

## DEPARTMENT OF AGING

1300 National Drive  
 Sacramento, CA 95834  
 Internet Home Page: [www.aging.ca.gov](http://www.aging.ca.gov)  
 TDD Only 1-800-735-2929  
 FAX Only (916) 327-2081



# PROGRAM MEMO

TO: <b>AREA AGENCY ON AGING DIRECTORS</b>	NO.: <b>PM 07- 06 (P)</b>
SUBJECT: <b>Fiscal Year 2007-08 Health Insurance Counseling and Advocacy Program Planning Estimates</b>	DATE ISSUED: <b>03/27/07</b>
REVISED	EXPIRES: <b>June 30, 2008</b>
REFERENCES: <b>Older Californians Act, Welfare and Institutions Code 9100, et. seq.</b>	SUPERSEDES: <b>N/A</b>
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: <b><u>Transmit HICAP Planning Estimates</u></b>	
INQUIRIES SHOULD BE DIRECTED TO: <b>Your Assigned Fiscal Team Specialist</b>	

The purpose of this Program Memo (PM) is to transmit your Health Insurance Counseling and Advocacy Program (HICAP) Planning Estimates (PE) for State Fiscal Year (SFY) 2007-08. The PE format was revised to eliminate separate funding categories for the Medicare Modernization Act (MMA). MMA funds are now combined with Insurance Funds, HICAP Funds, and Federal SHIP program funds. The PE also includes additional Federal SHIP program and administration funds for rural services. The amount of state funds (Insurance Funds and HICAP Funds) is based on the 2006 Enacted Budget. The amount of federal funds is based on the prior year federal grant and the additional federal rural services funds.

Federal rural services funds were allocated based on the percentage of 60+ rural population in each Planning and Service Area. All other HICAP funds were allocated using the formula identified in the FY 2000 Enacted Budget that established baseline funding. Baseline increases proceeding the Budget Act of 2000 are allocated based on the number of Area Agencies on Aging receiving HICAP funds (50% of funds by flat rate) and Medicare beneficiaries (50% of funds by beneficiary population) using the most current Medicare Beneficiary population data available from the Centers for Medicare and Medicaid Services.



The California Department of Aging anticipates issuing a contract based on this PE by April 2, 2007. A PM that transmits the contract will provide instructions on the specific date for submitting a budget that reflects the figures included in the Budget Display along with additional guidance for reporting federal rural services expenditures.

**Original Signed By:**

Lynn Daucher  
Director

Attachment