



Welcome!

The webinar will begin shortly.



Housekeeping

- This webinar is being recorded
 - Recordings and slides can be found <https://acl.gov/about-acl/administration-aging-program-instructions>
 - Please allow 1-2 weeks for recording and slides to post
- All attendees are in listening only mode
- Place all Questions in the Q&A box
 - Questions will be answered live
- CART Services are provided, if needed please click the link in the chat box!

Intrastate Funding Formula

State Plan Guidance (SPG)

OAA Funding Formula Training

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ACL/AOA

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Training Overview

- **Purpose:** Review the Intrastate Funding Formula Guidance as it applies to state plans
- **What we will cover:**
 - Due Dates
 - Interstate Funding Distribution
 - Intrastate Funding Formulas
 - > OAA funds subject to IFF
 - > OAA requirements
 - IFF Elements – Required/Optional
 - Process Requirements for IFF Changes
 - Single PSA Requirements
 - Other State Plan Guidance Trainings

State Plans Due to ACL on July 1, 2022

- Arizona
- Arkansas
- District of Columbia
- Indiana
- Minnesota
- Mississippi
- North Dakota
- Ohio
- Oklahoma
- Texas
- Vermont
- Washington
- Wisconsin

State Plans Due to ACL on July 1, 2023

- Alaska
- American Samoa
- Colorado
- Connecticut
- Georgia
- Guam
- Hawaii
- Louisiana
- Michigan
- Missouri
- Montana
- Nebraska
- New Hampshire
- New York
- North Carolina
- Northern Marianas
- Oregon
- Rhode Island
- Utah
- Virginia

State Plans Due to ACL on July 1, 2024

- Alabama
- Delaware
- Idaho
- Illinois
- Maine
- Nevada
- Pennsylvania

State Plans Due to ACL on July 1, 2025

- California
- Florida
- Iowa
- Kansas
- Kentucky
- Maryland
- Massachusetts
- New Jersey
- New Mexico
- Puerto Rico
- South Carolina
- South Dakota
- Tennessee
- West Virginia
- Wyoming

Interstate Funding

- Interstate Funding Formula: How ACL allocates funds to States
- Statutorily Defined in the OAA
 - Title III Part B, C & D
 - State's population aged 60+
 - Title III Part E
 - State's population aged 70+
 - NSIP
 - Number of eligible meals served in the prior year
 - Title VII
 - State's population aged 60+
- Minimum Allocations: Title III and Title VII
- Hold Harmless: Title III Parts B and C1 and Title VII

Intrastate Funding

- Intrastate Funding Formula (IFF): How a State allocates funds to the PSAs
 - The SUA must distribute Title III B, C-1, C-2 & E per IFF approved by ASA
 - Title III D funding may be distributed per a different formula approved by ASA
 - NSIP must be allocated per State Policy
 - Title VII not subject to IFF
- ASA Advance Approval Required for Changes

Title IID

- If a State elects to use a different formula for Title III D, the formula should give priority to areas of the State:
 1. Which are medically underserved; and
 2. In which there are large numbers of individuals who have the greatest economic and social need for such services

Distribution of Funding

- After any State Plan and/or LTCO funding has been allocated, the remaining funds for Title III must be distributed via the IFF to the PSAs
 - Funds may not be held or expended at the State level

Older Americans Act

OAA, Sec. 305(a)(2)(C)

“States shall,

(C) in consultation with area agencies, in accordance with guidelines issued by the Assistant Secretary, and using the best available data, develop and publish for review and comment a formula for distribution within the State of funds received under this title that takes into account-

(i) the geographical distribution of older individuals in the State; and

(ii) the distribution among planning and service areas of older individuals with greatest economic need and older individuals with greatest social need, with particular attention to low-income minority older individuals.”

Older Americans Act Continued

OAA, Sec. 305(d)

(d) The publication for review and comment required by paragraph (2)(C) of subsection (a) shall include—

- (1) a descriptive statement of the formula's assumptions and goals, and the application of the definitions of greatest economic or social need,
- (2) a numerical statement of the actual funding formula to be used,
- (3) a listing of the population, economic, and social data to be used for each planning and service area in the State, and
- (4) a demonstration of the allocation of funds, pursuant to the funding formula, to each planning and service area in the State.

Requirements

- Descriptive Statement
- Data Source
- Factors and Weight
- Allocation by PSA
- Numerical/Mathematical Statement

Descriptive Statement

- Descriptive Statement must include the formula's:
 - assumptions and goals, and
 - the application of the definitions of greatest economic or social need
- Discloses if, prior to distribution under the IFF to the AAAs, funds are deducted from Title III funds for:
 - State Plan Administration and/or Long Term Care Ombudsman allocations
- A statement explaining how NSIP funds are distributed

Descriptive Statement: Part D

- A separate descriptive statement may be provided for Title III Part D, to target
 - medically underserved areas and areas in which there are a large number of older individuals who have the greatest economic and social need for such services
- If a separate formula is used for Part D, a separate descriptive and numerical/mathematical statement is required

HRSA - Medically Underserved Areas

- Defined by HRSA as having a shortage of primary care health services within geographic areas
(<https://bhw.hrsa.gov/workforce-shortage-areas/shortage-designation#mups>)
- MUA Find tool:
<https://data.hrsa.gov/tools/shortage-area/mua-find>
- Can locate MUAs at State/County/Census Tract levels

Data Sources

- List of the data used by planning and service area
- Provide the source of the data used to run in the IFF
- States must use the “best available data”
 - Most current US Census
 - More recent US Census estimates from the American Community Survey;
 - Other more recent data of equivalent quality available in the State also may be considered
- Warning -- use only of decennial US Census data
 - Only updating data once each decade may result in significant demographic changes that could lead to substantial changes in funding allocations among the planning and service areas

American Community Survey

- <https://www.census.gov/programs-surveys/acs>
- Conducted each year by U.S. Census Bureau
- Data available in 1-year estimates (12 months of data) and 5-year estimates (60 months of data)

Comparison – ACS Surveys

1-year estimate

- Data only for populated areas 65,000+
- Smallest sample size
- Less reliable
- More current data

5-year estimate

- Data for all areas
- Largest sample size
- More reliable
- Less current data (due to inclusion of data over 5 year period)

Source: <https://www.census.gov/programs-surveys/acs/guidance/estimates.html>; retrieved 10/12/2021

ACS Survey Subjects

- <https://www.census.gov/programs-surveys/acs/guidance/subjects.html>
- Subjects include social, housing, economic and demographic characteristics
- Information available by disability status
 - e.g., cognitive, ambulatory, self-care, and independent living difficulty

Factors and Weights

- A descriptive statement of each factor
 - e.g., 65+, with limited English proficiency; and
- Weight/percentage used for each factor
 - e.g., 65+, with limited English proficiency = 15%
- Factors should help to achieve the OAA requirement that preference be given to older individuals with
 - greatest economic need, and
 - older individuals with greatest social need,
 - Particular attention given to:
 - low-income older individuals, including
 - low-income minority older individuals,
 - older individuals with limited English proficiency, and
 - older individuals residing in rural areas

Factors & Weights

Equity Considerations

- Do the factors help to distribute funds as contemplated by the OAA?
- Even if the other IFF requirements are met, a State may be asked to update the factors.
- Examples to consider:
 - 50% of funds go out as base, 70% of remainder by age 60+
 - Age as sole indicator of frailty/need for assistance
 - Living alone as sole indicator of social isolation

Allocation by PSA

- Demonstration of the allocation of funds, pursuant to the funding formula, to each planning and service area in the State
- Allocations of funds by planning and service area based on the IFF segmented by Part of Title III
 - e.g., chart of PSA X, IIIB Supportive Services, \$900,000

Planning and Service Area

- The IFF should allocate funds by planning and service area
- An Area Agency on Aging's (AAA) region may include more than one planning and service area (PSA)
- Older Americans Act Sec. 102 (43)
 - The term “planning and service area” means an area designated by a State agency under section 305(a)(1)(E), including a single planning and service area described in section 305(b)(5)(A)

Numerical/Mathematical Statement

- Required for Parts B, C, D, and E
 - i.e., would allow member of general public to input data to see results of various scenarios
- A separate numerical/mathematical statement may be provided for Title III Part D
 - To target the medically underserved and which there are a large number of older individuals who have the greatest economic need for such services
 - If a separate formula is used, a separate descriptive and numerical/mathematical statement is required

Numerical/Mathematical Statement Continued

- May include numerical statement on how state funds, Title VII, Title III-B Ombudsman, and/or NSIP funds are distributed, but is not required
 - Prior approval is not required for amendments
 - Informational amendments should be submitted if there are changes

Minimum Allocations

- States may use a minimum allocation of funds in their IFFs to ensure viable funding across the entire state
- Examples (not an all-inclusive list):
 - Fixed dollar amount of minimum allocation by Part;
 - Minimum percentage of the total state allocation by Part;
 - Allocation received must at least equal the allocation received in a specified year;
 - No PSA may receive more than a specified percentage or dollar figure reduction in any given year from the prior year

IFF Amendment - Process

- Formula amendments are approved in advance by the ASA in the State Plan
 - If amendment does not coincide with new State Plan submittal, changes must be submitted as a State plan amendment for advanced approval
- Proposed statement and formula must be published for review and comment by older persons, other appropriate agencies and organizations and the general public
- AAAs must be consulted and offered an opportunity for input
- Public hearing can be held at same time as State Plan hearing
 - Hearing notice must clearly indicate that the IFF is being changed
- Process requirements apply any time the formula is amended
- Submission to ACL must show compliance with the requirements

IFF Amendments - Requirements

- The **publication** for review and comment must include—
 - (1) a descriptive statement of the formula's assumptions and goals, and the application of the definitions of greatest economic or social need,
 - (2) a numerical statement of the actual funding formula to be used,
 - (3) a listing of the population, economic, and social data to be used for each planning and service area in the State, and
 - (4) a demonstration of the allocation of funds, pursuant to the funding formula, to each planning and service area in the State.

Single Planning & Service Area States and Territories

- Alaska
- American Samoa
- Delaware
- Guam
- Northern Mariana Islands
- Nevada
- New Hampshire
- North Dakota
- Rhode Island
- South Dakota
- Washington, D.C.
- Wyoming

Single PSA Requirements

- Must Include:
 - descriptive statement as to how the state determines the geographical distribution of the Title III funding, and
 - how the state targets the funding to reach individuals with greatest economic and social need, with particular attention to low-income minority older individuals
- Numerical/mathematical statement is not required

State Plan Guidance Trainings

- State Plan Guidance Overview (9/27/2021):
<https://acl.gov/about-acl/administration-aging-program-instructions>
- Developing Performance Measures with Clear Outcomes: November 15th at 2:00 EST

Questions