

State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF AGING SERVICES PO BOX 807 TRENTON, N.J. 08625-0807

Governor www.nj.gov/humanservices

ELIZABETH CONNOLLY Acting Commissioner

LAURA OTTERBOURG
Division Director

DATE:

November 30, 2017

NUMBER:

2017-13, I-13

TYPE:

Policy Memorandum

SUPERSEDES:

84-4, III-2

SUBJECT:

Contribution Policy for Services

Under the Area Plan Contract

DISTRIBUTION CODE: |

EFFECTIVE DATE:

CHRIS CHRISTIE

KIM GUADAGNO

Lt. Governor

Immediately

APPLICABILITY:

Executive Directors, Area Agencies on Aging

BACKGROUND:

The Older Americans Act, since its inception, emphasizes the regard for dignity of older Americans by requiring that opportunities are provided to them to participate in the planning and administering of aging programs; as well as to contribute to the cost of services.

PURPOSE:

To clarify the requirement that all participants shall be provided with an opportunity to voluntary contribute to the cost of each service under the Area Plan Contract (APC). In 1984 this requirement was expanded to all services, regardless of funding stream, under the APC. The only the exception is *Adult Protective Services*.

POLICY:

- 1. Each Area Agency on Aging (AAA) shall:
 - Use the State contribution policy for services under the Area Plan Contract, or
 - Have written policies and procedures regarding contributions for services under the Area Plan Contract that are in accordance with the State policy.
 - Have a copy of this policy must be on file.
 - Require all grantees/sub grantees to use the State or AAA's contribution policy, or;
 - Ensure that each grantee/sub grantee contribution policy and procedure is in accordance with the AAA's established policy.
 - Post the contribution policy where it is easily accessible to participants.
- 2. Regardless of funding stream or service, providers are prohibited from **charging or cost sharing** for any service or program funded under the Area Plan Contract.
- 3. As required by the Older Americans Act Section 315. CONSUMER CONTRIBUTIONS. The Area Agency on Aging (AAA) shall ensure that each service provider will:
 - Inform and provide each participant with an opportunity to voluntarily contribute to the cost of the service;
 - Clearly inform each participant that there is no obligation to contribute and that the contribution is purely voluntary;

- Protect the privacy and confidentiality of each participant with respect to the participant's contribution or lack of contribution;
- Establish appropriate procedures to safeguard and account for all contributions;
- Use and record all contributions in the period they are collected; and
- Use all collected contributions to expand the service (provide additional units of service to additional participants in need) for which the contributions were give and to supplement (not supplant) funds received under this Act.

PROCEDURE:

- 1. Establish a suggested contribution amount (may be a range or up to the total cost of the service).
- 2. Inform the service participant that:
 - I. They may voluntarily contribute toward the cost of the service;
 - II. There is no obligation to contribute;
 - III. Their privacy and confidentiality with respect to their contribution or lack of contribution will be protected; and
 - IV. Services will not be affected by the ability or lack of ability to contribute.
- 3. This information shall be provided in writing, in a letter or brochure, as well as verbally. In addition, each service provider shall post a sign (as appropriate) which states the suggested donation and that no participant shall be denied services due to their inability to donate.
- 4. Participants may be reminded that contributions are accepted throughout the year.
- 5. Handling monetary contributions
 - Contributions are made anonymously in a confidential manner. Non-coded envelopes may be placed in a slotted lock box, handed to a staff person or mailed to the service provider
 - As appropriate, a monthly or quarterly statement may be given to the participant; stating the number of units of service provided and the suggested contribution. (sample letter attached)
 - Cash donations shall always be accepted.
 - Two or more bonded staff shall count the contributions daily.
 - Deposits will be made within 48 hours of receiving the contributions into accounts specified by the designated fiscal officer.
 - All income is to be shown as part of the Area Plan Contract and Service Providers'
 Contracts. Income shall be utilized on a first-in, first-out basis. There is no carry-over
 of program income from one grant year to another.
 - If income exceeds the budget amount it shall be used to further reduce the federal, state or county funds allocated regardless of the budget percentages shown in the grant.
- 6. Contributions from multiple services shall not be co-mingled. Contributions shall be used to provide the additional service for which the contribution was collected.

Questions related to this Service Taxonomy may be directed to Tina Zsenak at tina.zsenak@dhs.state.nj.us or 609-588-6788.

Sincerely,

Lawra Otterbourgan
Laura Otterbourg
Division Director

(Letterhead Here)

Date:		
(Participant Name and Address Here)		
Dear (Participant Name Here):		
This letter is a reminder that donations a	are accepted for Name of Service.	
Donations from participants in the progreservice. All donations are confidential are individuals in need. No eligible person w	nd voluntary. All collected donations are	used to expand this service to
The actual cost of providing each Name	of Service is \$	
Month/Year	Number of Service Units	Suggested Donation
Any donation you make is greatly appreany questions or would like information Sincerely,		ase call the office if you have
(Your Name and Title Here)		
Please detach bottom portion and send Make checks payable to: (Name Here)	with your donation.	
Mail to: (Name and Address Here)		
	Do	nation Given:
	Mo	onth:
	Ye	ar:

Comments to Draft Policy

Comment:

Because of the formal nature of the sample letter; frail clients may feel it is a bill rather than a request for a donation

Response:

Based on this comment, the letter was revised. This letter is provided as a sample; it is not mandatory to use this method. Many AAAs find this to be an effective method of collecting donations, and some clients or their caretakers prefer it.

Comment:

We do not permit accepting cash donations except for the Nutrition Program.

Response:

Cash donations shall always be accepted. Clients may not have any other method of providing monetary donations if cash is not accepted.