



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

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Grassley Plans Hearing on New Freedom Initiative for Elderly, Disabled

WASHINGTON -- Sen. Chuck Grassley, chairman of the Committee on Finance, today announced plans to hold a hearing on April 7 to examine President Bush's initiative to streamline services and funding for the elderly and people with disabilities.

"The array of federal services for older Americans and the disabled is complicated," Grassley said. "Often, it's difficult to navigate those services, and sometimes the programs make it hard for people to stay in their local communities. Since folks want to stay in their homes and communities for as long as possible, government programs should help them do that. I appreciate the President's initiative in this area. It looks like a forward-looking way to cut government bureaucracy and support the kind of care everybody wants. The purpose of this hearing is to assemble a panel of experts to describe how the proposals would work and to look at them in detail from the perspectives of everyone involved."

Grassley said the President announced his New Freedom Initiative in February 2001 and expanded the initiative through Executive Order 13217 on June 18, 2001. The executive order directed federal agencies to work together to tear down the barriers to community living. Various departments throughout the government, including the Department of Health and Human Services, are partnering with states and others to provide the elderly and people with disabilities with the necessary supports to fully participate in community life.

Several components of the New Freedom Initiative are included in the President's 2005 budget. The purpose of the hearing is to examine some of those proposals. In one of the proposed demonstrations, the federal government would fully reimburse states for one year of Medicaid home- and community-based services for individuals who move from institutions into home and community-based care. After this initial year, states would be responsible for matching payments at their usual Medicaid matching rate. This initiative would invest millions of dollars to help seniors and disabled Americans live in the setting that best supports their needs.

Other demonstrations included in the New Freedom Initiative would provide respite care to the caregivers of adults with disabilities and children with severe disabilities; provide community-based services for children who reside in psychiatric residential treatment facilities; and focus on increasing the recruitment and retention of direct care workers.

The hearing will highlight viable alternatives that lead to meaningful community-based living. The committee will release a witness list and other details as soon as they are final.