

INTRASTATE FUNDING FORMULA

BACKGROUND

The Older Americans Act of 1965, as amended, Section 305(a)(2)(C) requires the state agency to:

(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 subchapter 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;

(D) submit its formula developed under subparagraph (C) to the Assistant Secretary for approval;

In October 2011, the Virginia Department for the Aging (VDA) (as of 2012, the Virginia Department for Aging and Rehabilitative Services and henceforth in this document referred to as “DARS”) convened an Intrastate Funding Formula (IFF) Task Force (Task Force). The Task Force was similar to the previous Task Forces required by the Virginia General Assembly set forth in the 2005 Virginia Appropriations Act.

After thoughtful discussion and careful consideration, the Task Force decided to avoid the drastic impact that application of the new census data would have on the distribution of funds without an adjustment. The decision was made not to change the formula factors. Instead, the group recommended that 50 percent of the Federal Fiscal Year’s (FFY) 2012 allocation would be the base. The other 50 percent would be distributed using the most recent 60 plus American Community Survey (ACS) Compilation produced by the U.S. Bureau of Census for the U.S. Administration on Aging (AOA). The Task Force further decided that no agency would receive less funding than they received in FFY 2006. The Task Force presented its recommendation to the Commissioner of DARS. The recommendation was accepted as offered.

TITLES III AND VII

[For Subtitles III-B, Supportive Services; III-C, Nutrition; III-D, Disease Prevention and Health Promotion; III-E, National Family Caregiver Support; and VII-Chapter 3, Prevention of Elder Abuse, Neglect, and Exploitation]

DARS, in consultation with Virginia’s Area Agencies on Aging (AAAs), developed an intrastate funding formula for Older Americans Act (OAA) funds. The Commonwealth’s Title III and VII-Chapter 3 funding factors and their weights are as follows:

Population 60+	30%
Population 60+ in Rural Jurisdictions	10%
Population 60+ in Poverty	50%
Population 60+ Minority in Poverty	10%

Note: Title III-D, Preventive Health, is further adjusted for medically underserved areas.

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DESCRIPTION OF FORMULA FACTORS

Population 60+

This factor is the basis for the distribution of funds by jurisdiction (county and city) of older Virginians. It reflects the proportion of persons age 60 and older throughout the Commonwealth by jurisdiction.

Population 60+ in Rural Jurisdictions

This factor addresses the geographical isolation faced by older Virginians who live in the rural areas. DARS defines "rural" as 1) any jurisdiction (city or county) not within a Metropolitan Statistical Area (MSA), or 2) any jurisdiction within an MSA but which has a population density of 50 persons or less per square mile.

An MSA is calculated by the U.S. Census Bureau and is updated in the formula when the census population data is updated. Square mileage by jurisdiction is obtained from the U.S. Census Bureau and is updated in the formula when the decennial census population data is updated.

The determination of rural or urban is reassessed when the population numbers are updated or when the U.S. Census Bureau updates land area.

Population 60+ Minority in Poverty

This factor addresses the special needs of older racial and ethnic minorities in Virginia as well as the economic needs of this group.

Medically Underserved Area

Section 362 of the Older Americans Act of 1965, as amended, requires states to give priority to areas that are medically underserved. DARS applies a medically underserved factor to Title III-D, Disease Prevention and Health Promotion Services.

The U.S. Department of Health and Human Services, Health Resource and Services Administration (HRSA), maintains the Medically Underserved Areas/Populations. These areas or populations designated by HRSA have too few primary care providers, high infant mortality, high poverty or a high elderly population.

A base of \$2,000 per AAA has been established whether or not any portion of the AAA is medically underserved. Next, medically underserved is determined for each jurisdiction. DARS updates this factor when the population data is updated. If any portion in whole or part is medically underserved, the entire jurisdiction is included in the funding allocation.

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POPULATION FACTORS

All population factors for the state plan beginning with FFY 2013 uses the five-year American Community Survey (ACS) special tabulation prepared for the U.S. Administration for Community Living (ACL) under contract by the U.S. Census Bureau. The population factors are updated with the most recent ACS tabulation available when the new AAA area plan year's proposed funding allocations are prepared.

FUNDING LEVELS

Virginia, working with the AAAs, modified its IFF beginning with the FFY 2013 distribution. The IFF includes a base of fifty percent of the FFY 2012 allocation for each AAA. All funds awarded above the base will be distributed using the IFF with data from the most recent 60-plus ACS special compilation produced by the U.S. Census Bureau for ACL. In no case will an AAA receive less than what was received in FFY 2006.

SPENDING FOR PRIORITY SERVICES

Section 306(a)(2) of the Older Americans Act of 1965, as amended, requires the state to provide assurances that an adequate portion of the amount of Title III-B funding will be expended for the delivery of services associated with access, in-home, and legal assistance.

DARS regulations, found in Section 22VAC30-60-100 (Priority Services), require AAAs to expend the following amounts:

- At least 15% of its Title III-B allotment for services associated with access services, such as care coordination, information and assistance, and transportation services.
- At least 5% of its Title III-B allotment for in-home services, such as (i) homemaker/personal care services, (ii) chore services, (iii) home health services, (iv) checking services, (v) residential repair and renovation services, and (vi) in-home respite care for families and adult day care as a respite service for families.
- At least 1% of its Title III-B allotment for legal assistance for older adults.

In accordance with 22VAC30-60-100, DARS may waive this requirement for any category of services described if the AAA demonstrates to DARS that services being provided in the area are sufficient to meet the need. Before a waiver is requested, the AAA must conduct a public hearing.

- The AAA shall notify all interested persons of the public hearing;
- The AAA shall provide interested persons with an opportunity to be heard;
- The AAA shall receive, for a period of 30 days, any written comments submitted by interested persons; and
- The AAA shall furnish a complete record of the public comments with the request for the waiver to DARS.

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COST SHARING/FEE FOR SERVICE (FFS)

Section 315(a) of the Older Americans Act of 1965, as amended, permits cost sharing/fee for service. Virginia has implemented cost sharing/fee for all services permitted to cost share or charge fees under the OAA.

AAAs use the most current Federal Poverty/DARS Sliding Fee Scale to determine client fees for all services except: OAA Care Coordination, Information and Assistance, Congregate and Home Delivered Meals, Public Information and Education, Legal Assistance, Elder Abuse, and Ombudsman.

AAAs may request a waiver to not implement Cost Sharing/Fee for Older Americans Act services if it can adequately demonstrate:

- That a significant proportion of persons receiving services subject to cost sharing in the planning and service area have incomes below the threshold established in state policy; or
- That cost sharing would be an unreasonable administrative or financial burden upon the AAA.

LONG-TERM CARE (LTC) OMBUDSMAN PROGRAM

Virginia's AAAs operate local Ombudsman programs. Two or more AAAs may operate a joint program provided the AAAs are adjacent to each other.

A base of \$15,000 has been established when an AAA operates a single Ombudsman program. A base of \$25,000 has been established when two or more AAAs operate a joint program.

The remainder of Title VII-Chapter 2 Ombudsman funds, along with the state funds, are distributed in proportion to the number of licensed nursing facility beds, licensed assisted living facility beds, and licensed geriatric mental health beds located in each PSA.

The Virginia Department of Health (VDH) maintains the number of nursing facility beds, the Virginia Department of Social Services (VDSS) maintains the number of assisted living facility beds, and the Virginia Department of Behavioral Health and Developmental Services (DBHDS) maintains the number of state mental health facility beds. The number of beds in each PSA is updated annually for the next fiscal year based on the most recent available data when the new area plan year's proposed funding allocations are prepared.

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CURRENT POPULATION ESTIMATES

Below is Virginia's population by funding formula factors for FFY 2020 based on U.S. Census Bureau 2011-2015 ACS estimates. The table below presents the population used in the funding formula factors for each AAA for FFY 2020.

		2011 - 2015 ACS			
		Pop 60+	Poverty 60+	Pov & Minority	Rural
Virginia	Totals	1,580,765	118,144	45,739	328,665
PSA 1	Mountain Empire Older Citizens	22,535	2,934	79	22,535
PSA 2	Appalachian Agency for Senior Citizens	28,440	3,704	119	28,440
PSA 3	District Three Senior Services	52,640	5,610	300	33,205
PSA 4	New River Valley Agency on Aging	35,375	2,685	175	9,085
PSA 5	LOA Area Agency on Aging	68,370	5,880	1,395	7,845
PSA 6	Valley Program for Aging Services	65,770	5,215	365	11,930
PSA 7	Shenandoah AAA	50,960	3,800	410	17,365
PSA 8A	Alexandria Division of Aging and Adult Services	21,915	1,270	765	-
PSA 8B	Arlington Agency on Aging	30,605	2,165	1,210	-
PSA 8C	Fairfax AAA	196,485	9,220	5,455	-
PSA 8D	Loudoun County AAA	40,375	1,715	860	-
PSA 8E	Prince William AAA	61,010	2,420	1,245	-
PSA 9	Rappahannock-Rapidan CSB and AAA	39,060	2,339	554	15,225
PSA 10	Jefferson Area Board for Aging	52,455	3,515	910	13,235
PSA 11	Central Virginia AAA	59,730	5,020	1,505	3,845
PSA 12	Southern AAA	67,770	7,025	2,270	52,010
PSA 13	Lake Country AAA	24,090	3,265	1,660	24,090
PSA 14	Piedmont Senior Resources AAA	25,145	3,398	1,898	25,145
PSA 15	Senior Connections, The Capital AAA	197,895	13,305	6,780	2,070
PSA 16	Rappahannock AAA	52,905	3,025	955	9,975
PSA 17	Bay Aging	42,105	3,195	1,250	26,795
PSA 19	Crater District AAA	36,995	4,259	2,604	7,935
PSA 20	Senior Services of Southeastern Virginia	199,010	15,255	8,695	4,515
PSA 21	Peninsula Agency on Aging	95,705	6,120	3,395	-
PSA 22	Eastern Shore AAA - Community Action Agency	13,420	1,805	885	13,420