

DEPARTMENT OF AGING

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PROGRAM MEMO

TO: AREA AGENCY ON AGING DIRECTORS	NO.: PM 10-12(P)
SUBJECT: Fiscal Year 2010-11 Health Insurance Counseling and Advocacy Program Budget Displays and Contracts	DATE ISSUED: May 12, 2010
REVISED	EXPIRES: June 30, 2011
REFERENCES: Older Californians Act, Welfare and Institutions Code 9100, et. seq.	SUPERSEDES: N/A
PROGRAMS AFFECTED: <input type="checkbox"/> All <input type="checkbox"/> Title III-B <input type="checkbox"/> Title III-C1/C2 <input type="checkbox"/> Title III-D <input type="checkbox"/> Title III-E <input type="checkbox"/> Title V <input checked="" type="checkbox"/> HICAP <input type="checkbox"/> MSSP <input type="checkbox"/> Title VII <input type="checkbox"/> ADHC <input type="checkbox"/> Other: _____	
REASON FOR PROGRAM MEMO: <input type="checkbox"/> Change in Law or Regulation <input type="checkbox"/> Response to Inquiry <input checked="" type="checkbox"/> Other Specify: Transmit HICAP Original Contracts	
INQUIRIES SHOULD BE DIRECTED TO: Your Assigned CDA Fiscal Team Specialist	

The purpose of this Program Memo (PM) is to transmit your Health Insurance Counseling and Advocacy Program (HICAP) Budget Displays and Contracts for State Fiscal Year (SFY) 2010-11.

The amount of state funds (Insurance Funds and HICAP Funds) is based on the 2009 Enacted Budget. Baseline increases in state funding since the 2005-06 Enacted Budget are allocated based on the number of Area Agencies on Aging (AAAs) receiving HICAP funds (50 percent of funds by flat rate) and Medicare beneficiaries (50 percent of funds by beneficiary population). The present allocation is based on an update of the 2007 Medicare Beneficiary population data, which is the latest available data from the Centers for Medicare and Medicaid Services (CMS). Please note that since rural allocations are no longer required, funds previously allocated via the rural methodology have been allocated using the standard federal allocation methodology for 2010-11.

The total amount of federal funds allocated is based on the 2010-11 State Health Insurance Assistance Program baseline grant. The baseline grant for 2010-11 reflects an increase of \$566,892 over the baseline for 2009-10.

Baseline increases in federal funding above the Budget Act of 2000 levels are allocated based on the number of AAAs receiving HICAP funds (50 percent of funds by flat rate) and Medicare beneficiaries (50 percent of funds by beneficiary population). The present allocation is based on the 2007 Medicare Beneficiary population data as stated above.

SFY 2010-11 Contract and Budget Display

Please note that this memo conveys both your HICAP Budget Display and HICAP Contract. No Planning Estimates were issued in advance of these documents because of delays in the allocation process.

Budget Due Date

The original 2010-11 HICAP Budget, California Department of Aging (CDA) 229, is due to your CDA Fiscal Team Specialist as soon as possible, but no later than 30 days from the date of this PM. HICAP Budget Forms are located on the CDA website at www.aging.ca.gov/aaa/fiscalFormDocument.asp under "HICAP Documents." Submit budgets electronically to the CDA Fiscal and Contracts Team using the Team's HICAP fiscal email boxes. The original CDA 229 must incorporate the amounts specified in the HICAP Budget Display attached to your 2010-11 HICAP Contract.

HICAP Payments: Important Changes

Starting July 1, 2010, CDA will no longer use ManAge for HICAP payment submissions. HICAP Monthly Report of Expenditure/Request for Funds (CDA 245) forms will now be in an Excel format and available on the CDA website at the address identified above. As a reminder, 2010-11 HICAP payments will not be processed until CDA has approved the original 2010-11 HICAP Budget and the 2010-11 HICAP Contract is returned to and fully executed by CDA.

The HICAP advance process has changed to mirror the Area Plan system. You may request monthly advances up to one-twelfth of your annual allocation for July, August, and September. Thereafter, your advance will be based on an average of your monthly reported expenditures. Please submit your July CDA 245 with your 2010-11 HICAP Budget. Thereafter, the CDA 245 will be due on the 30th of every month using the team's HICAP fiscal email boxes.



Lynn Daucher
Director

Attachment - (Contract package will be mailed to the Agency Contract Representative.)