

CALIFORNIA DEPARTMENT OF AGING

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**PROGRAM MEMO**

CDA 1014 (Rev. 02/14)

TO: Area Agencies on Aging Directors		NO.: PM 15-08 (P)	
SUBJECT: HICAP HICAP Fiscal Year 2015-16 Program Budget Display and Contract		DATE ISSUED: July 16, 2015	
		EXPIRES: June 30, 2016	
REFERENCES:		SUPERSEDES: PM 14-06 (P)	
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 VII <input type="checkbox"/> Title V <input checked="" type="checkbox"/> HICAP <input type="checkbox"/> Other:		

Purpose

This Program Memo (PM) transmits your Health Insurance Counseling and Advocacy Program (HICAP) Budget Display and Contract for State Fiscal Year (SFY) 2015-16. The California Department of Aging (CDA) did not issue planning estimates for HICAP allocations in advance of this PM.

Allocation Methodology**State Funding**

- The amounts of State funding allocated (reimbursement from the Department of Insurance and State HICAP Funds) are based on the Governor's Budget for SFY 2015-16.
- Since Budget Year 2005-06, CDA has allocated baseline increases in State funding based on the number of Area Agencies on Aging (AAA) receiving HICAP funds (50 percent of funds) and the proportional distribution among Planning and Service Areas (PSA) of Medicare beneficiaries (50 percent of funds).
- CDA used September 2014 Medicare beneficiary population data from the Centers for Medicare & Medicaid Services (CMS) when developing the current allocation.

Federal Funding

- CDA calculated the federal allocation using the 2015 State Health Insurance Assistance Program (SHIP) grant award amount for the April 1, 2015 through March 31, 2016 period and assumed the same level of funding for the April 1, 2016 through June 30, 2016 period as was received during the first three months of the previous grant. After Budget Act of 2000 minimum funding levels were reached, CDA allocated the remaining amount equally across all AAAs receiving HICAP funds and 50 percent based on the proportional distribution among PSAs of Medicare beneficiaries.

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Administration Funding Guideline	The maximum allowable expenditure for Administration appears on the Budget Display. AAAs must not exceed the maximum allowable expenditure for Administration.
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Budget Submission Instruction	<p>AAAs must submit the HICAP Original Budget form (CDA 229) for the twelve-month SFY 2015-16 contract as follows:</p> <ul style="list-style-type: none"> • Incorporate the amounts shown in the Budget Display into the Original Budget form. • Submit the Original Budget form electronically to the Fiscal mailbox at Fiscal@aging.ca.gov.
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Budget Submission Due Date	AAAs must submit their Original Budget forms as soon as possible, but no later than August 13, 2016.
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Expenditure Reports and Requests for Funds	<ul style="list-style-type: none"> • To report expenditures and request funds, AAAs will continue to use the HICAP Monthly Expenditure Report/Request for Funds form (CDA 245). • CDA will not process payments for SFY 2015-16 until the AAA's original HICAP budget is approved and the contract is fully executed. • To the extent possible, federal funds from the July 1, 2015 through March 31, 2016 period should be reported as fully expended in the federal HICAP financial Closeout Report. • To the extent possible, State funds should be reported as fully expended in the HICAP contract financial Closeout Report.
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Closeouts	<p>There will be two Closeout Reports for this HICAP contract.</p> <ul style="list-style-type: none"> • The federal HICAP financial Closeout Report for the June 1, 2015 through March 31, 2016 period is due to the Department 45 days following the end of the HICAP Fiscal Year (no later than May 15, 2016). • The HICAP contract financial Closeout Report covering State funds for the entire contract period, July 1, 2015 through June 30, 2016 and federal funds from April 1, 2016 through June 30, 2016 is due to the Department 45 days following the end of the contract period (no later than August 15, 2016). <p>The HICAP contract financial Closeout Report covering State funds for the entire contract period, July 1, 2015 through June 30, 2016 and federal funds from April 1, 2016 through June 30, 2016 is due to the Department 45 days following the end of the contract period (no later than August 15, 2016).</p>
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Inquiries

- For programmatic inquiries, contact your assigned CDA HICAP Specialist.
- For fiscal inquiries, contact your assigned CDA Fiscal Team Specialist.


Attachments

- The SFY 2015-16 HICAP Budget Display is available for downloading from CDA's website at:

http://www.aging.ca.gov/ProgramsProviders/AAA/AAA_Budget_Displays/

- The HICAP Original Budget form (CDA 229) and Instructions are available for downloading from CDA's website at:

http://www.aging.ca.gov/ProgramsProviders/AAA/Fiscal_Form_Documents/


Lora Connolly
Director