

Notice Date: May 27, 2014

CHANGE OF INTRASTATE FUNDING FORMULA

Dear Sir or Madam:

The Georgia Department of Human Services Division of Aging Services is proposing a change of the Intrastate Funding Formula (IFF), pursuant to the Older Americans Act of 1965, as amended in 2006 (current legislation pending). A copy of the proposed IFF change and a synopsis thereof are enclosed herein.

Questions concerning these changes should be directed to Dr. James Bulot, Director, Division of Aging Services, by leaving a message with your comments and concerns at telephone number (404) 657- 5271.

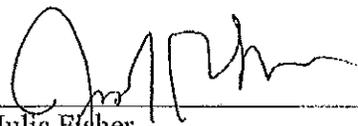
Written comments and other written materials regarding the formula funding change should be sent to: Dr. James Bulot, Division of Aging Services, 2 Peachtree Street NW Suite 33.391, Atlanta, GA 30303 address no later than June 30, 2014. Comments can also be made online at www.aging.dhs.georgia.gov/comment-funding-formula.

The DHS Division of Aging Services solicits your comments, data or argument for or against the adoption of the proposed Intrastate Funding Formula (IFF) change. Your comments may be made in writing by mail or other delivery to the staff designated above within thirty (30) days of this notice date. To be timely, the written comments must be received at the Division of Aging Services no later than June 30, 2014 at 5:00 P.M.

If you have submitted earlier comments on the funding formula, these written comments will also be included in the review of the Intrastate Funding Formula.

Additionally, if due to a disability or limited English proficiency you need this notice in an alternate format, please call the undersigned Notice Officer as soon as possible, but no later than ten (10) days before the above oral comment date.

This notice is issued pursuant to requirements of the Older Americans Act for a review and comment period.



Julia Fisher
Associate General Counsel /Notice Officer
Telephone: (404) 656-0805
(Procedural questions only)

PROPOSED CHANGE OF THE INTRASTATE FUNDING FORMULA FOR RESOURCE ALLOCATION, TITLE III OF THE OLDER AMERICANS ACT

DEPARTMENT OF HUMAN SERVICES DIVISION OF AGING SERVICES

Synopsis of Proposed Change in the Intrastate Funding Formula (IFF)

May 27, 2014

PURPOSE: The Older Americans Act of 1965, as amended in 2000, requires that State agencies, “. . . in consultation with area agencies and in accordance with guidelines issued by the Assistant Secretary and using the best data available,” distribute funds to area agencies on aging throughout the state, on the basis of a formula 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. . . .” and . . . “provide assurances that preference will be given to providing services to older individuals with the greatest economic or social needs, with particular attention to low-income minority individuals and older individuals residing in rural areas.”

---Section 305(a)(2)(C) of the Older Americans Act, as amended, [42 U.S.C. §3025(a)(2)(C)].

The Act further states: *"The term 'greatest economic need' means the need resulting from an income level at or below the poverty line, and "the term 'greatest social need' means the need caused by noneconomic factors which include physical and mental disabilities, language barriers, and cultural, social or geographical isolation, including isolation caused by racial or ethnic status, that restricts the ability of an individual to perform normal daily tasks; or threatens the capacity of the individual to live independently."*

----Section 102(27)(28) of the Older Americans Act, as amended, 42 U.S.C. §3002(27)(28).

Georgia's current Intrastate Funding Formula has been in use since 1992. Because of changes in the Older Americans Act and the need for better targeting of resources to those in greatest need (a result of a rapidly expanding older population and an overall reduction in available resources), the Division of Aging Services determined to review and modify the existing formula. The first stages of the process included consulting with all the Area Agencies on Aging.

To comply with Older Americans Act requirements, a work group composed of Division of Aging Services staff and Area Agency on Aging (AAA) Directors was established. This group was charged with the task of reviewing the current Title III Intrastate Funding Formula to determine if any changes in the weights or factors were necessary and if so, the specific weights the workgroup would recommend be used to distribute Title III Older Americans Act and other funds to the Area Agencies beginning October 30, 2014. The workgroup met twice, both times in Macon at the Middle Georgia RDC to deliberate on the formula's composition. The majority of the participants favored retaining the current IFF's factors and weights, retaining a minimum base allocation amount and the inclusion of "Living Alone" and "Population 70+" factors.

CURRENT Intrastate Funding Formula

Factors	Weights
Population 60+	50%
Low Income Minority 65+	10%
Low Income 65+	15%
Rural 60+	13%
Disabled 65+	10%
Limited English Speaking 65+	2%

*Includes a base funding amount for each area agency on aging of 6% of total allocation for Title III Parts B, C1, C2 and E. Excludes Title III D.

PROPOSED Intrastate Funding Formula

Factors	Weights
Population 60+	10%
Population 75+	30%
Low Income Minority 65+	10%
Low Income 65+	13%
Rural 60+	15%
Disabled 65+	10%
Limited English Speaking 65+	4%
Living Alone 65+	8%

*Includes a base amount of funding for each area agency on aging not to exceed 6% of total Title III Parts B, C1, C2 and E. Excludes Title III D.

Narrative Description of Factors and Weights

60+ Population – Number of persons in the age group 60 and above from the 2010 Census.

75+ Population – Number of persons in the age group 75 and above from the 2010 Census.

Low Income Minority 65+ - Persons 65 and older who are minorities (non-white) and are below the poverty level as established by the Office of Management and Budget as the standard to be used by Federal agencies for statistical purposes. Estimates for this factor are from 2008-2012 American Community Survey data.

Low Income 65+ - All persons 65 and above who are below the poverty level as established by the Office of Management and Budget as the standard to be used by Federal agencies for statistical purposes. Estimates for this factor are from 2008-2012 American Community Survey data.

Estimated Rural 60+ Population - Persons 60 and above who reside in a rural area as defined by the Census bureau. The Census data did not contain an age breakdown of individuals residing in these rural areas. Therefore, the percentages determined by the Census to be rural were applied to the numbers of persons residing in each area. This approach is based on the assumption that the 60+ population is evenly distributed among the urban-rural areas. While recognizing that this may not necessarily be true, it was determined that these were the “best data available” for use in the formula and was fairly applied to all areas of the State.

Limited English Speaking 65+ Population – Persons 65 and above who speak a language other than English and speak English “not well” or “not at all.” Estimates for this factor are from 2008-2012 American Community Survey data.

Limited Mobility 65+ Population - Persons 65 and above who have a “mobility or self care limitation” as defined by the Census Bureau. Estimates for this factor are from 2008-2012 American Community Survey data.

Living Alone 65+ population - Number of persons in the age group 65 and above who live alone. Estimates for this factor are from 2008-2012 American Community Survey data.

MAIN FEATURES OF THE PROPOSED IFF CHANGE:

Based on input and the needs of older adults across the state, the Division of Aging Services is proposing the following formula changes. A base funding amount will be included for each area agency on aging not to exceed 6% of total Title III Parts B, C1, C2 and E. Excludes Title III D.

- Reduce the 50% Population weight to 10% for 60+ Population and 30% for 75+ Population data
- Increase Rural 60+ factor from 13% to 15%
- Reduce Low Income 65+ factor from 15% to 13%
- Increase Limited English Speaking 65+ factor from 2% to 4%
- Add Living Alone 65+ factor 8%

Rationale: The proposed Intrastate Funding Formula factors, in keeping with the intentions of the Older Americans Act, appear to adequately “provide assurances that preference will be given to providing services to older individuals with the greatest economic or social needs, with particular attention to low-income minority individuals and older individuals residing in rural areas,” as required by Section 305(a)(2)(C). Because the 60 and above population factor is the basis of the Older Americans Act and is required by the act to be considered in state formula composition, and because Georgia’s elderly population is growing rapidly, this factor is assigned the greatest weight, 40%. Weights for the other factors are determined by examining their relationship to the total population of Georgia.

SUMMARY OF DIFFERENCES BETWEEN THE EXISTING AND THE PROPOSED INTRASTATE FUNDING FORMULA

The proposed formula retains the six factors used in the current formula and adds Population 75+ and Living Alone 65+ as factors. The Rural factor weight increases to 15%, Low Income is reduced to 13% and Limited English Speaking increases to 4%. In order to ensure statewide service provision, the Division of Aging Services will continue to use a six percent (6%) funding base for Parts B, C1, C2, and E with the proposed formula’s factors and weights. The base will ensure a minimum amount of funding for each area agency on aging. In addition each Area Agency’s current Title III Administration allocations will be considered as a base amount. When increased funding is awarded for this purpose the adopted Intrastate Funding Formula will be used for distribution. Title III Part D (Health Promotion) will continue to be allocated using a 50% base with the remainder allocated by the IFF.

The proposed Intrastate Funding Formula reflects the intent of the Older Americans Act and the Division’s responsibilities to distribute limited resources equitably across the state. The Division of Aging Services has determined that the proposed IFF is the most beneficial to older Georgians.

Upon receipt of comments regarding the proposed change to the Intrastate Funding Formula, Division of Aging Services staff will review and evaluate comments. Once all comments have been received and evaluated, the Division of Aging Services will finalize the Intrastate Funding Formula and submit it, along with a summary of the process and the comments received, to the Administration on Community Living (ACL). After review and approval by the Assistant Secretary of the Administration on Community Living of the U.S. Department of Health and Human Services, the proposed Intrastate Funding Formula will become final.