2018 Annual Report

of the

New Jersey
Casino Revenue Fund Advisory Commission

Recommendations for the
Casino Revenue Fund Programs
For Seniors and Citizens with Disabilities

For the State Fiscal Year 2019 Budget

Presented to

Phil Murphy, Governor
Stephen Sweeney, Senate President
Craig Coughlin, Assembly Speaker
The New Jersey State Legislature

June 2018

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Casino Revenue Fund Advisory Commission

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CHAIR – James Thebery, M.A. CSW (Representing the NJ Association of County Disability Services)
VICE CHAIR – Tina Zsenak (NJ Dept. of Human Services, Division of Aging Services)
SECRETARY – James Carney (Representing Seniors)

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Introduction and Background

In 1974 the voters of New Jersey were asked to amend the State Constitution by allowing Casino gambling to be permitted in Atlantic City and elsewhere. The referendum was defeated by 60% of voters.

On November 2, 1976 the voters were again asked to decide Public Question #1, an amendment to the Constitution authorizing casino gambling in Atlantic City only. The measure was narrowly approved by 56% of voters after some $1.3 million (mainly funded by The Committee to Rebuild Atlantic City) was spent promoting the legislation.

Seniors and persons with disabilities were encouraged to vote allowing gambling in Atlantic City by being advised that up to 15% of the Gross Casino receipts would be placed in a Special Fund for programs that would benefit seniors and persons with disabilities only. In 1977 legislation was signed into law and the Constitution amended permitting casino gambling in Atlantic City and providing 8% of yearly casino gross receipts to be deposited into the newly created Casino Revenue Fund (CRF) to be used solely for senior and persons with disabilities programs. The CRF was to benefit "reductions in property taxes, rentals, telephone, gas, electric, and municipal utilities charges for eligible senior citizens and disabled residents of the State". In 1981 the State Constitution was again amended to emphasize the sole use of CRF "for additional or expanded health services or benefits or transportation services or benefits to eligible senior citizens and disabled residents, as shall be provided by law".

The Senate created the Casino Revenue Fund Task Force in 1985, with Senator Catherine Costa as Chair, and after she and the committee conducted four public hearings to determine how best to implement, manage and oversee the Casino Revenue Fund, Senator Costa submitted her report in 1986.

In 1992 the Casino Revenue Fund Advisory Commission was legislated to provide recommendations to the Legislature concerning the Casino Revenue Fund utilization. The Commission consists of 15 members, four are ex-officio, one casino industry representative, four members of the legislative and six of which are public members, two each appointed by the Governor, Senate President and Assembly Speaker. Three public members are senior citizens and three are persons with disabilities. ***Since its inception, the fund has generated 10.3 billion dollars.***

Casino Industry Status

The Casino Revenue Fund depends exclusively on revenue from the New Jersey casino industry. The continued viability of that industry is therefore critical to the Fund. Unfortunately, due originally to the impacts of the national economic downturn and then to the proliferation of gaming in neighboring states and its own municipal financial issues, the Atlantic City market experienced a contraction from 2008 through 2015. At the worst of that contraction in 2014 four casino resort properties, ACH, Revel, Showboat and Trump Plaza, discontinued their respective businesses and in 2016, a fifth casino, the Taj Mahal, closed. Consequently, the revenue generated by Atlantic City casinos declined from its peak in 2006.

On the positive side, the state's casino gaming industry is still considered the 3rd largest in the United States and its overall contribution to the economy of New Jersey remains considerable. In addition, the reduction in the number of casinos in the Atlantic City market has generally resulted in fiscal improvement for the seven remaining casino operations. For the first time in nearly a decade, gross gaming revenue in the physical Atlantic City properties increased for two straight years, 2016 and 2017. In addition, according to the figures of the Casino Association of New Jersey, the casino resort industry is still responsible for over $500 million annually in direct state and local taxes and fees. The Casino Revenue Fund receives the largest percentage of those payments.

Casino Revenue Fund Projections

Based on the uptick in casino revenue in last two years as noted above and the additional increase in Internet revenue noted below, there is a growing expectation that such revenue and the annual contributions to the Casino Revenue Fund have now stabilized. In addition, two new casino properties are scheduled to open in 2018, the Hard Rock Hotel and Casino and the Ocean Resort Casino. Those openings, together with the recent success of the other seven casino properties should begin to increase overall gaming revenue in the state.

Accordingly, the Commission is hopeful that with the improvement in the overall economy, the uptick in gaming revenue, the planned opening of two additional casino properties in the summer of 2018, and the taxes from Internet gaming, the Casino Revenue Fund should continue to experience annual gains over the next several years. However, the Commission is aware that forces outside of the control of this state will continue to try to divert market share from the New Jersey Casino industry to gaming in other states.

New Jersey Internet Wagering and Sports Betting

Internet gaming has been another bright spot as online play is very much gaining in popularity after its slow debut in November 2013. Overall, internet revenue has steadily increased since its inception. In fact, year over year increases for 2016 and 2017 continue to grow by more than 20% annually and the number of companies offering such gaming continues to expand with overall revenue in 2016 topping $196m and in 2017 $245m. Most casino operators have found a high percentage of online players as new customers and witnessed an increase from inactive customers who were re-activated after signing up online so the Commission is hopeful that these increases will continue and the Casino Revenue Fund will continue to benefit from that increased internet volume.

In addition, the voters of New Jersey previously approved casinos and racetracks in the state to offer sports based wagering, but such actual wagering was still prohibited under federal law. The U.S. Supreme Court recently overturned that prohibition; now, New Jersey casinos and racetracks will be permitted to accept wager on sporting events. The ability to offer sports betting will provide a significant additional amenity for the Atlantic City casinos to attract guests, further increase the overall gaming market and generate additional gaming revenue.

On the negative side, the threat of an online gambling ban from the federal government still looms. The impacts of federal ban, if enacted, will further prohibit states enacting legislation that would authorize any form of internet gambling and may jeopardize New Jersey's growing internet market and consequently the growing Casino Revenue Fund dollars produced by it.

Atlantic City Economic Recovery

Atlantic City government appears to be stabilizing with 2016 state assistance and casino PILOT legislation intended to create a more certain revenue stream for the city and provide for municipal management assistance from the state. While this situation does not directly impact the Casino Revenue Fund, the result of a more sustainable municipal economy can greatly affect the business of the casinos that generate revenue for the Fund. It seems that Atlantic City government is on the path of such sustainability with reductions in its overall budget and longer term fiscal solutions to maintain its economic health. It is very important that the city and state continue their efforts to stabilize revenue, reduce expenses and reverse a vicious spiral that has impaired the ability of both casino and non-casino businesses to succeed in the city, the county, and the region.

In summary, the tourist, resort, and convention industry in Atlantic City constitutes a critical component of our State's economic infrastructure that, if properly regulated, developed, and fostered, is capable of providing a substantial contribution to the general health, welfare, and prosperity of the State and its residents. With the last two year's increase in gaming revenue, the additional casino properties, the continued success of the internet gaming component, and the 2016 legislation to assist the Atlantic City municipal economy, the Commission is even more hopeful as to the economic recovery and potentially increasing Casino Revenue Fund resources.

End of Year Total CRF

	2011	2012	2013	2014	2015	2016	2017
INTERNET GAMING TAX	$0	$0	$0	$10,723,750	$19,801,721	$25,775,697	$33,523,650
EXPIRED CASINO VOUCHERS	$502,803	$536,450	$595,762	$513,298	$413,929	$387,631	$338,219
CASINO FINES	$53,308	$109,713	$181,355	-$4,481	$53,337	$51,465	$131,793
CASINO PARKING TAX	$6,261,330	$1,799,227	$6,541,151	$4,631,493	$3,848,315	$3,260,741	$3,405,147
CASINO ROOM FEE	$4,818,505	$5,088,108	$4,846,158	$4,989,354	$3,073,653	$2,611,205	$2,104,436
GROSS REVENUE TAX	$251,132,155	$227,084,258	$201,739,626	$197,363,834	$176,986,313	$175,226,929	$176,982,621
PROGRESSIVE SLOT TAX	$3,127,700	$2,504,012	$2,556,910	$3,009,060	$1,787,402	$1,929,473	$1,997,734
	$265,895,800	**$237,121,768**	**$216,460,961**	**$221,226,308**	**$205,964,671**	**$209,243,140**	**$218,483,600**

Internet Gaming (by month)

	January	February	March	April	May	June	July	August	September	October	November	December
2013												$7,388,672
2014	$8,602,706	$9,719,763	$11,195,735	$10,819,737	$9,972,205	$9,009,518	$9,483,219	$10,547,458	$10,019,653	$9,484,931	$8,738,898	$10,736,118
2015	$11,567,337	$10,404,367	$13,165,623	$12,693,597	$12,474,586	$11,668,709	$12,531,991	$12,214,514	$12,025,679	$12,863,935	$13,222,543	$14,044,300
2016	$14,630,073	$14,749,620	$15,507,459	$16,980,749	$16,546,158	$16,402,177	$17,368,984	$16,074,303	$16,231,899	$16,665,888	$17,169,578	$18,382,444
2017	$18,820,098	$18,722,090	$21,745,431	$20,822,026	$21,071,248	$20,233,399	$20,585,542	$21,278,879	$20,391,782	$20,567,625	$20,610,216	
2018	$21,962,339	$21,992,124	$25,580,210									

Casino Revenue Fund-Supported Programs

Program Name	Department	Division
Community Care Waiver (CCW) - Individual Supports[1]	Human Services	Developmental Disabilities
Statewide Birth Defects Registry	Health	Family Health Services
Vocational Rehabilitation Services[2]	Labor	Vocational Rehabilitation Services
Hearing Aid Assistance for the Aged and Disabled	Human Services	Aging Services
Pharmaceutical Assistance to the Aged and Disabled	Human Services	Aging Services
Personal Assistance Services Program[3]	Human Services	Disability Services
Community Based Senior Programs[4]	Human Services	Aging Services
Transportation Assistance for Senior Citizens and Disabled Residents	NJ Transit	Public Transportation Services
Adult Protective Services[5]	Human Services	Aging Services
Homemaker Home Health Aide Certification Program[6]	Law and Public Safety	Board of Nursing

① Individual Support services are self-care and habilitation-related tasks performed and/or supervised by service provider staff approved individual caregiver in an individual's home or in other community-based settings.

② Provides individualized services to assist persons with disabilities to prepare for, obtain and/or maintain employment.

③ Provides routine, non-medical assistance to adults with disabilities who are employed, involved in community volunteer or attending school.

④ Includes Alzheimer's Adult Day Services, Congregate Housing Services, the Safe Housing and Transportation Program, Statewide Respite, Adult Protective Services, and Statewide Home-delivered meals.

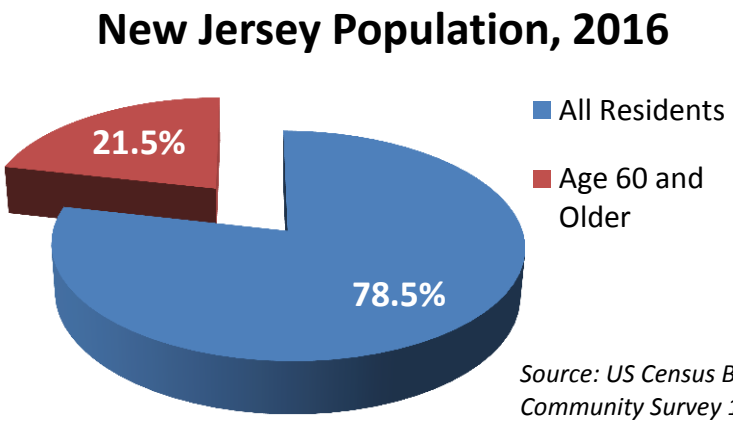
⑤ Receives and investigates reports of suspected abuse, neglect, and exploitation of vulnerable adults living in a community setting.

⑥ Board of Nursing-approved program providing training to care for ill and disabled individuals.

Demographics of New Jersey's Senior Citizens and Adults with Disabilities

Overview

- New Jersey's population was 8,944,469 in 2016, the most recent year that Census figures were available. 1,925,002 (21.5%) of those were age 60 and older. [1]



Source: US Census Bureau, 2016 American Community Survey 1-Year Estimates, Table S0102

- There is a significant gender gap among NJ seniors in 2016. Women accounted for 56.1% of the population aged 60 years and older[2] and 66.7% of the population 85 and older.[3]
- In 2016, 72.6% of New Jerseyans age 60 and over were white alone, not Hispanic or Latino. 10.5% were black or African American and 6.6% were Asian.[4]
- Between 2011 and 2015, people aged 60 years and over made up 28.2% of the population of Ocean County and 32.6% of the population of Cape May. Hudson County had the smallest share of this demographic at just 15.6%.[5]
- Six counties accounted for nearly half of New Jersey's population age 60 and older between 2012 and 2016: Bergen (205,519), Ocean (165,147), Middlesex (159,917), Essex (140,858), Monmouth (138,698) and Morris (107,485).[6]

Diversity

- Using one measure of racial/ethnic diversity[7] and the 2012-2016 ACS data[8], expressing the chance of two randomly selected residents (age 60 or older) being of different races/ethnicities, Hudson (75.8%), Essex (67.9%), Passaic (63.9%), and Union (61.7%) are the most diverse counties, while Cape May (10.7%), Hunterdon (12.6%), Sussex (13.0%), Ocean (13.7%) and

[1] US Census Bureau, 2016 American Community Survey 1-Year Estimates, Table S0102
[2] Ibid
[3] US Census Bureau, 2016 American Community Survey 1-Year Estimates, Table B01001
[4] US Census Bureau, 2016 American Community Survey 1-Year Estimates, Table S0102
[5] US Census Bureau, 2012-2016 American Community Survey 5-Year Estimates, Table S0102
[6] Ibid
[7] Meyer , P., & Overburg, P. (2001). Updating the USA Today Diversity Index. http://www.unc.edu/~pmeyer/carstat/tools.html
[8] US Census Bureau, 2012-2016 American Community Survey 5-Year Estimates, Table S0102

Warren (14.5%) are the least diverse. The overall score for NJ is 47.1%, which is higher than the US figure of 40.9%.

- Over the 5-year period (2012-2016) 72.6% of NJ's population age 60 and over was white, non-Hispanic or Latino compared to 76.9% of the US senior population. In five NJ counties, this proportion exceeded 90%: Cape May (94.8%), Sussex (93.7%), Hunterdon, Ocean (both at 93.3%), and Warren (92.3%). Essex (46.5%) and Hudson (37.3%) have the lowest proportions of white, non-Hispanics or Latinos in the state.[9]
- Blacks or African Americans made up 10.5% of NJ's population age 60 or older (2012-2016) compared to 9.4% of the US senior population. Essex (35.3%), Union (19.7%), Mercer (16.7%) and Camden (15.1%) counties have the highest proportions of this demographic.[10]
- Asians made up 6.6% of NJ's population age 60 and older (2012-2016), compared to 4.2% nationally. Middlesex (15.6%) had the highest proportion of Asians, followed by Hudson (11.5%), Bergen (11.4%) and Somerset (11.2%).[11]
- Hispanics or Latinos of any race made up 9.9% of NJ's population age 60 and older (2012-2016) compared to the national figure of 8.2%. Hudson (40.4%), Passaic (23.9%) and Union (16.8%), followed by Cumberland (13%) and Essex (12.7%) had the highest proportions of this category.[12]

English Proficiency

- Among New Jerseyans aged 60 and over, 14.3% spoke English less than "very well" compared to 8.7% of the same population segment across the US. Cape May (2.1%), Salem (2.9%) and Hunterdon (2.9%) counties had the lowest proportion in this category, while Hudson (41.7%), Passaic (26.7%) and Union (23.0%) had the highest figures.[13]

Disability

- The American Community Survey (ACS) estimates the overall rate of people with disabilities in the US population in 2015 was 12.8%.[14]
- Disability rates increase with age. In 2016, less than 1% of U.S. citizens under age 5 had a disability. For those aged 5-17, the rate was 5.6%. For ages 18-34, the rate was 6.3%. For ages 35-64, the rate more than doubled to 13.1%. For ages 65-74, the rate nearly doubled again to 25.3%. Finally, for people aged 75 and older, nearly half (49.5%) had a disability.[15]
- With the exception of cognitive disabilities, all other disability types (hearing, vision, ambulatory, self-care, and independent living) have increases in disability percentages with age; cognitive disabilities show the least change between age groups.[16]

[9] Ibid
[10] Ibid
[11] US Census Bureau, 2012-2016 American Community Survey 5-Year Estimates, Table S0102
[12] Ibid
[13] Ibid
[14] US Census Bureau, 2016 American Community Survey, American Fact Finder, Table B1810
[15] US Census Bureau, 2016 American Community Survey, American Fact Finder, Table B1810
[16] US Census Bureau, 2012-2016 American Community Survey, American Fact Finder, Table S1810

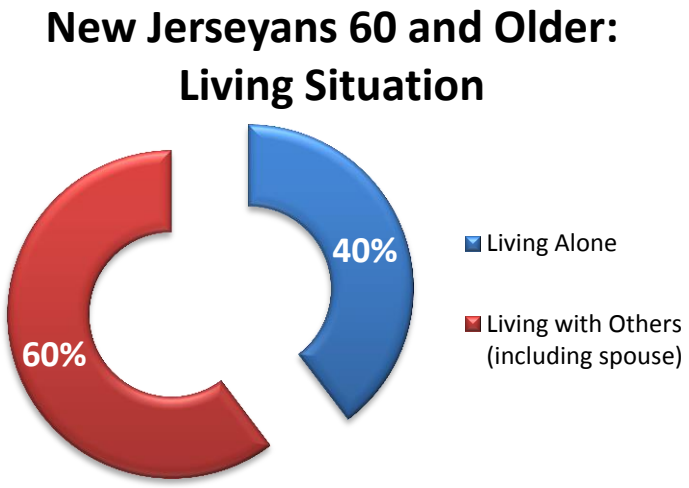
- The median earnings of U.S. civilians with disabilities ages 16 and over in 2016 was $22,047, about two-thirds of the median earnings of people without disabilities ($32,048).[17]
- More than one in five (20.3%) U.S. civilians with disabilities of working-age in 2016 were living in poverty. For those of working-age without disabilities, the national poverty rate was 12.6%.[18]

Poverty

- 84.8% of New Jerseyans age 60 and older had incomes at or above 150% of poverty level compared to 81% of the same segment nationally. Hudson County (72.9%) had the lowest proportion above 150% poverty, while Hunterdon (92.9%), Morris (90.7%), Somerset (90.4%) and Sussex (90.3%) had the highest proportions.[19]

Isolation

- During the period, 2012-2016, 39.7% of NJ households were made up of a single householder age 60 or older living alone. The national figure was slightly higher at 40.1%. Hunterdon County (35.6%) had the smallest proportion of older, householders living alone, while Essex (44.7%), Hudson (43.2%), and Ocean (43.0%) and had the largest proportions.[20]



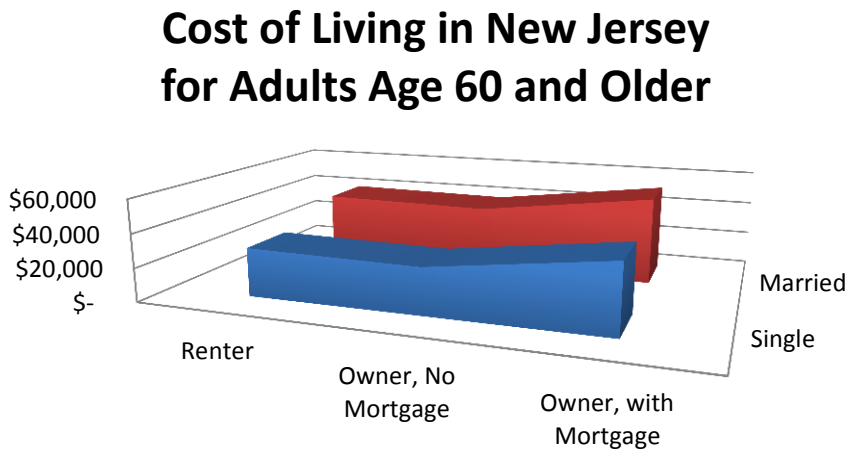
Marital Status

- 56.5% of New Jerseyans age 60 and older were married (excluding separated) and 21.4% were widowed compared to 57.7% married and 20% widowed seniors in the US during the same period (2012-2016). Essex (46.7%) and Hudson (47.6%) counties had the lowest proportion of married adults age 60 and older, while Hunterdon (65.1%), Sussex (62.8%), Morris (62.5%) and Cape May (62.4%) had the highest figures.[21]

[17] US Census Bureau, 2016 American Community Survey, American Fact Finder, Table S1811
[18] US Census Bureau, 2016 American Community Survey, American Fact Finder, Table S1811
[19] Ibid
[20] Ibid
[21] Ibid

Economic Security

- Social Security is the only source of income for 30% of older adults in New Jersey.
- In order to meet basic costs of living (i.e., housing, food, healthcare, etc.), a single older adult in New Jersey needs an income ranging from $27,696 for a homeowner with no mortgage, to $29,016 for a renter to $41,016 for an owner with a mortgage. For couples, the needed incomes are $38,952, $40,272 and $52,272, respectively.[22]



	Renter	Owner, No Mortgage	Owner, with Mortgage
Single	$29,016	$27,696	$41,016
Married	$40,272	$38,952	$52,272

[22] New Jersey Elder Economic Security Index, 2016.
http://www.state.nj.us/humanservices/news/reports/NJ%20EESSI%202016%20-%200118.pdf

CRFAC Highlighted Programs

Home Delivered Meal Program

An estimated 25% of New Jersey seniors age 60 and older are considered to be food insecure, meaning that they do not have reliable access to a sufficient quantity of affordable, nutritious food. Food insecure seniors are at an increased risk of depression, diabetes, gum disease, asthma, congestive heart failure and malnourishment. They are also more likely to have difficulty performing at least one activity of daily living.

In 1972, New Jersey tapped federal funds under Title III of the Older Americans Act to create its Elderly Nutrition Program. The program included nutritious meals (home delivered and congregate meals provided on weekdays only), nutrition education, and nutrition counseling for seniors age 60 and older.

CRF funding for this component has remained level at $1 million for the past 21 years.

Home delivered meals support individuals who are homebound and therefore unable to attend a congregate meal site. The congregate meals support individuals who are able to go to receive a meal at a senior center, church hall or other community setting. Every meal served meets the nutritional standard of one-third of the Daily Recommended Intakes/Recommended Dietary Allowance (DRI/RDA), and complies with the current Dietary Guidelines for Americans.

Individuals seeking home delivered meals are assessed for need and are provided referrals to other support services that can help maintain them in their homes. Home delivered meals are an essential component of New Jersey's home and community-based and long-term services and supports system, ensuring that participating seniors who are homebound and cannot prepare their own meals receive the benefit of a daily hot, nutritious meal. The program also ensures participants receive a daily visit from the meal delivery person. This reduces their isolation and allows the program to check on their safety.

Under state legislation enacted in 1987, state Casino Revenue Funds (currently set at $970,000) expand the weekday program by funding weekend and holiday home delivered meals to frail, elderly who have no other family or community support. The average cost of these meals is $7.90, which includes all food, staff, operations and delivery costs. Recipients are not charged for the meals, but may make voluntary contributions.

County offices for the aging and disabled report a significant service gap in nutritional services for disabled adults under age 60. There is no dedicated funding stream for meals for this group, but the need is evident.

At present, there are waiting lists for both weekday (131 seniors) and weekend/holiday (86) home delivered meals.

Safe Housing and Transportation

Funds for the Safe Housing and Transportation Program, primarily for home repairs and assisted transportation, provide funding for services that would not otherwise have been covered. Twenty years ago, the CRF allocated $2.9 million to Safe Housing and Transportation; today, the allocation is $1,131,000. Over that same period, the number of seniors needing such services increased tremendously. Last year, the program delivered 78,846 units of service to 4,801 seniors.

The Safe Housing Program has two distinct components:

1. Residential maintenance, and
2. Assisted transportation.

Residential maintenance has existed since the inception of the Safe Housing Program. It provides seniors with home repair services, including:

- Weatherization improvements,
- Housing improvements to deter crime,
- Installation of handrails or ramps to meet the special needs of individual elderly people due to physical disabilities,
- Improvements and repairs to roofs, siding, doors and windows, foundation, floors, interior plumbing, electrical, and painting done to prevent deterioration and in conjunction with repairs.

During calendar year 2017, the Safe Housing and Transportation Program provided 22,847 hours of residential maintenance services to 3,056 seniors in New Jersey, at an average cost of $42.50 per hour.

Assisted transportation is a ride service that includes a literal "helping hand". This is for functionally impaired or isolated older persons who cannot use more general services, such as a senior bus, public transit, or a taxi service because they require assistance. Assisted transportation is highly individualized. It is usually the only way for the person to utilize community facilities and services, such as banks, stores, medical resources, and other necessary destinations. Last year, 1,756 seniors were assisted with 55,999 one way trips funded by the CRF. These trips were provided at an average cost of a little over $10 each way.

A senior citizen who uses a quad cane due to a stroke usually cannot carry grocery bags up the stairs to the home. Assisted transportation helps with the stairs and the heavy bags, allowing the person to live safely in their own home while having the independence to use the community resources we all enjoy and take for granted, such as the supermarket.

Adult Protective Services

The CRFAC notes that there has not been an increase in Adult Protective Services (APS) funding since 2013, although the number of reported cases has risen significantly. The number of substantiated cases has also increased (*see chart below*).

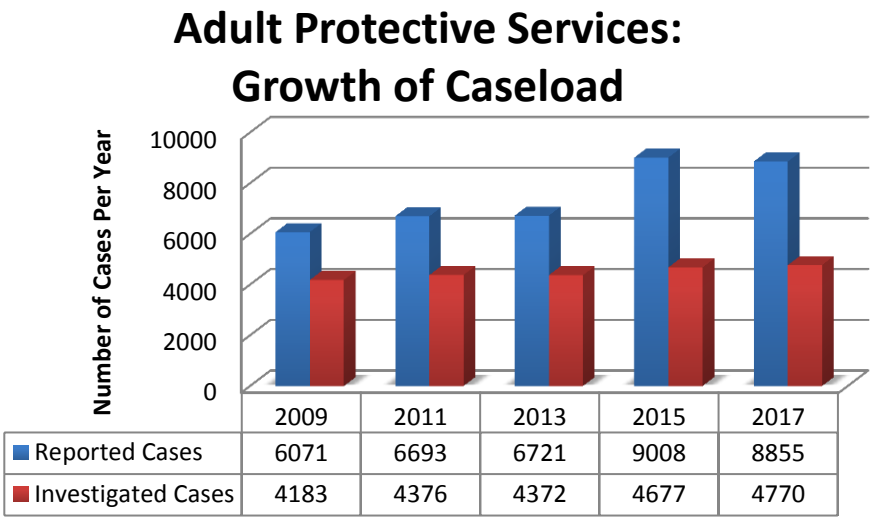
Adult Protective Services programs are located within each county to screen, investigate, and intervene in cases of suspected abuse, neglect, and exploitation of adults who are living in the community and are unable to protect themselves due to physical or mental illness or other disabling conditions. APS works together with community resources, such as social services, health care providers, and the justice system to stabilize situations with the least-intrusive methods.

By statute, APS must respond to a referral of abuse, neglect or exploitation within 72 hours and continue intervention until the client is no longer at risk. Waiting lists are not an option, regardless of resources of staff, service availability in the area, or funding.

Sadly, abuse, neglect and exploitation of vulnerable adults residing in the community is on the rise, possibly because of the increase of vulnerable adults living in the community instead of institutions. People with conditions that increase their risk for being abused, such as cognitive disabilities (Alzheimer's and other brain degenerative disorders), developmental disabilities, traumatic brain injury, mental health issues, and physical disabilities, are able to remain at home far longer than in previous years. However, their conditions are also likely to make them unable to identify abusive or exploitative conditions and to avoid them or escape such circumstances on their own.

APS responded to a report of suspected self-neglect of an 87-year-old widow who lived alone. Neighbors thought she might need some help. She was wearing the same stained and dirty dress for several weeks, had bad body odor, and appeared to be losing weight. The neighbors became concerned about her well-being and worried whether she was eating properly. She seemed confused and sometimes didn't make sense when neighbors talked to her. She was also seen wandering around in her yard talking to herself. Neighbors weren't certain what was happening, but it was evident she wasn't caring for herself, her home, or her yard as she once had, so a call was placed to Adult Protective Services.

APS met with the senior to evaluate what help she would need to live safely in her home, determine if that help was available, and arrange for it if it was. She appeared frail, looked unkempt, and the home environment was extremely cluttered with trash and piles of mail. Fortunately the services she needed were available and she was willing to accept assistance. APS helped arrange for someone to clean up her home, to prepare meals, and to help her care for herself by assisting with bathing and dressing. The senior appeared to be happy with this assistance, and remained safe living in her own home.



Source: Adult Protective Services statistics from program database, collected April 2018.

APS programs receive many referrals which do not meet the criteria for their intervention. Those cases are carefully screened and sent to appropriate resources, such as Area Agencies on Aging (often called offices on aging). This leaves thousands of cases to be investigated directly. Out of the 4,770 cases investigated in 2017, 2,286 cases were substantiated as abuse, neglect, or exploitation.

Congregate Housing Services Program

CHSP provides services in "senior housing": public and non-profit housing serving low-income senior citizens and adults with disabilities. The concept is to provide wrap-around services to help senior housing residents stay in their apartments and as independent as possible. Participating residents have a co-payment, based on the person's income. Services provided can include home care, laundry services, housekeeping, meals served in a congregate setting, meals brought to their apartments if they are ill, and bill paying and appointment assistance. There is a site coordinator, employed by the building, who manages the program. CHSP is in 63 buildings across 17 counties.

The average cost per year for a CHSP participant is $1,177. If the same person went into a nursing home, it would cost $88,728.82 per year.

Source: FFS Rates Effective 7/1/17 & 10/1/17, accessed at http://www.state.nj.us/humanservices/doas/documents/NHFFSrates.pdf accessed on May 4, 2018.

In SFY17, CHSP provided services to 2,405 unduplicated clients, including 205,693 meals and 69,285 units of housekeeping, personal assistance, and other supportive services. In traditional senior buildings, there is little or no monitoring of residents; the housing is completely independent. Some buildings have a social worker, and a few are sites for a congregate meal program, but there is no structured follow-up unless a resident fails to pay their rent. In a building that participates in CHSP, the congregate nature of the services, which are often centered around the group meals, allows the site coordinator to observe the participants and act quickly to adjust services.

Many of the CHSP participants appear to meet the clinical eligibility criteria for nursing home level of care. CHSP services enable these senior citizens and adults with disabilities to remain in their apartments for a fraction of the cost. The financial success in containing costs and the popularity of the program among building residents make this program ideal for growth. Unfortunately, the funding for this program has remained unchanged for several years.

Ms. M is an 89 year old resident of a senior housing building. She has a ton of anxious energy. She's become forgetful and a bit scattered. Although they are very close, her daughter lives over an hour away and works full time.

As an original tenant in the building, it's very important to Ms. M that she is able to stay in the apartment that she has called home for 25 years. With her anxiety, high energy, and forgetfulness, the clutter and disorganized bills had become overwhelming. The situation even threatened her ability to keep her beloved apartment.

An assistant from the Congregate Housing Services Program in the building works with Ms. M weekly to organize her paperwork and maintain a monthly calendar so that she could see her medical and daily appointments. Her apartment is now organized, and this has helped to reduce her anxiety. The Congregate Program has helped Ms. M maintain her independence in her cozy apartment, and her family has peace of mind that she is happy and able to enjoy her friends and building.

Transportation

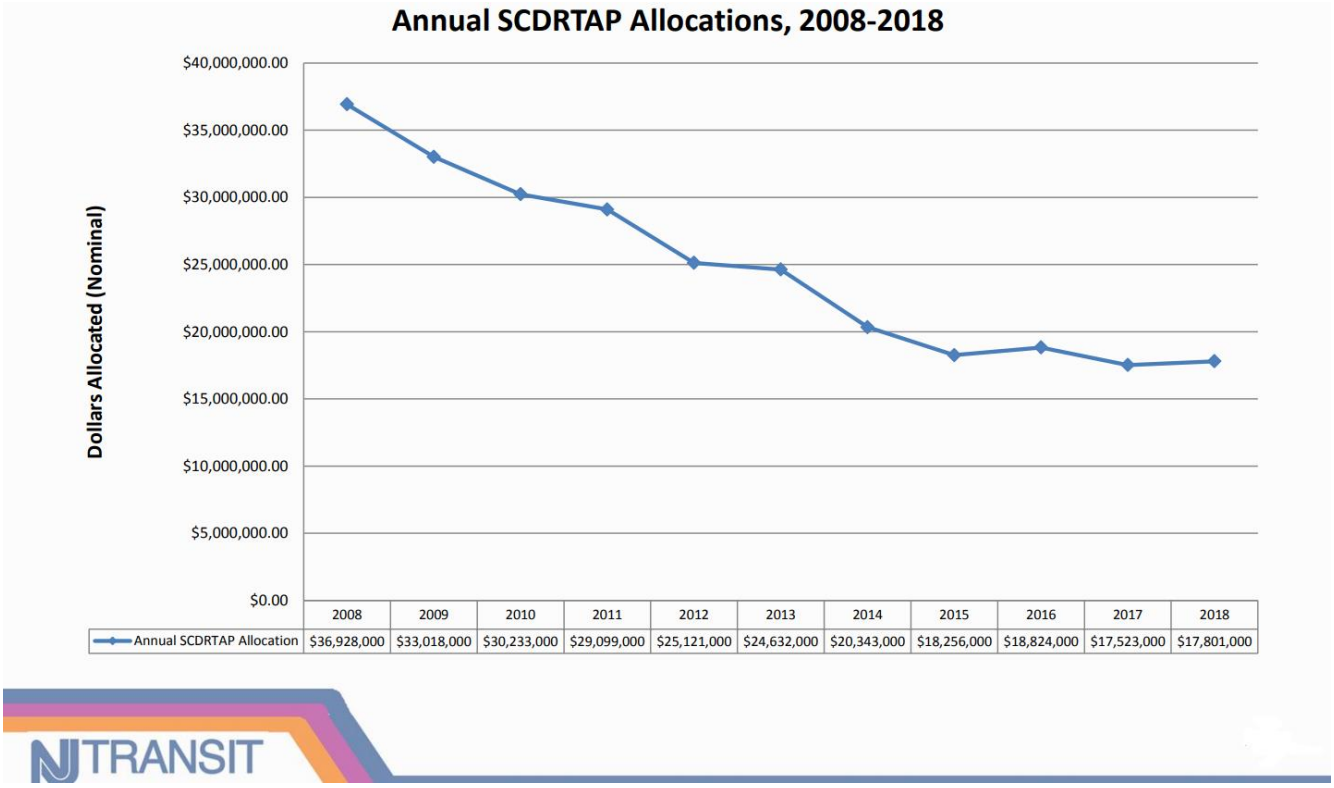
NJ Transit currently receives 8.5% of the Casino Revenue Fund annually, which is distributed to the Counties on a formula basis. This funding has been successful in developing and supporting a network of coordinated para-transit and community transportation services for elderly and disabled individuals in each of the 21 counties in New Jersey.

According to NJ Transit, approximately 3.4 million rides per year are provided through these county-wide systems, with 1.1 million rides provided by funding from the CRF.

"It's so comforting to know my disabled adult child is being transported by a nice person. [She] has been riding a bus for over 30 years and I know the "good" drivers. They are the ones who are on this route in part because of their kind and compassionate spirit."
- Mrs. C., Camden County, using SCUCS Sen-Han

Since 2008 the funding for transportation has dropped significantly**.** This reduction in funding has created a crisis mode for county transportation systems across the state, leading systems to reduced service and/or eliminated routes in order to maintain good level of service within their budget. Increased funding for transportation is essential for senior citizens and people with disabilities to continue their independence and mobility in their communities.

Senior Citizen and Disabled Resident Transportation Assistance Program (SCDRTAP)[23]
Annual SCDRTAP Allocations, 2008-2018



	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Annual SCDRTAP Allocation	$36,928,000	$33,018,000	$30,233,000	$29,099,000	$25,121,000	$24,632,000	$20,343,000	$18,256,000	$18,824,000	$17,523,000	$17,801,000

[23] Community Transportation Initiatives, New Jersey, presented January 30, 2018 by Anna R. Magri. Accessed at http://ezride.org/wp-content/uploads/2017/12/Presentation-by-NJ-Transit-Anna-Magri-Community-Transportation.pdf on May 15, 2018.

An increase in funding for transportation services is crucial considering the following factors:

1. Counties are pressed to maintain these county-wide systems of transportation, with increasing costs of fuel, insurance, staff and staff benefits, and maintenance and replace vehicle fleets.

2. The increasing senior and disabled population in New Jersey. In the last Census decade, (from 2000-2010) the highest increase in the senior citizen population (considered here to be those 65+) was in the 90+ population which saw a 37% increase. The nature of the transportation services are geared to help those that are too frail to drive themselves, as well as those whose increasing age limits their desire or ability to drive themselves.

3. Another factor is the increased demand for kidney dialysis transportation. This type of transport is essential, life sustaining, and a service priority for many of the counties. The distinctive nature of dialysis transportation, often requiring the transportation of frail or wheelchair-bound individuals to multiple appointments each week, has been an increasing burden to New Jersey's counties. With more dialysis centers planned in New Jersey, it is expected that the transportation needs of dialysis patients will not be met by New Jersey's already cash-strapped transportation programs.

"I'm so grateful for you allowing me to ride with my mother today to her doctor's appointment. The staff really care about her well-being which was helpful to both of us. The bus driver took really good care of her and [secured her mobility device] well. The passengers all spoke highly of him and love him. He made us feel quite at ease. Thank you for this service."

- Mrs. R., Atlantic County

"I am very grateful for the number of times that I have been taken to Doctor's appointments. The drivers were always caring and helpful to me. When I didn't have a choice I had to use an ambulance service which charged $177.00 both ways. Thank you again!

- Mrs. T., Camden County, using SCUCS Sen-Han

Statewide Respite Care Program

Statewide Respite Care Program (SRCP) provides a periodic break to caregivers, or more intensive relief for a short while to help a caregiver through a crisis. Services are given to the person who needs care so that the caregiver can have a much-needed respite from providing daily, basic care.

Through SRCP, care is provided to adults who have functional disabilities, such as Alzheimer's or Parkinson's disease, stroke, low vision, cancer, and/or other physical frailties. While most are over age 65, this program also assists the caregivers of younger people with early onset dementias, developmental disabilities, and traumatic brain injury. All care recipients live in the community (often with the caregiver) and have no other way to receive the services which would give their caregivers the necessary break.

The caregivers, oftentimes family members or friends, are not paid for the many hours of care they provide the recipient. Often they have given up their homes or taken the care recipient in. The care they provide is exhausting and puts strains on their relationships not only with the care recipient but also with their spouses, children, friends and coworkers. It's not uncommon for caregivers to be just as sick and frail as the care recipient.

Many caregivers have given up their own jobs or have cut back their work hours for caregiving purposes.

The program assesses the need of the caregiver for a break. Depending on the caregiver's needs, SRCP arranges services such as bathing assistance and personal care, homemaker services, adult day care, or a short-term stay in a nursing home or assisted living. This enables caregivers to have time for themselves (perhaps to get out of the house, perhaps to take a needed vacation, perhaps to free up time to pursue their own business or a hobby). They can then return to the daily rigors of care, refreshed and rejuvenated, or at least a little less stressed.

In FY2017, the Statewide Respite Care Program served 1,991 care recipients and 1,651 caregivers (340 caregivers cared for more than one person). Income eligibility is based on the care recipient's income and liquid assets. There is a sliding scale for the cost share.

Cost share monies are put directly back into the program for services, and can be used for unique purposes, depending on the needs of the caregivers and the opportunities available in that county. For example, Cape May's program gifts caregivers of people with Alzheimer's and other dementias with a

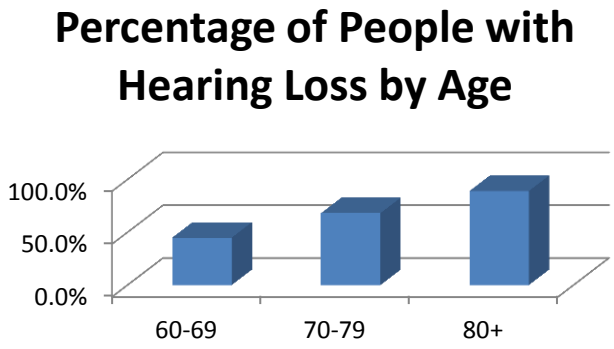
For the past 9 years, Abel has cared for his 95 year old mother. Although she uses a walker, her frailty makes her unsteady on her feet. She also has low vision and is hard of hearing. On his way to work each morning, Abel goes to her apartment, fixes her breakfast and lunch. On his way home, he brings her dinner. He takes time off work to take her for doctor visits. Every weekend, he does her shopping, cleaning, and laundry.

Statewide Respite provides a home health aide once or twice a year so he can have a weekend break, and recently for a couple of weeks when he had a knee replacement.

copy of The 36-Hour Day. Camden County's program purchases supplies such as disposable incontinence supplies to be distributed to caregivers as needed. Hudson County's program uses the cost share primarily for standard services such as home care and short stays in nursing homes, but also purchased birthday cards for caregivers and caregivers; because extended illness tends to drive away friends and even family, this is often the only birthday card they receive.

Hearing Aid Assistance to the Aged and Disabled

Hearing Aid Assistance to the Aged and Disabled (HAAAD) provides a $100 reimbursement to eligible persons who purchase a hearing aid. Few programs exist to defray the high cost of hearing aids, and yet hearing loss is one of the most common afflictions for older adults.



Source: Hearing Loss Prevalence in the United States, Lin et al, Archives of Internal Medicine, November 14, 2011..

Hearing loss has been shown to increase the risk for cognitive disorders, such as Alzheimer's disease[24].

"Hearing Aid" means a custom-fitted ear-level or body-worn electronic device which enhances communication for the hearing impaired. Medicare does not cover hearing aids.

Application for the HAAAD program is done through the UA-1 "universal application" that is used for PAAD.

About 28.8 million U.S. adults could benefit from using hearing aids.

Source: National Institute on Deafness and Other Communication Disorders, U.S. Department of Health and Human Services, https://www.nidcd.nih.gov/health/statistics/quick-statistics-hearing, accessed May 8, 2018.

[24] https://www.hopkinsmedicine.org/news/media/releases/hearing_loss_linked_to_accelerated_brain_tissue_loss_, accessed May 2018.

Adult Day Services Program for Persons with Alzheimer's Disease or Related Disorders

Adult Day Services Program for Persons with Alzheimer's Disease or Related Disorders (also known as the Alzheimer's Adult Day Services Program, or AADSP) provides ongoing relief and support to caregivers of persons with Alzheimer's disease or a related disorder through provision of subsidized adult day care services at contracted centers. Centers are located in 18 of New Jersey's 21 counties. Adult day services through this program include, but are not limited to:

- A day of meaningful activities geared to each participant's functional levels and interests. The day is a minimum of five hours, not including transportation time.
- A 1:5 staff ratio, to provide the structure and direction that people with dementia require.
- At least one full meal, meeting 1/3 of the Daily Recommended Intake.
- Substantial supports to the participants' family caregivers, including preparation and education regarding dementia behaviors and advancement of the disease.

Participants are provided up to three days of service per week, depending on their need and the availability of funds. They have no other source of payment for the service. Priority is given to those persons in the moderate to severe ranges of dementia. Participants may not reside alone (for safety reasons); rare exceptions are made if the participant is assessed very early in the disease process, and has documented oversight to reduce risk. Their family caregivers are not financially compensated for providing care; often, they are sacrificing their own savings, work hours, and health to keep the participants at home.

Theresa and Wanda joined a day center through AADSP subsidy at about the same time. Both women have mid-stage Alzheimer's and have diagnoses of depression. Since attending the program and becoming friends – they remember each other's faces and the feelings of friendship, but not each other's names – both have been able to be weaned off of antidepressant medication.

Income eligibility for the program is based on the care recipient's income and liquid assets. There is a sliding scale for the cost share, ranging from 0% to 80% of the cost of the services. Cost share monies

Keisha was on track to retire at 66 with a full pension and significant savings. With lots of friends and nieces and nephews, she was going to travel and enjoy her "golden years".

Then her mom started to fall. Mom's hands shook so badly she gave up driving. Keisha took more and more time off to take her mother to the doctor. That grew into being late for work because she had to help her mom get out of bed and get dressed. A diagnosis of rheumatoid arthritis, followed with Parkinson's disease with progressive dementia ended Keisha's dreams of saving money for her fun-filled retirement.

She's been taking care of her mother full-time for 8 years now. Her siblings don't visit and want her to place their mom in a nursing home. Her nieces and nephews are angry that she can't spend time traveling with them. Today, her mother still attends the day center, which coordinates care with hospice. Keisha's one source of peace is the day center: a place that can give her a break to deal with her own increasing health issues, and where they understand her mom's confusion, Parkinson's-related visual hallucinations, and pain medication.

are put directly back into the program for services. In FY2017, 29,737 days of service were provided to 379 participants and their family caregivers.

This program has significant positive impact for participants and their caregiving families. Those impacts are emotional, physical, and financial, as many of the families give up or reduce their employment and spend their own retirement savings to support the person with Alzheimer's, which can be for 20 years or more.

Personal Assistance Services Program

The Personal Assistance Services Program (PASP) provides personal care and other assistance to individuals aged 18 to 70 with physical disabilities who are employed, attending an educational or training program, or actively volunteering in the community. These are consumers who are dedicated to working or volunteering in their neighborhood, but due to their physical condition require support.

Most consumers using PASP have services paid through Medicaid. However, 36% of PASP consumers do not have Medicaid; their salary from work or other resources render them ineligible for Medicaid. CRF monies are used to provide PASP services to these consumers.

PASP services can include personal care assistance, laundry, non-medical transportation services, home delivered meals, and vehicle and home modifications.

PASP offers consumers the choice, flexibility, control and opportunity to self-direct their personal care services through the use of a monthly cash grant. This allows consumers to hire the employees of their choice to provide personal assistance as well as purchase services and supplies. Such services and supplies are typically not covered by insurance, but are needed to help maintain their independence in the community. These can include laundry, non-medical transportation services, home delivered meals, and vehicle and home modifications.

The CRF's allocation for PASP is $3.5 million. These funds provide services for 195 of the total 540 current PASP consumers.

A Redistribution of Funds from Savings Experienced by the PAAD Program

The CRFAC continues to note a reallocation of funding from the Pharmaceutical Assistance to the Aged and Disabled (PAAD) program to other critical, under-funded programs that the Casino Revenue Fund (CRF) also supports. This reallocation of funding is possible, in part, due to the inception of Medicare Part D in 2006.

PAAD is a state-funded program that helps senior and disabled individuals to cover the cost of their prescribed medication. The program has seen a continued decrease in costs through its requirement that beneficiaries enroll in Medicare Part D, a federal program that subsidizes the costs of prescription drugs. The decrease in the state-costs of PAAD, and the reduced amount of funding that the program requires from the CRF has meant that revenues formerly allocated to PAAD can now be appropriated to other critical programs that are supported by casino revenues.

A PAAD Expended Funding History (below) shows the history of the expenditures of the PAAD program, detailing the CRF portion of funds as well as the contribution from the General Fund.

PAAD Expended Funding History

	PAA General Fund	PAAD General Fund	PAAD Casino [a]	TOTAL	GF Support	CRF Support
1996	$ 42,801,626	$ -	$ 134,961,118	$ 177,762,744	24%	76%
1997	$ 35,802,930	$ -	$ 148,514,975	$ 184,317,905	19%	81%
1998	$ 34,141,623	$ -	$ 170,510,670	$ 204,652,293	17%	83%
1999	$ 33,119,061	$ 48,935,000	$ 154,689,153	$ 236,743,214	35%	65%
2000	$ 34,781,818	$ -	$ 247,331,858	$ 282,113,676	12%	88%
2001	$ 33,982,224	$ 49,500,000	$ 231,706,887	$ 315,189,111	26%	74%
2002	$ 34,641,795	$ 71,543,222	$ 257,916,319	$ 364,101,336	29%	71%
2003	$ 33,580,622	$ 134,274,778	$ 259,825,387	$ 427,680,787	39%	61%
2004	$ 32,527,859	$ 128,884,000	$ 254,646,953	$ 416,058,812	39%	61%
2005	$ 22,604,189	$ 48,581,884	$ 309,005,018	$ 380,191,091	19%	81%
2006	$ 23,556,032	$ 21,568,000	$ 278,200,097	$ 323,324,129	14%	86%
2007	$ 5,539,403	$ -	$ 205,264,568	$ 210,803,971	3%	97%
2008	$ 6,408,438	$ -	$ 220,058,009	$ 226,466,447	3%	97%
2009	$ 5,095,578	$ -	$ 199,312,491	$ 204,408,069	2%	98%
2010	$ 5,320,443	$ 39,376,314	$ 128,553,788	$ 173,250,545	26%	74%
2011	$ 3,545,463	$ 30,281,205	$ 91,742,213	$ 125,568,881	27%	73%
2012	$ 2,573,520	$ -	$ 51,144,957	$ 53,718,476	5%	95%
2013	$ 2,749,680	$ 16,524,160	$ 63,038,000	$ 82,311,840	23%	77%
2014	$ 2,250,000	$ 33,005,000	$ 50,000,000	$ 85,255,000	41%	59%
2015	$ 554,579	$ 65,677,110	$ 9,260,763	$ 75,492,452	88%	12%
2016	$ 2,250,000	$ 60,239,000	$ 8,625,000	$ 71,114,000	88%	12%
2017 [b]	$ 1,500,000	$ 53,547,000	$ 8,176,000	$ 63,223,000	87%	13%
2018 [c]	$ 1,279,000	$ 53,054,000	$ 8,176,000	$ 62,509,000	87%	13%
Total	$ 400,605,883	$ 854,990,673	$ 3,490,660,224	$ 4,746,256,780	26%	74%

(a) Net of Rebates

(b) Adjusted Appropriation

(c) Recommended Budget

The chart shows a decline in the CRF-supported portion of the PAAD program as well as the overall cost of the program after the inception of Medicare Part D. Due to the decline in the PAAD program's required level of funding, PAAD has oftentimes been the CRF program that has been used to offset any drop in the amount of funding that the CRF has received from the casino industry. If the decline in PAAD's needed funding outpaces a decline in the total funding of the CRF, then hopefully the Department of Human Services (DHS) will view the PAAD savings as an opportunity to address other critical needs of the elderly and disabled that are served under the other important DHS programs that receive CRF funds.

Individuals apply for PAAD through the program's Universal Application (the UA-1 form). Using this one application, the program may find the applicant eligible for several other valuable benefits. For example, if eligible for PAAD, the applicant may be eligible for benefits through the Lifeline utility assistance and Hearing Aid Assistance to the Aged and Disabled (HAAAD) programs. Once on the PAAD program, they may also qualify for a property tax freeze and reduced motor vehicle fees.

Moreover, the Universal Application gives the applicant the opportunity to apply for the Medicare Part B Savings Programs Specified Low-Income Medicare Beneficiary (SLMB) and SLMB Qualified Individual (QI-1) programs that pay the Medicare Part B monthly premium. Further, by filling out the UA-1, the applicant is screened for benefits provided by the Universal Service Fund (USF) and the Low-Income Home Energy Assistance Program (LIHEAP) – two more programs that help pay for utility costs. They are also screened for Medicare Part D's Low Income Subsidy, also called "Extra Help"; and the New Jersey Supplemental Nutrition Assistance Program (NJ SNAP) – also known as Food Stamps, this program provides supplemental nutrition assistance to help people who meet certain income criteria buy groceries.

"Thank you for your help with completing my PAAD application. I was in dire need of help with my prescription co-pays and my gas and electric bill. It was such a large relief to me knowing that someone was more than happy and willing to assist me. I can now afford my medications and also have working gas and electric."

- Robert V., Camden County

Special Child Health and Early Intervention Services

CRF funds Special Child Health and Early Intervention Services in the amount of $529,000. These funds are distributed through health service grants. These grants partially fund community-based services for children and youth from birth-21 years of age with special health care needs.

Currently, there are two programs with grants:

- Special Child Health Service Case Management (SCHS CM)
- Child Evaluation Center (CEC) Services

SCHS CM program is in operation for 33 years. SCHC CM grants include one in each county (partially funded by the Department of Health and the County's Boards of Chosen Freeholders) and one family support community-based agency. These projects enable families with children with special health care needs, including autism and hearing loss, to access comprehensive case management services and family support regardless of economic status. Families are assisted in identifying and accessing support across departments and programs, such as the Catastrophic Illness in Children Relief Fund, Supplemental Security Income (SSI), and NJ FamilyCare. The grantees connect needy families to medical, dental, rehabilitative, social, emotional, and economic resources for the care and treatment of their handicapped child and assist families to coordinate access to community-based services; development of an individualized service plan; periodic monitoring of progress in meeting the child and/or the family's needs; and transition to adult services as appropriate.

"Patrick" was born premature in 2013 at 24 weeks, extremely medically fragile, diagnosed with chronic lung disease and asthma. SCHS CM linked Mom with family support and education training, Early Intervention Services and preschool services, physical, speech, and occupational therapy, and additional family support through his three hospitalizations. Mom reports that her husband left her in October. He visits Patrick occasionally but provides no financial support. Mom has no local family support.

SCHS CM assisted with successful applications for SSI, NJ FamilyCare and Payment of Premium program, Temporary Assistance to Needy Families (TANF), SNAP, and charitable contributions to assist with costs for diapers, wipes, food, clothing, car payments, and insurance expenses. Mom is also being linked with personal support. SCHS CM provides telephone monitoring, and both home and office visits.

Across the entire SCHS CM program (not exclusive to CRF funding):

- 16,587 consumers served in SFY17, and
- 77,991 service units delivered in SFY17 (one client to one professional contact).

In operation for 32 years, the CEC program ensures in-state access to multi-disciplinary team-based evaluation for children age birth-21 years with congenital and/or acquired neurodevelopmental disorders including communication, learning, and behavior disorders. A comprehensive team-based plan of care is developed and shared with the parents and designated providers. The most frequently diagnosed conditions for children evaluated at CECs continue to be:

- Attention Deficit Hyperactivity Disorder (ADHD),
- Behavioral disorders,

- Psychiatric,
- Speech disorders, and
- Autism Spectrum Disorder.

The nine CECs operate as hospital-based outpatient clinics, and receive partial funding from the Department of Health through health services grants. They must maintain regional access to pediatric specialty and sub-specialty services which are in high demand; some Centers have waiting lists greater than three month for an initial appointment. The Centers are expected to bill for services. These grants are not intended to make an agency whole, however no child is to be turned away due to an inability to pay. The Centers for Disease Control and Prevention estimates that 1 in 88 children are identified with autism spectrum disorder (ASD). The rate of autism reported in New Jersey children is 1:49, and the continued demand for CEC evaluation services is anticipated to remain strong.
Across the entire CEC program (not exclusive to CRF funding):

- 40,253 consumers served in SFY17, and
- 86,910 service units delivered in SFY17 (one client to one professional contact); developmental pediatrics, social work, psychology, physical therapy, occupational therapy, speech therapy, ear, nose, and throat evaluation, learning disability consultant, genetics, and psychiatry.

"Max," a seven-year-old male with Fetal Alcohol Syndrome Disorder (FASD) and ADHD attended a follow-up appointment at a regional CEC with FASD services and was seen by the developmental pediatrician. Max currently attends a school with a special program for children with behavioral disorders. Dad told the pediatrician that the school has reported increased disruptive behavior over the past month and that his current medication regimen "is not helping." Max's primary pediatrician does not have the expertise to treat Max's FASD or ADHD or to manage behavioral medications. A change of medication was made, along with non-medication interventions, including behavioral therapy, continued speech and occupational therapies, and continued participation in after-school football.

Recommendations

With the growing aging population, the critical nature of the all of the programs in assisting elderly and disabled to remain in their own homes cannot be emphasized enough. The attention of legislators is requested for the funding recommendations which are based upon the Commission's findings as a result of:

- An extensive survey to collect data on expenditures and program activities and production;
- Meetings with Legislators and State officials;
- Presentations to the Commission by Casino Revenue Fund program providers and administrators; and
- Research conducted individually by Commission members in an effort to obtain accurate, updated, and detailed information in regards to the Casino Revenue Fund history, record of allocations, projections, and expenditure of funds.

The funding recommendations below reflect the increase that the Casino Revenue Fund has experienced through increased internet gaming. The Commission recommends no cuts be made to current funding of casino revenue funded programs for fiscal year 2019.

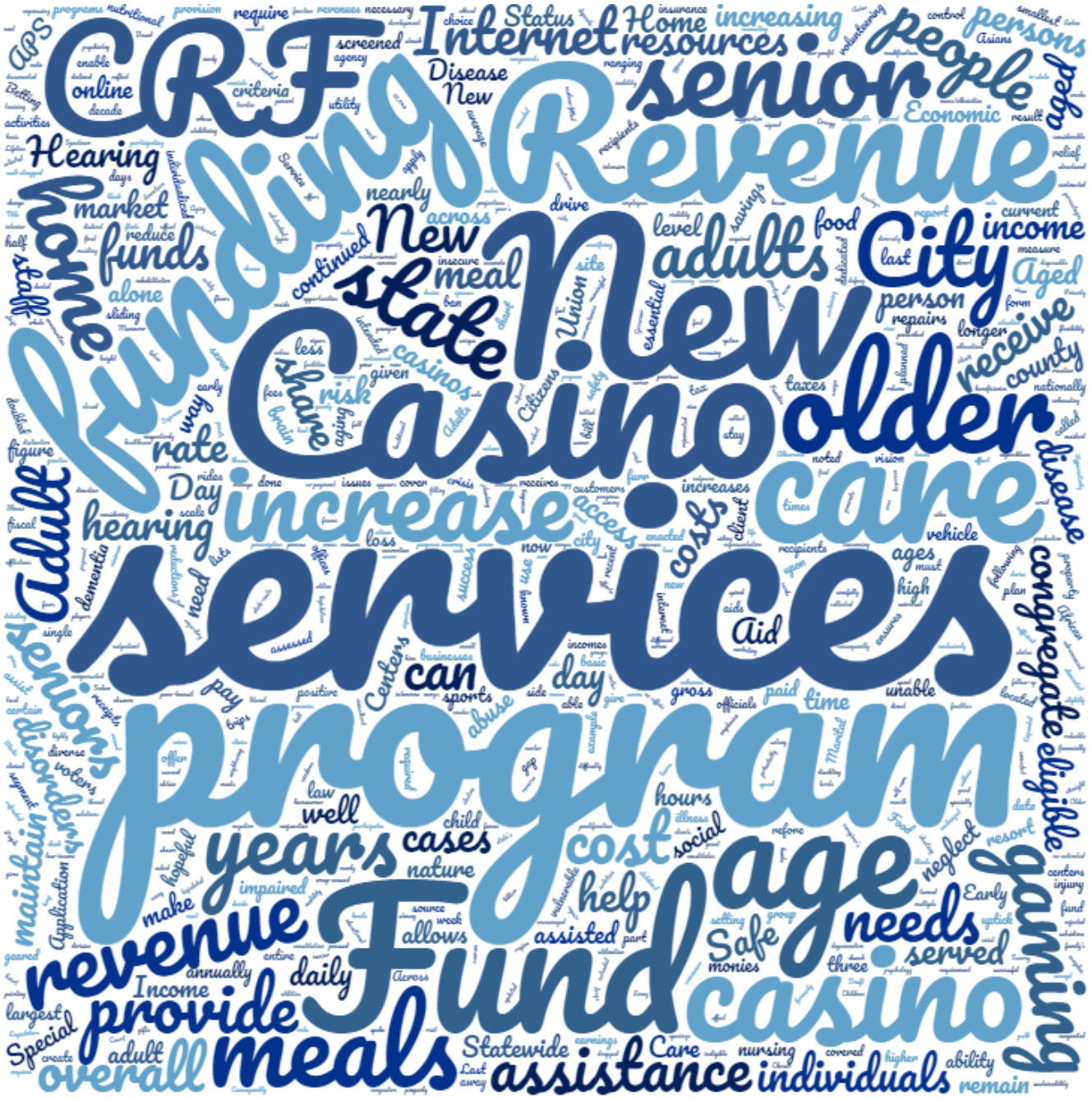
For FY 2019 the Commission recommends additional funding for the following priority areas:

1. An increase for Adult Protective Services

2. Creation of a funding allocation for home-delivered and congregate meals for disabled adults under age 60

3. An increase for transportation

4. An increase for the Congregate Housing Services program



New Jersey Casino Revenue Fund Advisory Commission