

CRS Report for Congress

Supportive Services Programs to Naturally Occurring Retirement Communities

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Summary

Naturally Occurring Retirement Communities, or NORCs, are generally defined as communities with a large proportion of older persons residing within a specified geographic area. NORCs differ from purpose-built housing for the elderly, such as assisted living facilities or board and care homes, in that NORC residences were not designed with the provision of services to older persons in mind. As a result, seniors and community providers in some NORCs have sought opportunities to make recreational, health, and social services more widely available to older residents. In doing so, partnerships between these providers and with housing managers have resulted in alternative models of health and social services delivery through NORC supportive services programs (SSPs).

The goal of a NORC-SSP is to provide a coordinated array of services and programs that meet both the needs and preferences of the older residents in the NORC. Services may include case management, health care management and prevention activities, recreational activities, transportation, and volunteer opportunities for older residents, among other things. In theory, NORC-SSPs allow health and social service providers to take advantage of economies of scale within the community in order to target home and community-based services toward older individuals in need of assistance and potentially at risk for institutional placement.

Congressional interest in NORC-SSPs began in 2002, when House and Senate appropriations legislation included committee recommendations for a number of projects to provide supportive services programs to older individuals residing in NORCs. Between FY2002 and FY2005, the Administration on Aging (AoA) provided a combined \$21.4 million in grant funding from Older Americans Act (OAA) Title IV research and demonstration appropriations. These funds assisted in financing a total of 41 NORC supportive services projects across 25 states.

Given that the demographic pressure of an aging population is likely to continue to increase demand for health and social services among the older population, Congress will face a decision as to whether to expand the role of the federal government in funding these services to older adults. Policymakers may want to consider funding alternative models of health and social services delivery that target services to older residents in home and community-based settings, such as NORC-SSPs.

In order to assist Congress in policy considerations regarding home and community-based services for the older population, this report describes NORCs, NORC-SSPs and Congressional activity related to funding NORC-SSPs. It then provides a brief summary of some issues for Congress to consider with regard to future funding of NORC-SSPs. These issues include determining the target population for NORC-SSPs; establishing program standards and outcomes measures; the extent to which federal financing is appropriate and available; and, support for a national research agenda. This report will be updated occasionally.

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Supportive Services Programs to Naturally Occurring Retirement Communities

Introduction

Naturally Occurring Retirement Communities (NORCs) — communities with a large proportion of older people residing within a defined geographic area — are becoming increasingly identifiable as the U.S. population ages. While research shows that individuals prefer to remain in their own homes as they age, often they need additional assistance to maintain their independence.¹ And, as the risk of accident-related injury, such as falls, or chronic illness increases with advancing age, some older residents may require disability-related services and supports to assist them in their homes with long-term care needs.

NORCs differ from purpose-built housing for the elderly (e.g., assisted living facilities or board and care homes) in that they were not designed with the provision of services to older persons in mind. Rather, these communities have a large proportion of older residents due to “aging-in-place” and migration. The term “aging-in-place” refers to individuals who have resided in their homes independently for several decades, and now may need a variety of supportive services to assist them to continue to do so. Migration may lead to an older resident demographic as a result of older persons moving into the community or younger residents leaving the community.

In many of these communities older residents and health and social services providers have sought opportunities to make social, recreational, and preventive health services more widely available. As a result, partnerships between these entities, as well as with housing managers, have resulted in alternative models of health and social services delivery through so-called NORC supportive services programs (SSPs). Research conducted by Brandeis University found that interest in programs supporting NORCs is increasing. Findings from the same study indicated that NORC-SSPs may provide opportunities for cost-efficient health and supportive services delivery, increased service availability, health promotion and crisis intervention, and community improvement activities.²

¹ AARP, *The State of 50+ America 2005 Research Report*, AARP Public Policy Institute, April 2005.

² Robert Wood Johnson Foundation, “Naturally Occurring Retirement Communities Offer Opportunities for Delivering Health Care and Related Services,” September 2000, at [<http://www.rwjf.org/programareas/resources/grantsreport.jsp?filename=028983s.htm&pid=1142>], visited December 11, 2007.

The federal government, through the Administration on Aging (AoA), first provided funding for NORC-SSPs in FY2002. However, since FY2005 the AoA has provided no grant funding. With the reauthorization of the Older Americans Act (OAA) in 2006 (P.L. 109-365), Congress required the Assistant Secretary of Aging to award funds to carry out model aging-in-place projects, including NORC-SSPs, under the Community Innovations for Aging in Place initiative. Funding for NORC-SSPs under this broader initiative is contingent on future appropriations.

The demographic pressure of an aging population is likely to increase demand for health and social services among the elderly. As a result, policymakers may want to consider expanding the federal government's role in funding alternative models for delivering home and community-based services, such as NORC-SSPs, that target health and social services to older residents in community-based settings. With regard to future funding of NORC-SSPs, Congress may wish to consider several issues including determining whether or not services should be targeted at the frail or those with low-income, or available to all older NORC residents; establishing program standards and outcomes measures; the extent to which federal financing is appropriate and available to support NORC-SSPs; and, support for a national research agenda.

This report provides descriptive information on NORCs and NORC-SSPs, including examples of two NORC-SSPs. It summarizes congressional activity related to funding NORC-SSPs with detailed information on locations that have received federal funding for a NORC-SSP between FY2002 and FY2005. In order to assist Congress in policy considerations regarding home and community-based services for the older population, the report concludes with a discussion of issues with regard to future funding of NORC-SSPs.

What is a Naturally Occurring Retirement Community (NORC)?

The term Naturally Occurring Retirement Community, or NORC, was first introduced by Professor Michael Hunt of the School of Human Ecology, University of Wisconsin-Madison in the mid-1980s.³ The NORC concept refers to a geographically defined community with a large proportion of older persons. NORCs are distinguished from planned housing communities with high concentrations of older residents, such as senior retirement communities or assisted living communities, in that they are “naturally occurring”; that is, NORCs were not designed specifically as a community for older residents but rather evolved that way over time.

NORCs have a large proportion of older residents for a variety of reasons. NORCs may have older long-term residents that have lived in their own homes independently for many years. Some NORCs may have developed as younger

³ Michael Hunt and Gail Gunter-Hunt, “Naturally Occurring Retirement Communities,” *Journal of Housing for the Elderly*, vol. 3, issue 3/4, pp. 3-21.

residents left while older residents remained, resulting in an older resident demographic. Other NORCs may have developed through an in-flux of older residents migrating to the community.

NORCs possess a range of geographic and demographic characteristics. They may be concentrated in one or more buildings within close proximity to each other (e.g., an apartment or condominium complex), or comprised of housing that is more widely dispersed (e.g., a neighborhood of single-family homes or a rural community). NORC residents may live alone or they may live with others, such as a spouse, other family members or friends. While NORCs are identified by a large proportion of older residents, these communities include residents of all ages. Some older NORC residents are active and healthy, while others face the challenges of declining health and mobility. And, while researchers agree that NORCs have a significant proportion of older people residing in a specific geographic area, there is no agreement on what constitutes a “significant proportion” or the age criteria for inclusion (i.e., age 55 and older, 60 and older, or 65 and older).⁴

Under federal statute, the OAA Amendments of 2006 (P.L. 109-365) included language defining the term “naturally occurring retirement community” to mean:

a community with a concentrated population of older individuals, which may include a residential building, a housing complex, an area (including a rural area) of single family residences, or a neighborhood composed of age-integrated housing — where 40 percent of the heads of households are older individuals; or a critical mass of older individuals exists, based on local factors that, taken in total, allow an organization to achieve efficiencies in the provision of health and social services to older individuals living in the community; and that is not an institutional care or assisted living setting.⁵

For purposes of the OAA, “older individual” is defined as a person age 60 and older. However, OAA’s NORC definition does not clarify who decides whether there is a “critical mass of older individuals” and whether the decision is driven by data or general observation.

The lack of a uniform definition and vague criteria for determining NORC geographic boundaries makes it difficult for researchers to estimate how many NORCs exist and how many older residents live in these communities across the United States. One survey conducted by AARP asked respondents living in non-age restricted communities whether most individuals age 50 and older had lived in their community for many years and whether the majority of neighbors were age 55 and older. The survey reported that 36% of seniors indicated they live in such

⁴ Barbara A. Ormond et al., “Supportive Services Programs in Naturally Occurring Retirement Communities,” U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation, Office of Disability, Aging, and Long-Term Care Policy, November 2004 (hereinafter referred to as Ormond et al., *Supportive Service Programs*, 2004).

⁵ P.L. 109-365, Section 409.

communities, which could be defined as NORCs.⁶ However, according to AARP, this is a much higher estimate than other surveys. AARP analysis of the 2003 American Housing Survey estimated that 17% of households with individuals 55 and older were in a non-age restricted community where most neighbors were also age 55 and older.⁷

NORC Supportive Services Programs (NORC-SSPs)

The NORC Supportive Services Program (SSP) model developed in the mid-1980s through a collaborative effort between New York City residents living in the Penn South Houses, a cooperative housing developing with about 3,000 units and over 6,000 residents, and the UJA-Federation of New York. At the time more than 75% of Penn South residents were age 60 and older and many were experiencing the financial, housing, and health-related challenges often associated with advancing age.⁸ As a result, the cooperative formed a committee which partnered with several public and nonprofit agencies to provide social services to Penn South residents. Thus, the experiences of Penn South Houses became a model for other NORCs.

In the mid-1990s, the New York state legislature approved an initiative to finance and support NORC-SSPs. Similar legislation was also passed in New York City. With the introduction of state and local funding, a number of new NORC-SSPs in New York state and New York City were created. In 2002, the NORC-SSP model was expanded to five sites across the country, in part due to efforts by the United Jewish Communities, which established the NORCs Aging in Place Initiative, and grants funded through the U.S. Department of Health and Human Services (HHS), AoA.⁹ As of 2005, more than 80 NORC-SSPs received public funding, including 42 programs in New York state and New York City that received state and city funding, and 41 NORC-SSPs in 25 states that received federal funding through AoA.¹⁰

Embedded in the philosophy of the NORC-SSP model of service delivery is community empowerment and engagement. The goal of the NORC-SSP is to create communities where older individuals can maintain their independence and lead a healthy and productive quality of life as they age in place. That is, as residents grow

⁶ AARP, *Beyond 50.05: A Report to the Nation on Livable Communities: Creating Environments for Successful Aging*, AARP Public Policy Institute, May 2005, p. 72 (hereinafter referred to as AARP, *Beyond 50.05*, 2005).

⁷ Ibid. endnote 148, pp. 106-107. The American Housing Survey is conducted by U.S. Census Bureau for the U.S. Department of Housing and Urban Development.

⁸ Ibid. p. 72.

⁹ The five sites that were the first to receive public funding were: Baltimore, MD; Philadelphia, PA; Pittsburgh, PA; Cleveland, OH; and, St. Louis, MO.

¹⁰ Testimony of United Hospital Fund Director, Fredda Vladeck, in U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions Committee, Subcommittee on Retirement, Security and Aging, *Naturally Occurring Retirement Communities: A Model for Aging in Place*, hearing, 109th Cong., 2nd sess., May 16, 2006, S.Hrg. 109-599 (Washington: GPO, 2007).

older in the community, and as their needs evolve over time, the types of community-based supports and services change in response to individuals' needs. NORC-SSPs promote independence and healthy aging through engaging older residents before a crisis by responding to residents' needs. Unlike other publicly financed programs, participation in the NORC-SSP is based on resident status, rather than functional or economic criteria.¹¹

NORC-SSPs typically are collaborative partnerships between public and private entities including residents, government, housing managers and owners, local health and social services organizations, and philanthropies. These public and private entities come together to create a coordinated array of services and programs that meet both the needs and preferences of the residents in the NORC. According to the United Jewish Communities, there are four main categories of potential NORC-SSP services:

- Case management, case assistance, and social work services;
- Health care management and health care assistance, including disease prevention and health promotion;
- Education, socialization, and recreational activities; and
- Volunteer opportunities for project participants and other interested community members.¹²

Other services that NORC-SSPs may offer include assessment and referral services, nutrition education or meals programs, and transportation, among other things. In theory, NORC-SSPs allow health and social service providers to take advantage of economies of scale within the community in order to efficiently target home and community-based services toward older individuals in need of assistance and potentially at-risk for institutional placement. Descriptions of two NORC-SSPs are provided below.

¹¹ Fredda Vladeck, *A Good Place to Grow Old: New York's Model for NORC Supportive Service Programs*, United Hospital Fund, 2004.

¹² United Jewish Communities, *NORCs: An Aging in Place Initiative*, at [<http://www.norcs.com>], visited December 11, 2007.

Community Options Program (Cleveland, OH)

Community Options, began in 1995 by the Jewish Community Federation of Cleveland, operates in five NORC buildings located in four Cleveland neighborhoods and serves approximately 700 older residents per year. Developed to better link older residents living independently in the community with targeted community supports and services, the program model includes both community organization and senior empowerment. Seniors develop and lead program activities through advisory councils, volunteerism, cost-sharing for activities, and selection of services through an organized database of social service providers. Residents are assisted by Resource Coordinators who work in NORC buildings and develop partnerships with housing managers, vendors, and community service providers. Community Options programs and activities focus on health and wellness, education, and transportation. Staff note the positive relationships that have been developed by Resource Coordinators and seniors, which build trust and foster both increased awareness and utilization of community resources. Community Options receives funding from charitable contributions, building management, resident fees, and a U.S. Department of Housing and Urban Development (HUD) grant. In 2002, the Community Options program used OAA Title IV demonstration funds to test the replicability of its NORC-SSP model in four Ohio regions. While the program found replicability was possible, program sustainability was challenging. As a result, two of the new sites did not continue on with their programs.

Source: Testimony of Joyce Garver Keller, in U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions Committee, Subcommittee on Retirement, Security and Aging, *Naturally Occurring Retirement Communities: A Model for Aging in Place*, hearing, 109th Cong., 2nd sess., May 16, 2006, S.Hrg. 109-599 (Washington: GPO, 2007).

Community Partners Program (Montgomery County, MD)

Community Partners (CP) is a public-private partnership among agencies, county and state governments, philanthropic foundations, and the management of five apartment and condominium properties that brings services and programs to seniors living in NORCs within the greater Washington, DC area. CP provides recreation, transportation, social work, and health services to the approximately 800 seniors it serves. The program emphasizes a prevention-based approach designed to prevent or delay disability and chronic disease. The goals of this NORC-SSP include eliminating social isolation, providing health services such as blood pressure checks and 24-hour emergency response services, and providing professional support throughout a crisis. Staff note the benefits of a model that works proactively, instead of reactively, to address seniors preferences and needs. Staff also report the program has been beneficial in engaging once isolated seniors with social activities, but they find that maintaining financial sustainability and developing a workable transportation program is a challenge. The program will test a membership “fee-for-service” model that will include program subsidies based on an assessment of an individual’s ability to pay. CP received OAA Title IV grant funding in FY2003 and FY2005.

Source: Testimony of Beth K. Shapiro, in U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions Committee, Subcommittee on Retirement, Security and Aging, *Naturally Occurring Retirement Communities: A Model for Aging in Place*, hearing, 109th Cong., 2nd sess., May 16, 2006, S.Hrg. 109-599 (Washington: GPO, 2007).

Congressional Activity

In recent years, House and Senate Labor-HHS appropriations legislation has included committee recommendations for a number of projects to provide supportive services programs to older individuals residing in NORCs. In FY2002, FY2003, FY2004, and FY2005, Congress recommended that the AoA fund specific NORC-SSPs in various locations. For those years, AoA provided a combined \$21.4 million in grant funding from OAA Title IV appropriations for a total of 41 NORC supportive services projects across 25 states (see **Table 1**).¹³ During that period, the proportion of Title IV funding allocated to NORC-SSPs increased from 9.5% of Title IV funds in FY2002 to 16.2% in FY2005. No congressional requests for NORC-SSP funding were made for FY2006. For FY2007, the House and Senate Appropriations Committees recommended funds for, respectively, 15 and 5 NORC projects; however, no funds were allocated to NORC-SSPs.¹⁴

Further congressional interest in NORCs was evident during the reauthorization of the OAA in 2006. In preparation for the OAA reauthorization, NORCs and NORC-SSPs were the subject of several hearings held by the 109th Congress.¹⁵ As a result, the OAA Amendments of 2006 (P.L. 109-365) included a provision requiring the Assistant Secretary of Aging to award funds to carry out model aging in place projects, including NORC-SSPs, under the Community Innovations for Aging in Place initiative.

The aim of the Community Innovations for Aging in Place initiative is to help sustain the independence of older individuals in communities where they have established personal, family, and professional supportive networks. Entities who receive funds are required to provide comprehensive and coordinated health and social services, including the following: case management, case assistance, and social

¹³ Title IV of the OAA authorizes the Assistant Secretary for Aging to award funds for training, research, and demonstration projects in the field of aging. Funds are to be used to expand knowledge about aging and the aging process and to test innovative ideas about services and programs for older persons. For NORC funding recommendations for FY2005, see H.Rept. 108-792, pp. 1198-1201; for FY2004 H.Rept. 108-401, pp. 795-798; for FY2003 H.Rept. 108-10, pp.1113-1116; for FY2002 H.Rept. 107-342, pp.108-110.

¹⁴ House Committee on Appropriations, *Departments of Labor, Health and Human Services, and Education, and Related Agencies*, H.Rept. 109-515, 109th Cong., 2nd sess., p. 161ff; Senate Committee on Appropriations, *Departments of Labor, Health and Human Services, and Education and Related Agencies*, S.Rept. 109-287, 109th Cong., 2nd sess., p. 212.

¹⁵ U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions Committee, Subcommittee on Retirement, Security and Aging, *Planning for an Aging Population: The Administration's Recommendations for the Older Americans Act Reauthorization*, hearing, 109th Cong., 1st sess., May 17, 2005, S.Hrg. 109-132 (Washington: GPO, 2005); U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions Committee, Subcommittee on Retirement, Security, and Aging, *Roundtable Discussion: The Older Americans Act*, hearing, 109th Cong., 2nd sess., February 14, 2006, S.Hrg. 109-437 (Washington: GPO, 2006); U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions Committee, Subcommittee on Retirement, Security and Aging, *Naturally Occurring Retirement Communities: A Model for Aging in Place*, hearing, 109th Cong., 2nd sess., May 16, 2006, S.Hrg. 109-599 (Washington: GPO, 2007).

work services; health-care management and health-care assistance; education, socialization, and recreational activities; volunteer opportunities for project participants; outreach; and coordination of OAA Title III services (e.g., supportive services and centers, family caregiver support, congregate and home-delivered nutrition services, and disease prevention and health promotion services) for eligible older individuals served by the project. Funding to NORC-SSPs under the broader Community Innovations initiative is contingent on future appropriations.¹⁶

Table 1. Federal Funding for Supportive Services Programs (SSPs) to Naturally Occurring Retirement Communities (NORCs), FY2002-FY2005

Location	FY2002	FY2003	FY2004	FY2005	Total
Tucson, AZ	—	—	196,235	—	\$196,235
Los Angeles, CA	—	490,292	—	636,418	\$1,126,710
San Diego, CA	—	—	—	146,866	\$146,866
Sacramento, CA	—	—	—	195,821	\$195,821
Denver, CO	—	—	194,924	—	\$194,924
Miami, FL	—	490,292	245,294	97,910	\$833,496
Sarasota-Manatee, FL	—	—	220,764	73,433	\$294,197
Atlanta, GA	—	98,058	73,588	97,910	\$269,556
Des Moines, IA	—	—	—	293,731	\$293,731
Chicago, IL	—	245,146	98,118	146,866	\$490,130
Indianapolis, IN	—	—	829,094	—	\$829,094
Boston, MA	—	—	686,824	—	\$686,824
Baltimore, MD	987,000	513,826	—	697,122	\$2,197,948
Rockville, MD (Greater Washington, DC)	—	1,176,701	—	979,104	\$2,155,805
Bloomfield Hills, MI (Detroit)	—	441,263	—	489,552	\$930,815
Minnetonka, MN (Minneapolis)	—	833,497	—	97,910	\$931,407
St. Louis, MO	1,263,360	—	—	220,298	\$1,483,658
Cherry Hill, NJ (Southern NJ)	—	—	—	391,642	\$391,642
Clifton, NJ (Passaic county)	—	—	—	195,821	\$195,821
Elizabeth, NJ (Central NJ)	—	—	—	195,821	\$195,821
Lakewood, NJ (Ocean county)	—	—	245,294	—	\$245,294
Margate, NJ (Atlantic & Cape May counties)	—	—	122,647	—	\$122,647
Princeton, NJ (Mercer county)	—	—	—	122,388	\$122,388

¹⁶ For further information on OAA FY2008 funding proposals see CRS Report RL33880, *Older Americans Act: FY2007 Funding and FY2008 Funding Proposals*, by Angela Napili.

Location	FY2002	FY2003	FY2004	FY2005	Total
River Edge, NJ (Northern NJ)	—	—	196,235	—	\$196,235
Whippany, NJ (MetroWest, NJ)	—	—	196,235	—	\$196,235
Albuquerque, NM	—	—	514,984	489,552	\$1,004,536
Buffalo, NY	—	—	98,118	48,955	\$147,073
New York, NY	—	—	—	244,776	\$244,776
Rochester, NY	—	—	98,118	48,955	\$147,073
Las Vegas, NV	—	637,380	—	244,776	\$882,156
Cincinnati, OH	—	—	—	97,910	\$97,910
Cleveland, OH	987,000	—	—	48,955	\$1,035,955
Portland, OR	—	—	—	29,373	\$29,373
Philadelphia, PA	196,300	245,146	196,235	293,731	\$931,412
Pittsburgh, PA	197,400	245,146	245,294	97,910	\$785,750
Providence, RI	—	—	49,059	—	\$49,059
Salt Lake City, UT	—	—	—	293,731	\$293,731
Richmond, VA	—	—	196,235	—	\$196,235
Virginia Beach, VA	—	—	171,705	—	\$171,705
Seattle, WA	—	—	147,177	—	\$147,177
Madison, WI	—	—	343,412	—	\$343,412
Total	\$3,631,060	\$5,416,747	\$5,365,589	\$7,017,237	\$21,430,633

Source: CRS analysis based on NORC-SSP locations identified from United Jewish Communities, “NORCs: An Aging in Place Initiative” at [<http://norcs.com/page.html?ArticleID=147074>], visited Dec. 11, 2007. These locations were compared to the list of AoA grantees that received “Congressional Mandates” defined as “Congressional directed funding of special projects for specific purposes” from Department of Health and Human Services (DHHS), *Compendium of Active Grants Fiscal Year 2006: Under Title IV of the Older Americans Act, AoA*; and, DHHS, *Compendium of Active Grants Fiscal Year 2002: Under Title IV of the Older Americans Act, AoA*.

Issues for Congress

Over the next few decades, the older population is expected to grow dramatically. Between 2005 and 2010, the population age 65 and older is expected to increase 10%, from 37 million to 40 million, and then by an additional 36%, to 55 million, by 2020. The U.S. Census Bureau projects that in 2030 the U.S. population will have an estimated 72 million older Americans, more than twice as many as the number estimated in 2000.¹⁷ This increase is, in part, due to longer life expectancies and the aging of the baby boom generation.

¹⁷ Federal Interagency Forum on Aging-Related Statistics, *Older Americans 2004: Key-Indicators of Well-Being*, Washington, DC: U.S. Government Printing Office, 2004. (Hereinafter cited as: Federal Interagency Forum on Aging-Related Statistics, *Older Americans 2004*).

Not surprisingly, most older Americans desire to remain in their homes for as long as possible. According to a survey conducted by AARP the vast majority (84%) of individuals age 50 and over want to remain in their current residences. This desire increases substantially by age, with 91% of persons 65 to 74 and 95% of persons 75 and older expressing the desire to remain living in their own homes.¹⁸

As the older population continues to increase both in size and as a proportion of the total U.S. population, and as individuals continue to live longer post-retirement, the demographic pressure of an aging population is likely to increase demand for health and social services. Congress will face a decision as to whether to expand the role of the federal government in funding these services to older adults living in home and community-based settings. If Congress chooses to expand the federal government's role, one program model they might consider is NORC-SSPs. This section briefly describes some issues for Congress to consider with respect to expanding federal funding of NORC-SSPs. These issues include program eligibility, sustainable program funding, implementing program standards and outcomes measures, and areas for further research.

Program Eligibility

Some federal and state programs or initiatives (e.g., OAA services, Medicaid, SSI) require individuals to be determined eligible for benefits or services based on certain demographic, income, and/or functional criteria, often measured as one or more limitations with Activities of Daily Living (ADLs)¹⁹ Unlike these types of programs, services within NORC-SSPs are available to all older residents living in the community, not just those who are aged, frail, or economically disadvantaged.

One issue for Congress is whether or not federal funding to NORC-SSPs should assist more affluent communities or individuals. While some believe that eligibility for federal funds should be targeted to needy individuals, others believe there are public benefits derived from targeting funds more broadly at the local level whereby communities can best address individual need through partnerships with key stakeholders (e.g., residents, housing managers, and health and social service providers). These partnerships in turn can address issues affecting NORC residents at the local and community levels. Many of these initiatives may also benefit the public at-large by fostering economic development, building accessible and affordable housing for the frail elderly and other persons with disabilities, and improving public transportation services.

Including active older adults in NORC-SSPs provides opportunities for civic engagement and community leadership as well as increasing awareness of available community services. Moreover, offering services and supports to those who are low-income, but not necessarily eligible for public assistance, may prevent or delay individuals from spending down their own assets to qualify for public programs or

¹⁸ AARP, *Beyond 50.05*, 2005.

¹⁹ Activities of Daily Living generally refer to the following activities: eating, bathing, dressing, toileting, dressing, walking across a small room, and transferring in or out of a bed or chair.

benefits. Thus potentially reducing demand for public assistance or forestalling unnecessary institutionalization.

Program Standards and Outcomes

Given the diversity of NORCs and NORC-SSPs, Congress may want to consider developing program standards so that all programs meet certain identified goals or specified outcomes measures. Program outcomes may take into account both the short-term and long-term outcomes of NORC-SSPs. For example, supportive services programs may meet resident's immediate needs by addressing social isolation, depression, or assistance with personal care, transportation, or housework. Over the long-term the NORC-SSPs will, ideally, become a trusted resource for residents and families to turn to in a crisis, in addition to building awareness about what community services are available to help residents live independently. Outcomes measurement may need to look beyond tracking program participation to better understand reasons for non-participation. Data on non-participation may be an indicator of a vulnerable older adult population experiencing social isolation.

Establishing specific program standards and outcome measures may also assist Congress in ensuring that funding for NORC-SSPs is targeted to specific groups for specific purposes and outcomes can be measured over time. Such standards may also ensure NORC program services are not duplicative. At the federal level, several programs exist to provide social and health-related services to individuals in home and community-based settings. They include separate funding for supportive services and nutrition programs under Title III of the OAA, the Social Services Block Grant program, and Medicaid home and community-based long-term care services to those who meet certain financial and functional eligibility criteria as defined by each state.

Program Funding

Congress may want to consider the extent to which federal financing is made available for NORC-SSPs in relation to other public and private financing. According to research on NORC-SSPs for the HHS Assistant Secretary for Planning and Evaluation (ASPE), "the challenge, as with many supportive services programs, is finding the right private-public-philanthropic resource mix, and the right balance among individual, community, and societal obligations."²⁰ While Congress has shown interest in funding NORC-SSPs, funding has been limited to OAA Title IV grants which fund temporary research and demonstration initiatives. Local dollars were also used to supplement the federal grants. Each site that received a NORC-SSP federal grant provided a match of \$1 local dollar for every \$3 federal dollars.²¹ However, since FY2005 AoA has not awarded grants for these programs.

One challenge for NORC-SSPs has been sustaining funding over time. Some NORC-SSPs have relied on other public and private funding sources such as state and local governments, residents, housing management, community organizations,

²⁰ Ormond et al., *Supportive Service Programs*, 2004.

²¹ Ibid.

and philanthropies. Many of these funding sources may also be temporary. Other NORCs, unable to financially sustain their programs, have ceased to provide services.²² NORC-SSPs are continuing to experiment with generating internal sources of funding through membership fees, resident activity fees, building management fees, and cooperative fees. While internal funding may be a necessary source for program sustainability, NORC-SSPs may want to ensure services remain available to all residents so that fees don't place an undue financial burden on those with limited means.

Further Research

If Congress continues to fund NORC-SSPs, it may also consider funding national research on the topic in order to provide information on best practices for implementing a NORC-SSP or to offer technical assistance to grantees. Research might focus on efforts to apply the NORC-SSP model to hard-to-serve areas such as rural communities and other less-densely populated areas. Further research could explore the geographic characteristics necessary for successful NORC-SSP implementation in terms of community identity and size, population density, and local infrastructure. Research that utilizes data sources such as the U.S. Census to define a NORC's geographic boundary and characteristics of its resident population may assist in establishing a more uniform definition of NORCs along with the ability to target federal funds toward vulnerable populations.

²² Testimony of Joyce Garver Keller, in U.S. Congress, Senate Committee on Health, Education, Labor, and Pensions Committee, Subcommittee on Retirement, Security and Aging, *Naturally Occurring Retirement Communities: A Model for Aging in Place*, hearing, 109th Cong., 2nd sess., May 16, 2006, S.Hrg. 109-599 (Washington: GPO, 2007).