

CALIFORNIA DEPARTMENT OF AGING

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**PROGRAM MEMO**

CDA 1014 (Rev. 02/14)

TO: Area Agencies on Aging		NO.: PM 17-13
SUBJECT:		DATE ISSUED: December 28, 2017
Health Insurance Counseling and Advocacy Program Contract (HI-1718) Amendment # 1 Budget and Reporting Information		EXPIRES: June 30, 2020
REFERENCES:		SUPERSEDES: PM 17-05
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) provides funding information and specifies reporting requirements for your July 1, 2017 – June 30, 2020 State Fiscal Years (SFY) 2017-20 Health Insurance Counseling and Advocacy Program (HICAP) contract HI-1718, Amendment # 1.

All contract-related documents, including Budget Displays and the Local Assistance Contract Checklist (CDA 9007), can be found on the [Area Agencies on Aging \(AAA\) page](#) of the California Department of Aging's (CDA) website.

Funding

The Administration for Community Living has issued a revised Notice of Award that reduces the 2017 federal State Health Insurance Program (SHIP) grant by 10.2%, from \$4,537,879 to \$4,074,803. CDA was able to offset \$190,000 of the \$463,076 reduction in its State Operations budget. This equates to an overall reduction of \$273,076 to the local assistance allocation.

This contract amendment reflects this reduction in the 2017 federal SHIP local assistance allocation. It also includes \$157,222 of the HI-1617 unspent contract balance from the 2017 SHIP grant to the respective AAAs.

CDA projects the 2018 and 2019 federal SHIP grants will continue to be reduced by 10.2% for the 2018 and 2019 federal SHIP grants, respectively. CDA also projects it will be able to continue to offset \$125,548 and \$158,628 of the total reduction in those years. The anticipated local assistance reductions to the 2018 and 2019 SHIP allocations are projected to be \$564,422 and \$769,581, respectively.

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**Funding
(Continued)**

CDA is amending the HI-1718 contract to reflect a reduction in federal funds allocation for SFY 2017-18 of \$414,181 and reallocation of HI-1617 unspent contract balance of \$157,222. The overall net reduction is \$256,959 for SFY 2017-18, \$615,713 for SFY 2018-19, and \$577,186 for SFY 2019-20.

**Allocation
Methodology**

To determine each AAA's HICAP allocation reduction, CDA used the current methodology described in the HI-1718 Allocation Methodology document found on the [Area Agencies on Aging - Budget Displays page](#) of CDA's website. This document provided a description of the allocation methodology for the federal and state HICAP funding.

CDA prepared allocations for the AAAs using the reduced local assistance amounts from the 2017, 2018, and 2019 federal SHIP grant budget amounts and compared to the original allocations for the AAA's. The difference between the original allocation and the reduced allocation is reflected in the "Grant Reduction" column of the amended HI-1718 contract.

**Request for
Funds and
Expenditure
Reports**

To request funds, AAAs must use the HICAP Monthly Expenditure Report and Request for Funds or Reimbursement (CDA 245) found under the HICAP Documents section of the [Area Agencies on Aging - Fiscal Forms and Documents page](#) on CDA's website.

For guidance on reporting expenditures, refer to the HICAP Monthly Expenditure Report and Request for Funds or Reimbursement Instructions (CDA 245i) found under the HICAP Documents section of the [Area Agencies on Aging - Fiscal Forms and Documents page](#) on CDA's website.

CDA will not process payments for these reallocated funds for SFYs 2017-18 until the AAA's amended HICAP Budget (CDA 229) is approved and the Contract Amendment is fully executed. The HICAP Budget (CDA 229) can be found under the HICAP Documents section of the [Fiscal Forms and Documents page](#) on CDA's website.

Deadlines

AAAs must submit the amended HICAP Budget (CDA 229) as soon as possible, but no later than 30 days from the date of this PM.

Additionally, the following deadlines are footnoted on the Budget Display within Exhibit B of the Contract:

- Expenditures
 - Closeout reports
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**Contract
Language
Updates**

All contract language updates are identified in the HI-1718 Amendment # 1 Contract Summary of Changes (CDA 9008) found on the [Area Agencies on Aging – Contract Summaries of Changes page](#) on CDA's website.

Inquiries

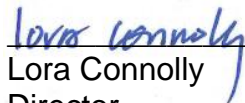
For programmatic and data inquiries, contact your assigned CDA HICAP Specialist with the CDA HICAP Team at HICAPTeam2@aging.ca.gov.

For program fiscal inquiries, contact your assigned CDA Program Fiscal Team Specialist at FiscalTeam@aging.ca.gov.

For payment inquiries, contact the CDA Accounting Team at CDA.Accounting@aging.ca.gov.

**Director's
Message**

The Department appreciates your on-going efforts to assist Medicare beneficiaries in making informed choices in selecting their Medicare coverage options and long-term care insurance plans. We look forward to our continued collaboration with you in supporting the valuable services that HICAP provides.



Lora Connolly
Director