

**DEPARTMENT OF AGING**

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**PROGRAM MEMO**

TO: <b>AREA AGENCIES ON AGING DIRECTORS</b>	NO.: <b>PM 09- 25(P)</b>
SUBJECT: State Fiscal Year (SFY) 2009-10 Health Insurance Counseling and Advocacy Program Contract Amendment #1	DATE ISSUED: December 15, 2009
REVISED	EXPIRES: July 1, 2010
REFERENCES:	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: <u>Transmit Health Insurance Counseling and Advocacy Program Contract Amendments</u>	
INQUIRIES SHOULD BE DIRECTED TO: <b>Your Assigned AAA-Based Team Fiscal Specialist</b>	

This Program Memo (PM) transmits your Fiscal Year (FY) 2009-10 Health Insurance Counseling and Advocacy Program (HICAP) Revised Allocation and Contract Amendment #1. This contract amendment includes \$458,787 in one-time supplemental funding to enhance and expand local educational and assistance services for people with Medicare at a level above that supported by the Basic State Health Insurance Assistance Program (SHIP) Grant, \$72,503 in one-time Performance Award funding to support local program performance, and \$394,434 in reallocated FY 2009-10, federal SHIP funds that were unexpended at the end of FY 2008-09.

Fifty percent of the one-time supplemental funding, including administration, is distributed equally as a flat rate to each of 26 contracted jurisdictions. The other fifty percent, including administration, is allocated based on the number of Medicare beneficiaries in each county using the most current Medicare Beneficiary population data available from the Centers for Medicare and Medicaid Services (CMS).

Performance Awards were made using the same formula excluding administration.

The unexpended funds are reallocated in place to each contracted jurisdiction based on individual FY 2008-09 close-outs.

### Supplemental Funding

In an October 23, 2009, email to Area Agency on Aging (AAA) Directors and HICAP Managers, California Department of Aging (CDA) requested AAAs to submit narratives and proposed budgets for a one-time supplemental funding in accordance with suggested activities identified in the SHIP Grant Application. Narratives focused on expanding core HICAP activities in the following areas:

- One-on-One Counseling to an increasing number and diversity of individual beneficiaries unable to access other channels of information or needing and preferring locally-based individual counseling services.
- Outreach with community-based partners or coalitions to increase understanding of Medicare program benefits and raise awareness of the opportunities for assistance with benefit and plan selection.
- Quality Assurance of a counselor work force that is trained and fully equipped and proficient in providing the full range of services.
- Collaborating with CMS to assure that SHIP counselors are equipped to respond to both Medicare program updates and a rapidly changing counseling environment and to provide CMS with information about the support and resources that SHIPs need to provide accurate and reliable counseling services.

To help with next year's planning efforts AAAs must submit a progress report on expanding core HICAP activities to CDA by August 15, 2010. CDA will develop and send guidance to AAAs in December 2010 for a final report. CDA will compile the final report information and report it to CMS in the annual SHIP Grant Application.

HICAP providers should keep a general record of goods and/or services purchased with the additional funds (e.g., additional personnel time or overtime, technology improvements, increased travel expenditures, phone and other services, equipment, etc.). This information may be reported to CDA in the closeout process.

### **HICAP Budget (CDA 229)**

The Fiscal Team will email electronic copies of the CDA 229, in Excel format with formulas, to AAA Fiscal Officers simultaneously with the release of this PM. Please report Federal SHIP Performance Award funds on the Federal SHIP Funds line item of the CDA 229.

**Budget Due Date**

A revised HICAP Budget (CDA 229), which incorporates the attached HICAP Budget Display Amendment #1, is due to your Fiscal Team Specialist **as soon as possible, but no later than 30 days from the date of this PM**. Revised Budgets must be submitted electronically to the Fiscal Team using the Community Based Services Program fiscal mailboxes.

A handwritten signature in blue ink that reads "Lynn Daucher". The signature is written in a cursive style and is positioned above the printed name and title.

Lynn Daucher  
Director

Attachments

Note: Contract Amendment/Std. Agreement will be mailed directly to Agency Contract Representative.