there have been problems and issues. We received limited software training on how to enter information in the system and have received little training on the ongoing system changes required for reporting. This lack of training has frustrated our staff, who are trying to learn a system that is not user-friendly and to understand the process for making corrections to reporting information.

Whenever we receive notification that certain reporting files are rejected, we have to telephone the Department of Labor's contractor and try to get through to one of the three individuals who are available nationally to assist all those persons using the system throughout the United States. There have been no adequately trained staff on the state level who can assist us with these questions, which has created real problems when we cannot access the national contractor.

We are awaiting the third re-write of this system, which is due in May 2006, and we are hopeful that the new version will be more successful in collecting the required 206 elements of information on every SCSEP participant. Despite all the work involved in using the national reporting system, we still have to maintain our own database system in order to operate such key SCSEP program functions as payroll and personnel record keeping.

Much of the data collection requested by DOL is burdensome. For our agency, follow-up data collection for all four required performance measures is a burdensome, time-consuming and costly process. For example, after a participant moves on to unsubsidized employment, we are required to follow-up with wage information for as long as one year. Our experience has shown that after the initial thirty day follow-up the employer is frequently unwilling to share any further wage information with us, especially if the individual has changed positions. Since this follow-up is critical to a performance measure that can bring sanctions to our program it almost requires another full-time staff member to do the necessary follow-up.

The SCSEP system has significantly changed in focus and we are still undergoing major transition. This transition continues to be made more difficult because of frequent procedural changes being imposed on a service system that has not been able to fully adapt to operate in a new environment. The ground continues to shift and we really have not reached the point where we feel we are operating smoothly under the 2004 rule changes.

Policy Implications

We are concerned about the direction of legislative recommendations and administrative actions that move towards consolidating SCSEP into the Workforce Investment Act system. Although, we have an improving working relationship with our local WIA system, which serves the general population well, the local WIA organization continues to struggle to serve the needs of older individuals. The needs of older people with multiple employment barriers, particularly low-income older people, continue to be the SCSEP focus and we can only see this need increasing in the future.

1. Continue to Serve the Needs of the 55-64 Population under SCSEP

I feel strongly that our program needs to continue to have the ability to provide help in finding employment to the younger segment of the older population. These are the people who come to us with absolutely no income, little or no job history, and are ineligible for any other type of assistance. Of all the seniors that SCSEP serves, the ones who often are in the greatest need are ages 55-62. They are not yet eligible for Social Security and are unable to find employment on their own due to age discrimination, poor employment history, health and disability barriers, lack of the necessary skills for today's workforce and/or lack of job search skills. Through the training and job search skills provided under the SCSEP, these participants are able to reenter the workforce and earn sufficient wages and benefits until they are able to draw Social Security.

As one of less than twenty refugee relocation centers nationally, Utah has a diverse cultural population of individuals seeking employment. We have been able to assist a large number of refugee elderly find employment and become independent in their new

country. We hope that future changes will embrace this population, especially those in the 55-64 years old age group, as a higher priority for access to employment services.

2. Retain the Dual Emphasis on Community Service and Employment

We strongly believe in the community service component of the SCSEP and feel that participants provide a valued service throughout the community. Our program has 68 participants who provide upwards of 70,000 hours of important service to our community annually. The SCSEP participants serve our community while at the same time gaining the critical skills to help them find permanent, unsubsidized employment that will benefit them and the community at large.

Conclusion

The changes from the 2000 reauthorization are still being implemented and providers have not completed the necessary transition. It is far too early to make an accurate assessment of success or failure of any element of the system that was changed as a result of the 2000 OAA reauthorization. In addition, the reporting system that we are all relying upon to provide the federal government with data as to the program's success is not yet error-free or operating at a fully functioning level. As a result, there needs to be careful investigation by policymakers as to the accuracy of the information being receiving from this reporting system.

In closing, Mr. Chairman, the significance of the SCSEP through the years is that it has successfully blended two important policy goals for older Americans. It has bolstered their ability to return to and remain productive members of the labor force, while permitting them, as they have developed marketable skills, to serve the community in

important ways. It has enhanced their dignity and their ability to contribute to our society. It is a valuable tool and one that is not duplicated anywhere else in our system of services. In considering changes to this program, please be protective of the SCSEP mission and participants. Both are valuable to us all.

Thank you, Mr. Chairman, for holding today's hearing. I would be happy to answer any questions you may have.