

CALIFORNIA DEPARTMENT OF AGING

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**PROGRAM MEMO**

CDA 1014 (Rev. 04/11)

TO: Area Agency on Aging Planners	NO.: PM 12-11(P)
SUBJECT: Elder Economic Planning Act of 2011	DATE ISSUED: July 12, 2012
REVISED:	EXPIRES: When superseded
REFERENCES: Older Americans Act, California Welfare and Institutions Code	SUPERSEDES:
PROGRAMS AFFECTED: <input type="checkbox"/> All <input checked="" type="checkbox"/> Title III-B <input checked="" type="checkbox"/> Title III-C1/C2 <input checked="" type="checkbox"/> Title III-D <input checked="" type="checkbox"/> Title III-E <input checked="" type="checkbox"/> Title V <input type="checkbox"/> CBSP <input type="checkbox"/> MSSP <input checked="" type="checkbox"/> Title VII <input type="checkbox"/> ADHC <input checked="" type="checkbox"/> Other: HICAP	
REASON FOR PROGRAM MEMO: <input checked="" type="checkbox"/> Change in Law or Regulation <input type="checkbox"/> Response to Inquiry <input type="checkbox"/> Other:	

Purpose

The purpose of this Program Memo (PM) is to provide Area Agencies on Aging (AAA) with guidance about implementing the requirements of AB 138, the Elder Economic Planning Act of 2011 (Chapter 668, Statutes of 2011) (Beall).

Background

The Elder Economic Planning Act of 2011 defines the Elder Economic Security Standard Index (Elder Index) and requires:

- The California Department of Aging (CDA) to report Elder Index data for each Planning and Service Area (PSA) in the State Plan on Aging and use it as a reference when making decisions about allocating its existing resources.
- AAAs to use the Elder Index in their Area Plans as a reference when making decisions about allocating existing resources in their respective Planning and Service Areas.

The University of California, Los Angeles, Center for Health Policy Research updates the Elder Index biennially.

CDA provided AAAs with information about AB 138 and its requirements on two occasions:

- December 14, 2011, during the *2012-2016 Area Plan Guidance* webinar, and
- April 4, 2012, during the *What AAAs Need to Know about AB 138 (Elder Economic Planning Act of 2011)* webinar.

CDA also informed AAAs of AB 138 and its requirements in PM 12-04(P) – *Needs Assessment*.

Definitions

The Elder Index means “an index, available on the Internet, that quantifies the costs in the private market for meeting the basic needs of elders, including, but not limited to, the costs of essential household items, food, health care, shelter, transportation, and utilities” [Welfare and Institutions Code, Section 9009 (a)]. As used in the Elder Index, the term “elder” means an individual who is 65 years of age or older.

Older Americans Act (OAA) Section 102(a) (40) defines “older individual” as an individual who is 60 years of age or older.

Minimum Requirements

Each AAA must reference the Elder Index and incorporate the appropriate county spreadsheet(s) in its Area Plan.

These requirements apply only if:

- The Elder Index is updated and made available to AAAs;
 - The public data used to calculate each Elder Index data element is county level information specific to each California county; and
 - The Elder Index format made available to AAAs displays each county’s specific data.
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Application and Limitations

AAAs may incorporate the Elder Index in the Needs Assessment and/or Goals/Objectives sections of their Area Plans.

Pursuant to OAA Sections 102(a) (23) and (43), AAAs must use the federal poverty line when identifying older individuals who are low-income or in greatest economic need for the purpose of targeting OAA resources and services.

Resources

The following links provide additional information and guidance about AB 138 and the Elder Index.

- [2012-2016 Area Plan Guidance webinar](#)
CDA’s 2012-2016 Area Plan Guidance webinar (December 14, 2011).
 - [Elder Economic Planning Act of 2011 webinar](#)
CDA’s *What AAAs Need to Know About AB 138 (Elder Economic Planning Act)* webinar (April 4, 2012).
 - [PM 12-04\(P\): Needs Assessment](#)
PM 12-04(P) – *Needs Assessment* and the attached *2012-2016 Area Plan Needs Assessment Guidelines and Sample Questionnaires* (March 28, 2012).
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Resources,
continued

- [Elder Economic Planning Act of 2011 \(AB 138\)](#)
A copy of the chaptered law.
- [2010 Elder Index \(by county\)](#)
A display of the Elder Index per year with annual comparisons and basic monthly expenses for selected household types.
- [Applying the Elder Index: AAA Guide](#)
Examples of how AAAs across California have used the Elder Index in Area Plans, when fundraising, and for advocacy activities.
- [Demographic data \(by county and statewide\) of who is falling below the Elder Index](#)
Demographic characteristics (e.g. gender, race, and homeowner/renter status) of those below the Elder Index. (Note: This report derives from the 2007 Elder Index. There is a plan to update this information in 2013 or after the release of an expanded Elder Index.)
- [2007 home and community-based long term care data \(by county and statewide\)](#)
Estimated costs of in-home and community-based long-term care for a single person in California at four different levels and with a mix of services. Includes the cost of care combined with basic living expenses for a single renter.

Inquiries

Direct questions about the Elder Index to:

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Direct questions about the Area Plan to:

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