



AGING PROGRAM DIRECTIVE

APD# 23-01-01	
Issuance Date: July 21, 2022	Effective Date: July 1, 2022
Program Area: AAA Administration	Disposition:
Origin: Bureau of Finance	Contact: Finance-Steve Aucott

SUBJECT AREA AGENCY ON AGING (AAA) PROGRAM REQUIREMENTS, PLANNING ALLOCATIONS AND AGING SERVICES BLOCK GRANT FORMAT FOR FY 2022-2023-REVISION #1

TO Executive Staff
Administration on Community Living
Area Agencies on Aging
PA Association of Area Agencies on Aging
Office of Long-Term Living
PA Council on Aging
Comptroller

FROM 
Robert Torres
Secretary

PURPOSE The purpose of this Aging Program Directive (APD) is to: (1) delineate financial requirements for FY 2022-23 Area Agency on Aging (AAA) program; (2) provide procedures for the development and submission of the FY 2022-23 Aging Services Block Grant Revised Budget No. 1; (3) transmit the initial FY 2022-23 funding allocation levels for each AAA; and, (4) adjustments adding \$464K for Ombudsman Federal CARE Act funding and \$2.1M COVID Vaccine Access funding.

BACKGROUND This APD transmits key information required for the submission of the FY 2022-23 Aging Block Grant Revised Budget No.1. The AAAs are to refer to this APD frequently throughout the planning process for the development of these plans.

Federal funding included within this APD incorporate grants provided by the Administration for Community Living:

<u>Grant No.</u>	<u>CAN</u>	<u>FAIN</u>	<u>Award Date</u>	<u>Subaward Period</u>
Title III	2201PAOASS-00	93.044	10/01/20-09/30/23	10/01/21-09/30/23
Title III	2201PAOACM-01	93.045	10/01/20-09/30/23	10/01/21-09/30/23
Title III	2201PAOAH-01	93.045	10/01/20-09/30/23	10/01/21-09/30/23
Title III	2201PAOAPH-01	93.043	10/01/20-09/30/23	10/01/21-09/30/23
Title III	2201PAOAF-01	93.052	10/01/20-09/30/23	10/01/21-09/30/23
Title VII	2201PAOAEA-01	93.041	10/01/20-09/30/23	10/01/21-09/30/23
Title VII	2201PAOAOM-01	93.042	10/01/20-09/30/23	10/01/21-09/30/23
NSIP	2201PAOANS-01	93.053	10/01/20-09/30/23	10/01/21-09/30/23
SHIP	2201PASTPH-00	93.324	04/01/20-03/31/23	04/01/20-03/31/23
2101PACMC6-00	2020,299CVCM	93.045	April 20,2021	03/20/21-09/30/22
2101PAHDC2-00	2020,299CVHD	93.045	December 20,2020	03/20/21-09/30/22
2101PASSC6-00	2020,299C3SS	93.044	April 20,2021	03/20/21-09/30/22
2001PASHD3-00	2020,299C3HD	93.045	April 20,2021	03/20/21-09/30/22
2101PAFCC6-00	2020,299C3FC	93.052	April 20,2021	03/20/21-09/30/22
2101PAVAC5-00	2101PAVAC5-00	93.044	April 1,2020	04/01/21-09/30/22
ADRC	90NWC50029-01	93.048	April 30,2021	04/01/21-09/30/22
2101PAOMC3-01	2101PAOMC3-01	93.042	April 1,2020	04/01/20-09/30/22

BLOCK GRANT

The funds distributed through the Aging Block Grant include Regular Block Grant, State Caregiver Support Program (SCSP), Federal Caregiver Support Program (FCSP), Nutrition Services Incentive Program (NSIP), PA Medi, Health Promotion, and other categorical funds.

AAAs should continue to refer to APD #97-01-02, "Accounting Manual for Area Agency on Aging Programs", for definitions related to specific cost centers and service programs. Any fiscal instructions necessary to complete the contract process, and not included within the Cooperative Agreement and the Accounting Manual, will be cited in this APD.

All AAAs will be organized in a manner which avoids conflicts with the mission and responsibilities of an AAA. At a minimum, the AAA Director and all subordinate staff should be free from any responsibilities for the oversight or operation of:

- Nursing facilities, personal care homes, home health agencies; and
- Any other organization which would be able to financially benefit from favorable decisions by an AAA.

MINIMUM PROGRAM AND FUNDING REQUIREMENTS
FOR FY 2022-23

**IN HOME
SERVICE
PARAMETER**

The Pennsylvania Department of Aging (PDA) has established a minimum parameter of **60%** of funding levels for the provision of in-home services. The In-Home Services Parameter schedule identifies the minimum amount each AAA should expend on in-home services for the FY 2022-23. The calculation base for the parameter is the Block Grant allocations for the Regular Block Grant, State Caregiver Support Program, Federal Caregiver Support Program, Nutrition Services Incentive Program, categorical allocation-OPTIONS Services, and categorical allocation-Block Grant Supplement.

The following cost centers have been identified as in-home services for the purpose of meeting this parameter: Home Delivered Meals, Passenger Transportation, Home Health, Personal Care, Environmental Modifications, Medical Equipment/ Supplies/Adaptive Devices, Home Support, Adult Day Care, Care Management, Protective Services, and Guardianship.

**ADMINISTRATIVE
COSTS**

No more than **10%** of the funds allocated in the Total Aging Block Grant (*less Health Promotions and OPTIONS Services funding*) may be budgeted and expended in the AAA Administration cost center. No Health Promotions or OPTIONS Services funding can be used for administration costs.

AAAs should adhere to the requirements of APD #05-01-10, "Indirect Cost Policy for Department of Aging Contracts". This directive states the maximum indirect costs for direct service contracts with public or private providers shall be the actual indirect costs or **2%** of the agency's total direct service costs, whichever is lower. Indirect Costs are only reported in the AAA's Administrative cost center.

**CAREGIVER
SUPPORT
PROGRAM (CSP)**

The CSP allocation can only be budgeted and expended on CSP and FCSP activities and program administration costs. Requirements stipulated for the FCSP allocation are also applicable for the CSP program.

**FEDERAL
CAREGIVER
SUPPORT
PROGRAM (FCSP)**

FCSP funding can be expended on CSP activities and program administration costs if federal match requirements are maintained.

AAA administration costs charged to the FCSP allocation should not exceed 10% of the FCSP allocation. The maximum monthly care plan cost cap for Caregivers enrolled in the CSP is **\$600**, subject to the Caregiver's determined reimbursement percentage. Justification of the approved CSP monthly care plan cost cap shall be documented in the Caregiver's record in SAMS. Per policy requirements with the passage of Act 20 of 2021, the \$300 aggregate average monthly reimbursement cap for all CSP cases was eliminated. AAAs may authorize CSP care plan amounts up to a maximum of \$600 per month based on identified need and are no longer required to adhere to the aggregate average requirement. At least 55% of the allocated CSP funding shall be budgeted and expended for reimbursement to Caregivers for caregiving-related services and supplies. Of this amount, no more than **20%** of the amount budgeted and expended for financial assistance to Caregivers may be budgeted and expended for home modifications and assistive devices.

There is a **\$5,000** lifetime cap per Caregiver for the purchase of a Home Modification or Assistive Device, which is subject to the Caregiver's determined reimbursement percentage (Section V. C. 2. of the CSP Chapter in the Department's Policy and Procedure Manual).

Per the OAA as amended and reauthorized in 2020, there is no longer a requirement to limit CSP spending on Grandparents/Other Older Relative Caregivers of Children and Older Relative Caregivers of an Adult with a Disability to 10% of the overall CSP funding allocation. AAAs will no longer need to track CSP expenditures to ensure funding for these Caregivers is below a specified percentage.

NOTE: With the passage of Act 20 of 2021, AAAs may use both state and federal funding to serve Grandparents/Other Older Relative Caregivers

The Department of Aging defines eligible caregiving-related services and supplies as respite services, consumable supplies, supportive services supplemental services, home modifications, assistive devices, and services specific to Grandparents/Other Relative Caregivers.

In administering cost sharing for the FCSP, AAAs should comply with the requirements for determining the reimbursement percentage for Caregivers enrolled in the program (Section V. B. of the CSP Chapter in the Department's Aging Service Policy and Procedure Manual) using the CSP Reimbursement Percentage Guide (Appendix F.2 of the CSP Chapter in the Department's Aging Service Policy and Procedure Manual).

**U. S. NUTRITION
SERVICES
INCENTIVE
PROGRAM CASH**

The allocation amounts are based on the number of eligible meals each AAA reported in SAMS as providing during FY 2019-20.

Please note that NSIP expenditures are included in the calculation to meet the in-home services parameter.

PA MEDI

Any changes to terms and conditions will be included in the Fall revision APD for PA MEDI.

**HEALTH
PROMOTION**

Funds for the AAA's Health Promotion Program should be budgeted and expended on program allowable activities in the Senior Community Center Services cost center. The current allocations are based on the approved Health and Wellness plans each AAA submitted in the Spring of 2022.

Administrative costs are not an eligible use of Title III-D funding.

OMBUDSMAN

Each AAA must budget and provide monies for the local ombudsman entity, or for a contracting provider of ombudsman services including recruitment, training, and volunteer management, to perform activities for the PA Long-Term Care Ombudsman Office subject to policies and reporting requirements contained in APD #16-10-01. All activities must be documented in the statewide reporting system, Ombuds Manager, to include full-time equivalency staff and volunteers. The corresponding amounts identified by AAAs are as outlined in the formulary in the attached ABGATCHA on the Ombudsman worksheet.

If the AAA chooses to or is required to utilize a contractor to administer Ombudsman services, including staff, volunteers, and the Pennsylvania Empowered Expert Residents (PEER) program, **the entire amount of the Volunteer/PEER allocation must be provided to the contractor in support of the Ombudsman Volunteer/PEER program.**

These funds must be over and above any other funds expended on Ombudsman activities and must be reported in the Ombudsman cost center.

Ombudsman allocations are subject to adjustment in subsequent budget amendments based on the performance of the local ombudsman program in relation to the performance of the volunteer ombudsman component.

Acceptable Use of Volunteer/PEER Funds include:

PEER program:

- PEER recruitment
- PEER training costs
- Copying of PEER training materials
- Meals for PEERs
- Transportation for PEERs

- Any ADL support not provided by the facility for PEERs to attend PEER Training
- Equipment for use by PEERs only, such as laptops, tablets, and phones.

Volunteer recruitment:

- Advertising
- Training costs
- Training related meals for volunteers
- Mileage for volunteers

Volunteer retention:

- Ongoing volunteer meetings
- Copying/printing of the ombudsman training materials
- Stipends
- Speakers
- Training related meals
- Mileage
- Recognition activities

Uses do NOT include:

- Staff costs for mentoring activities
- Meal provisions for staff related training
- Equipment for staff and volunteers, such as laptops, computers, tablets, and phones
- Staff time engaged in the above supported volunteer/PEER activities

Regional Ombudsman Contracts:

AAAs that have agreed to hold regional ombudsman contracts must budget these funds in the Ombudsman cost center. PDA will negotiate separate budget and reporting requirements with the AAAs that are hosting the regional ombudsmen. An annual spreadsheet of budgeted expenses should be supplied to the Department and approved prior to the fiscal year. This will also be supplied upon request at any time.

In addition, each AAA must budget an amount of funds equal to the AAA share of ombudsman activities charged to Older Americans Title III funds in FY 2000-01.

The ABGATCHA contains the minimum funds that **must** be budgeted for ombudsman Volunteer/PEER activities. All ombudsman activities for all ombudsman funding sources, projects and program must be budgeted and expended in the Ombudsman cost center.

**PASSENGER
TRANSPORTATION
SERVICES**

AAAs that are not directly receiving Shared-Ride Program funds should not report the funds received by other Shared-Ride Program providers. The amount the AAA plans to expend in co-payments for Shared-Ride service should be reported in the Passenger Transportation Services cost center. The funds used for co-payments should be reflected in the respective funding source such as Block Grant, local cash, etc.

The Department of Aging reaffirms its intent to promote the coordination and integration of transportation services for older persons with other local transportation systems. AAAs should refer to APD #85-07-01, "Passenger Transportation Services".

**LEGAL
ASSISTANCE**

Any changes to terms and conditions will be included in the Fall revision APD for Legal assistance.

**OTHER
CATEGORICAL
FUNDS**

Allocations have been included for those agencies that were awarded additional categorical funds for community and other various grant projects. Specific programmatic and fiscal guidance can be found in the grant application's guidelines and procedures as well as the grant's award notification letter.

**EXPANDING
ACCESS TO COVID
VACCINES**

The grant is issued for the following purposes:

- Disseminating credible information about COVID-19 vaccines and help direct those with questions to additional sources of information.
- Identifying people who may need help getting a COVID-19 vaccination, including those who are unable to independently travel to a vaccination site.
- Helping with scheduling a COVID-19 vaccination appointment for those who need help.
- Arranging or providing accessible transportation to COVID-19 vaccination sites.
- Providing technical assistance to local health departments and other entities on vaccine accessibility.
- Providing personal support if needed (e.g., peer support).
- Reminding the person of their supplemental vaccination appointment if needed.

**CONTRACTOR
RATE INCREASES**

AAAs are authorized to provide contractor rate increases up to **4.5%** of their existing rates. Funding that is available for the rate increase includes the Regular Block Grant, OPTIONS Services, and Block Grant Supplement allocations. Any rate increase given to a contractor is at the discretion of the AAA director/administrator.

**LINE ITEM
BUDGET**

PDA will develop “placeholder” budgets for the allocations noted in this APD which will be used until AAA budgets are submitted or entered the AccuFund reporting system. This is done to facilitate the payment process and ensure AAAs continue receiving monthly payments until their budget documents are received by PDA.

**DELIVERY OF
SERVICES**

The Older Americans Act of 1965, as amended, requires AAAs to give preference in the delivery of services to those older persons with the greatest social and economic need with particular attention to low-income minority individuals, low-income individuals, and frail individuals (including individuals with any physical or mental functional impairment). In planning FY 2022-23 program budgets, AAAs should be guided by this requirement as well as their individual goals and objectives in determining funding priorities. “Greatest economic need” means the need resulting from an income level at or below poverty levels established by the U.S. Department of Health and Human Services (<http://aspe.hhs.gov/poverty-guidelines>). The 2022 figures define poverty as being **\$13,590** for one person, with each additional person adding **\$4,720**. “Greatest social need” means the need caused by non-economic factors which include physical and mental disabilities, language barriers and cultural, social, or geographic isolation including that caused by racial or ethnic status which restricts an individual’s ability to perform normal daily tasks, or which threatens such individual’s capacity to live independently.

Service delivery information in the SAMS data base will be used to determine service levels and the numbers of consumers served.

**ACCOUNTING
MANUAL**

AAAs should comply with the “Accounting Manual for Area Agency on Aging Programs”, (APD #97-01-02) and applicable federal and state regulations (e.g., 45 CFR Part 95, etc.) in the utilization of Pennsylvania Department of Aging Block Grant agreement funds.

**PUBLIC
HEARINGS**

A public hearing should be held with the issuance of this APD.

**MANDATORY
RETIREMENT**

Neither the AAA nor any AAA vendor may apply a policy of mandatory retirement to positions funded under this Application for Support.

AMENDMENTS

As stated in the Cooperative Agreement, the Department of Aging has the authority to amend the Aging Services Block Grant allocation on an as needed basis. This may occur if the AAA has not expended an appropriate level of its annual allocation by December 31, 2022. Amended allocations may also occur if additional funds are awarded during the year.

FIXED ASSETS

The definition of a fixed asset includes property of a tangible nature with a useful life of more than one (1) year and an acquisition cost of \$5,000 or more. Acquisition cost is defined as the net invoice price of the article plus the transportation charges, installation or setup fees and the cost of any necessary modifications, attachments, programming, or accessories.

When procuring fixed assets or facility space, the AAA should make an appropriate cost analysis of the lease versus purchase alternatives, and the most economical cost alternative should be chosen.

All proposed fixed asset acquisitions should be reflected in the budgeting module of Accufund. Acceptance of a proposed budget by PDA is considered approval for the purchase of fixed assets shown. For acquisitions of additional fixed assets during the year/after the final budget submission, the AAA should receive prior approval from PDA's Bureau of Finance through the submittal of an administrative waiver request. Waivers for fixed asset purchases should be submitted prior to April 30th.

When acquiring or disposing of assets, the AAA should list the following: Purchase/Anticipated Purchase Date, Asset Life, Disposal Date, and Residual Value (at date of disposal) as applicable.

All disposition of assets purchased with PDA-provided funding should be coordinated with the PDA Operations and Management Office, Kevin Atkinson (keatkinson@pa.gov).

**PROGRAM
INCOME**

APD #05-01-11, "Area Agency on Aging Program Income Policies", establishes the following policies for the retention of program income collections:

Federal Program Income - All program income generated from services funded, in whole or in part, by federal Older Americans Act funds that is on hand as of June 30, 2022, should be budgeted and expended during FY 2022-23.

Local Program Income – The June 30, 2022, balance of local program income generated from services funded by non-federal sources should not exceed 10% of the AAA’s total Block Grant allocation for FY 2022-23 up to a maximum of \$400,000. These funds are to be budgeted and expended in consumer service cost centers.

OPTIONS Cost Sharing Funds – The June 30, 2022, balance of OPTIONS Cost Sharing Fund collections should be budgeted and expended during FY 2022-23.

Local fee scale funds received are reported as OPTIONS Cost Sharing Funds.

Failure to comply with these policies may result in the reduction of Aging Block Grant funding to the AAA.

For FY 2022-23, seven (7) cost centers will contain Title III federal funds and all program income earned in any of these cost centers will be considered Federal Program Income. The seven cost centers are Home Delivered Meals, Congregate Meals, Senior Community Center Services, Passenger Transportation, Information and Referral, Legal Assistance, and Ombudsman.

Federal Program Income can only be budgeted and expended in the seven (7) federally funded cost centers.

AAAs will comply with the provisions of APD #05-01-11 concerning excessive balances of program income collections. AAAs are advised that payments of funds on FY 2021-22 Aging Block Grant contracts will be contingent upon the compliance of AAAs with the federal and state requirements for program income and cost sharing fund balances.

If an AAA has excessive balances of Federal Program Income, Local Program Income or OPTIONS Cost Sharing Funds as of June 30, 2022 (Fourth Quarter FRR), its FY 2022/23 Block Grant monthly payment(s) may be reduced or withheld until the AAA achieves compliance with the established program income balance requirements.

Planned expenditures of accumulated, as well as anticipated, collections of program income and cost sharing funds should be included under “Other Resources”.

**MATCH FOR
FEDERAL
DOLLARS**

AAAs desiring to use Block Grant funds as match for other federal funding should submit a written request to PDA’s Bureau of Finance for authorization. On approval PDA will issue a statement to the AAA clarifying that only state funds are allowable for such a purpose.

BUDGETING

FEDERAL FUNDS

AAAs are strongly encouraged to budget and expend federal allocations and Federal Program Income funds prior to allocating other resources to a federal funded cost center. This will assist PDA in meeting federal spending parameters.

SENIOR CENTERS

AAAs will request and receive written approval from the Department of Aging’s Bureau of Aging Services prior to implementing plans to open, close or relocate a senior center or a satellite senior center.

ASSESSMENTS

Block Grant funds should not be used for assessment costs.

REPORTING

REQUIREMENTS

AAAs are required to submit cumulative monthly expenditure data and/or trial balances to the Department via AccuFund according to the schedule shown below:

<u>Cumulative Expenditures</u> <u>Through</u>	<u>No Later Than</u>
July	August 20th
August	September 20th
September	October 31st
October	November 20th
November	December 20th
December	January 31st
January	February 20th
February	March 20th
March	April 30th th
April	May 20th
May	June 20th
June	August 15th

All quarterly reports need to report the application of revenue used.

Additionally, AAAs are responsible for maintaining profile information regarding their agency’s operations in the Accufund reporting system.

**COMPLIANCE
WITH
COOPERATIVE
AGREEMENT**

The AAA should comply with all the terms and provisions identified in the Cooperative Agreement between PDA and the AAA.

**TRAVEL
REIMBURSEMENT
RATES**

The Commonwealth of Pennsylvania's Office of Administration establishes travel, lodging and subsistence allowable maximum reimbursement rates. AAAs are able to access the most current information on the [Office of Administration's web site](#). This information is found under Management Directives, Management Administration Support, and #230.10 Commonwealth Travel Policy. Please refer to the most recent revision for the approved rates.

**LINE ITEM
BUDGET**

PDA has developed "placeholder" budgets for the allocations noted in this APD. They will be supplanted when AAA budgets are submitted and entered the AccuFund reporting system. This is done to facilitate the payment process and ensure AAAs receive monthly payments until their budget documents are received and approved by PDA.

**BUDGET
SUBMISSION
REQUIREMENTS**

Upon receiving this APD AAAs are responsible for the development of their budget data and information upload into AccuFund. AccuFund inputs are due **30 calendar days** after the issuance date of this directive.

**TECHNICAL
ASSISTANCE**

Questions regarding contents of this APD should be directed to Steve Aucott (saucott@pa.gov) at 717.772.2529, Zach Sensenig (zsensenig@pa.gov) 717.783.3471 or Cary Celesky (cacelesky@pa.gov) 717.772.4646.