

## CALIFORNIA DEPARTMENT OF AGING

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# PROGRAM MEMO

CDA 1014 (Rev. 02/14)

<b>TO: Area Agencies on Aging Directors</b>		<b>NO.: PM 14-06 (P)</b>	
<b>SUBJECT: HICAP</b>		<b>DATE ISSUED: March 11, 2014</b>	
<b>HICAP Fiscal Years 2013-14 and 2014-15 Program Budget Displays and Contract</b>		<b>EXPIRES: June 30, 2015</b>	
<b>REFERENCES: Older Californians Act, Welfare and Institutions Code 9100, et seq.</b>		<b>SUPERSEDES: PM 13-12(P)</b>	
<b>PROGRAMS AFFECTED:</b>	<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"/> <b>HICAP</b> <input type="checkbox"/> Other:		

## Purpose

This Program Memo (PM) transmits your Health Insurance Counseling and Advocacy Program (HICAP) Budget Display and Contract for the final three months of State Fiscal Year (SFY) 2013-14 and all of SFY 2014-15. No planning estimates for HICAP allocations were issued in advance of this PM.

## Allocation Methodology

### State Funding

- The amount of State funding allocated (Reimbursement from the Department of Insurance and State HICAP Funds) are based on the Governor's Budgets for SFY 2013-14 and SFY 2014-15.
- Since Budget Year 2005-06, baseline increases in State funding have been allocated based on the number of Area Agencies on Aging (AAA) receiving HICAP funds (50 percent of funds by flat rate) and distribution among Planning and Service Areas (PSA) based on Medicare beneficiaries (50 percent of funds by beneficiary population).
- The present allocation uses January 2014 Medicare beneficiary population data from the Centers for Medicare & Medicaid Services (CMS).

### Federal Funding

- The federal allocation is calculated using the 2014 State Health Insurance Assistance Program (SHIP) grant award from April 1, 2014 to March 31, 2015 and assumes the same grant award amount for April 1, 2015 to June 30, 2015.

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**Allocation  
Methodology,  
continued**

Baseline federal funding above Budget Act of 2000 levels is allocated based on the number of AAAs receiving HICAP funds (50 percent of funds by flat rate) and distribution among PSAs based on Medicare beneficiaries (50 percent of funds by beneficiary population).

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**Administration  
Funding  
Guideline**

Please note that due to changes in reporting requirements the Budget Display has separate allocations for program and administrative funds. Your budgets, requests for funds, expenditure reports, and closeouts will need to reflect this change. The CDA Fiscal Team Specialists will be processing transfers if needed.

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**Budget  
Submission  
Instruction**

AAAs are required to submit two HICAP Original Budget forms (CDA 229), the first budget form (CDA 229) for the period of April 1, 2014 through June 30, 2014 and the second form (CDA 229) for the period of July 1, 2014 through June 30, 2015.

- Incorporate the amounts shown in your Budget Display. Use the totals shown on the Budget Display for the periods of:
    - April 1, 2014 through June 30, 2014 - First HICAP Budget
    - July 1, 2014 through March 31, 2015 - Second HICAP Budget
    - April 1, 2015 through June 30, 2015 - Second HICAP Budget
  - Submit electronically to your CDA Fiscal Team Specialist.
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**Budget  
Submission  
Due Date**

Each AAA's two original Budget forms (CDA229) must be submitted as soon as possible, but no later than 30 days from the date of the PM.

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**Expenditure  
Reports and  
Requests for  
Funds**

- To report expenditures and request funds, AAAs will continue to use the HICAP Monthly Expenditure Report /Request for Funds form (CDA 245). The project numbers, as shown on the Budget Display, must be present on the CDA 245 to identify the specific source of funds requested.
  - CDA will not process payments for SFY 2013-14 or SFY 2014-15 until your original 15-month HICAP budget is approved and the contract is fully executed.
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**Closeouts**

There will be two Closeout Reports for this HICAP contract.

- The first financial Closeout for the HICAP contract is for the period of April 1, 2014 through June 30, 2014 and is due to Department 45 days following the end of the State Fiscal Year or no later than August 15, 2014.
  - The final HICAP financial Closeout Report is for the period of July 1, 2014 through June 30, 2015 and is due to the Department 45 days following the end of the contract period or no later than August 15, 2015.
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**Inquiries**

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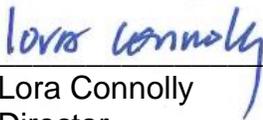
**Attachments**

- The SFY 2013-14 and SFY 2014-15 (HI-1415) HICAP Budget Display is available for downloading from CDA's website at:  
[http://cda.ca.gov/ProgramsProviders/AAA/AAA\\_Budget\\_Displays/](http://cda.ca.gov/ProgramsProviders/AAA/AAA_Budget_Displays/)
  - The HICAP Budget form (CDA 229) and Instructions are available for downloading from CDA's website at:  
[http://cda.ca.gov/ProgramsProviders/AAA/Fiscal\\_Form\\_Documents/](http://cda.ca.gov/ProgramsProviders/AAA/Fiscal_Form_Documents/)
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**Contract Packages**

Contract packages will be mailed under separate cover to each HICAP's Contract Representative.

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Lora Connolly  
Director