

Department of Health and Human Services

**OFFICE OF
INSPECTOR GENERAL**

**COST SHARING UNDER
THE OLDER AMERICANS ACT**



JUNE GIBBS BROWN
Inspector General

MAY 1996
OEI-05-95-00170

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EXECUTIVE SUMMARY

Purpose

To describe States' current practices and discuss implementation issues concerning cost sharing for services to older persons under Title III of the Older Americans Act.

Background

Through the Administration on Aging (AoA), the Older Americans Act (the Act) of 1965 authorizes financial assistance to States for services to older persons. Services provided under Title III of the Act include, but are not limited to, nutrition, transportation, and in-home personal and medical services. The AoA's programs reach elderly citizens through a wide network of public and private agencies, including local area agencies on aging and service providers.

In the past, States, area agencies on aging, and service providers have been allowed to ask recipients of Title III funded services for voluntary contributions, to help cover the cost of the service. Mandatory charges for the federally funded portion of these services is not allowed, although States can charge for all or part of their portion of the funded service. Known as cost sharing, these charges have helped some States maintain or expand services to recipients. In the current reauthorization of the Act, AoA proposed amendments that would allow States, area agencies on aging, and service providers to charge for some of the Title III funded services.

The AoA requested information on current cost sharing activities within the States. We surveyed 57 States and territories to obtain the information in this report.

FINDINGS AND ISSUES

All States collect voluntary contributions and 36 States make use of cost share programs. States' specific experiences with these practices will affect their readiness to implement Title III cost sharing.

Thirty-six States reported to us that they have some sort of cost sharing program for services to elderly people. These programs vary considerably. They may use State Units on Aging, other State agencies, area agencies on aging, and local service providers, or a combination of the above, to bill, collect, and carry out other responsibilities. Services cost shared also vary greatly, but in-home personal services and adult day care programs are the most commonly reported cost shared services. As with cost sharing, States vary greatly in their voluntary collection activities. After nutrition services, transportation is the most common service for which voluntary funds are collected.

The extent of area agency on aging involvement, and how fees are determined, including the use of sliding-scale fee schedules, will be important to effectively implementing Title III cost sharing. Sliding-scale fee schedules help address the "fairness" question of cost sharing, since recipients are asked to pay only what they can afford, based on their income.

State respondents expressed a variety of opinions regarding the potentialities of cost sharing Title III funds. Opinions ranged from great support for the idea, to great caution.

One-half of State respondents believe they can expand the provision of some services to recipients through cost sharing. They also said that successful implementation will depend in part on how the cost sharing is explained to, and thus accepted by recipients. However, some respondents expressed great concern that cost sharing might encourage some service providers to reach out to recipients better prepared to share costs, thus undermining targeting efforts to low-income elderly.

Cost sharing with Title III funds raises accountability and oversight questions for States, area agencies on aging, and service providers.

Nine States with cost sharing programs currently verify the reported income of recipients receiving services. Most cost sharing programs use "self-declaration" by recipients. Some respondents were concerned that asking recipients to reveal their income might embarrass or anger them to such an extent that they will drop out of programs. Other respondents questioned the overall cost effectiveness of income verification versus self-declaration by recipients.

Cost sharing will also require billing and collection activities that might not currently exist, including policies and procedures on payment default by recipients. States seem to have few written policies in this area so far. General policies range from strict service termination to never terminating services regardless of payment default.

IMPLEMENTATION

If Congress enacts legislation to permit cost sharing, the AoA will need to carefully consider their direction, oversight, and technical assistance to States, area agencies on aging, and service providers. Special attention will be needed concerning the use of fee schedules, income declaration and verification, billing and collection activities, and policies on payment default. Some States will need more help than others.

The AoA provided comments about this report; they can be found in Appendix C. The AoA states that the information in the report has provided them with the necessary background information required to assess cost sharing language in reauthorization bills in both the House and the Senate. The AoA also anticipates that the survey data will provide baseline information to develop program policy and technical assistance for State agencies administering programs under the Older Americans Act.

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INTRODUCTION

Purpose

To describe States' current practices, and discuss implementation issues concerning cost sharing for services to older persons under Title III of the Older Americans Act.

Background

Older Americans Act and services to elderly recipients

The Older Americans Act (the Act) of 1965 (PL-89-73) created the Administration on Aging (AoA) which provides financial assistance to States for social service and nutrition programs for older persons under Title III. Grants are allotted to States based on the size of the 60 plus population. States submit plans which must be approved by AoA Regional offices before funds are allocated.

The AoAs 10 regional offices assist States in developing responsive community-based, comprehensive and coordinated services for elderly recipients throughout the nation. The AoA's programs reach the elderly through a network of public and private agencies, including 59 State and Territorial State Units on Aging (SUAs), and their approximately 675 local area agencies on aging (AAAs), as well as over 100 Native American tribal organizations, and approximately 27,000 local service providers.

Part IIIB of the Act provides funds for a variety of supportive services, including health, transportation, and legal assistance. The Fiscal Year (FY) 1996 requested appropriations for Part IIIB are approximately \$307 million. Requested appropriations for Part IIIC, which funds nutrition services, including both congregate and home-delivered meal programs, are approximately \$470 million. Part IIID provides for non-medical in-home services for frail older individuals. Requested appropriations for Part IIID are approximately \$9 million.

Currently, SUAs, AAAs, and service providers are not permitted to charge mandatory fees to individual users of services for federally funded Title III services. The solicitation and collection of voluntary contributions from recipients for these services is permitted. Nutrition services generate the most money in voluntary contributions; supportive services, especially in-home services, generate the least.

The SUAs and, depending on State laws, the AAAs and service providers may charge mandatory fees to recipients for those services which are provided through State or local funds. These services may parallel or enhance the federally funded services such as homemaker services. For example, one homemaker visit to an older American may cost a total of \$20.00. The AoA grant may fund half of that visit while State or local funds will pay for the other half. Under current regulation, the SUA, AAA or service provider may only mandatorily charge for a portion of the State or locally funded

\$10.00. Only a voluntary contribution can be accepted for the Federal portion of the service charge.

There are some services in the States provided through Federal Medicaid waivers or Social Security Block Grants, which might include a fee charged to the recipient of the service. The SUA may or may not administer the programs funded through these Federal sources.

Generally referred to as "cost sharing," charging for some services helps some States expand services, or keep services in place as budgets are cut (GAO 1989). Most recipients of services who are required to cost share are not opposed to paying for services as long as the charge is fair (OIG 1990).

Proposed legislative amendments to allow for cost sharing

In past re-authorizations of Title III funding, the Administration has requested cost sharing for certain federally funded services. The Congress, however, has never approved the cost sharing provisions. The AoA's current re-authorization bill once again requests provisions for cost sharing. As summarized, AoA requests that sections 306 and 307 (State Plan requirements) of the Act be amended to give States the option to require or permit cost sharing for some services under State or area plans. Under the proposed amendment, cost sharing could not be required for information and assistance. Other services funded with Title III funds will be open to cost sharing; States will choose which, if any, of these services they may choose to cost share.

The AoA believes that Congress will pass some form of cost sharing amendments in this year's re-authorization of Title III funds. The AoA requested this study in order to obtain information that will help them more effectively implement recipient cost sharing for some Title III services. In particular, the AoA wanted to know what current State activities regarding cost sharing are, and how cost sharing for Title III funds might affect their current cost sharing activities.

METHODOLOGY

The information in this report was obtained by surveying 57 States, the District of Columbia (DC) and territories (all referred to as States) through a mail survey. Two surveys were sent out. The first was a small two-page survey to obtain initial information about whether the State, or any AAA or service provider within the State, conducted any cost sharing with State funds for services provided to elderly recipients. The second survey was an in-depth survey with three sections. The first section asked questions and requested documentation about the State's current cost-sharing activities, the second section concerned States/AAAs/service providers' activities regarding the collection of voluntary contributions for Title III funds, and the third Section asked for State respondents' thoughts on how cost sharing with Title III funds might affect their current activities, and if allowed, how best to implement Title III cost sharing.

Fifty-three States returned the initial survey. From this survey, 36 States indicated that their State conducted some sort of cost sharing activity.

A total of 50 States returned the main survey in time, and correctly, to be included in our analysis of the data. Within the main survey, 31 States responded to Section I regarding current cost sharing activities. Forty-nine States responded to Section II, and forty-nine States responded to Section III. It should also be noted that not all States responded to all questions within the survey, so individual questions have different response rates. (See Appendix A for a copy of the main survey with responses.)

FINDINGS AND ISSUES

All States collect voluntary contributions and two-thirds of the States make use of cost share programs. States' specific experiences with these practices will affect their readiness to implement Title III cost sharing.

Services cost shared

Thirty-six States reported to us that they have some sort of cost share program for services to elderly people. These programs vary in terms of services cost shared, and in SUA, AAA, and service provider responsibilities for billing, collection, and other procedures. Table 1 alphabetically lists the States which reported to us that they cost share, and the services for which they do this. In-home personal services and adult day care programs are the most commonly reported cost shared services.

Services with voluntary contribution collections

All of the States collect voluntary contributions for some services. As with cost sharing, States vary greatly in their voluntary collection activities. Table 2 alphabetically lists the States and the services for which they collect voluntary contributions. After nutrition services, transportation is the most common service for which voluntary funds are collected.

AAA involvement

In 13 States, all of the AAAs are involved in cost sharing programs and activities. In seven other States, some of the State's AAAs are involved in cost sharing programs, either because AAAs may choose whether to cost share, or because of pilot projects or other special programs within the State.

In 11 States cost sharing for services occurs without any AAA involvement. In these cases the State either contracts directly with local providers, or in a few cases, the cost sharing is conducted through an entirely different State agency. In these cases, the SUA also has no current experience with cost sharing practices.

In terms of conducting cost sharing with Title III funds, current AAA involvement with cost sharing programs will be important because Title III funds are generally funneled out to the local providers through the AAAs. (An exception to this case will be 5 States where the State agency is also the State's only AAA.)

States that Cost Share, By Type of Service

Table 1

	congregate meal	home del. meal	in-home medical	in-home personal	adult day care	transpt.	legal asst.	case mgt.	other
AK	P	P	P	P	CS	P	P	CS	CS (respite)
CA	P	P	P	P	CS	P	P	P	
CT	P	CS	CS	CS	CS	P	P	CS	
DC	P	P	P		P	CS	P	P	P(health promotion+)
GA	P	CS	CS	CS	CS	CS	P	P	
HI	P	P		CS	P	P	P	P	P(escort)
ID	P	P		CS	P	P			
IL	CS			CS	CS	P			
IN	P	CS	CS	CS	CS	CS	P	CS	P(senior companion)
KS				CS					
KY	P	CS	P	CS	CS	P	P	P	CS (respite+)
LA	P	CS	P	CS	P	P	P	P	
MA	P	CS	CS	CS	CS	CS	P	P	CS (alzheimer)
MD	P	P	CS	CS	CS	CS	CS	CS	
ME	P	P	CS	CS	CS	P	P	CS	
MN	P	P	CS	CS	CS	CS	P	P	
MO	P	P	CS	CS	P	P	P	P	
ND	?	?	?	?	?	?	?	?	?
NE	?	?	?	?	?	?	?	?	?
NH	P	CS	P	P	CS	P	P	P	
NJ	?	?	?	?	?	?	?	?	?
NM	P	P	P	CS	CS	P	P	CS	CS (respite)
NV	P	P		P	CS	P	P	P	
NY	P	P	P	CS	P	P	P	P	CS (respite+)
OH	P	CS		CS	CS	CS	P	P	
OR	P	P	P	CS	CS	P	P	P	
PA	P	P	CS	CS	CS	CS	P	P	CS (attendant)
RI	P	P	CS	P	CS	CS	P	P	
SC	P	CS		CS	CS	P	P	P	
SD	P	P	CS	CS	P	P	P		
VA	P	P	CS	CS	P	CS	P	P	
VI	?	?	?	?	?	?	?	?	?
VT	P	P	P	CS	CS	CS	P	P	P(?)
WA	?	?	?	?	?	?	?	?	
WI	?	?	?	?	?	?	?	?	
WY	P	P		CS	CS	P	P	CS	
TOT	1	9	12	24	21	11	1	7	6

CS = cost sharing for service

P = service provided but not cost shared

If blank, service not provided (with State/local funds)

? = non response to the survey or question

Totals reflect number of States that cost share the service.

Table 2

Voluntary Contributions by Service and State

	congregate meal	home del. meal	in-home medical	in-home personal	adult day care	transpt.	legal asst.	case mgt.	other
AK	X	X		X					
AL	X	X				X	P		
AR	X	X		X		X			P(health promotion)
AZ	X	X	X	X	X	X	X	X	X(home modification+)
CA	X	X	X	X	X	X	X	X	X(respite/hm modi)
CO	X	X	X	X	X	X	X	X	X(?)
CT	X	X	X	X	X	X	X	X	
DC	X	X	X		X	X	X	X	
DE	X	X	P	X	X	X	X	X	X(hlth promo/recreat.)
FL	X	X	X	X	X	X	X	P	
GA	X	X	X	X	X	X	X	X	X(IIIF)
HI	X	X	P	X	X	X	X	P	
IA	X	X	X	X	X	X	X	X	X(escort/recreation+)
ID	X	X		X		X	P	P	
IL	X	X	X	X		X	P	P	
IN	X	X	X	X	X	X	X	X	X(info. & assist.)
KS	X	X	X	X	X	X	P	P	
KY	X	X	X	X	X	X	X	X	
LA	X	X		X		X	P		
MA	X	X				X	P	P	
MD	X	X		X		X	X		X(health promotion)
ME	X	X	P	P	P	X	X	P	
MI	X	X	X	X	X	X	X	P	
MN	X	X	P	X	X	X	X	X	
MO	X	X		X	X	X	X		
MS	X	X		X	X	X	X	X	
MT	X	X	X	X	X	X	X	P	
NC	X	X	X	X	X	X	X	X	
ND	X	X		X		X	X	X	
NH	X	X	X	X		X	X		P(inform/outreach)
NJ	X	X	X	X	X	X	X		X(advocacy/educ. +)
NM	X	X	P	X	P	X	X	X	X(?)
NV	X	X	P	X	P	X	X	P	X(respite)
NY	X	X	X	X	X	X	X	P	
OH	X	X		X	X	X	X	P	
OK	X	X		X		X	X		P(?)
OR	X	X	P	X	X	X	X		
PA	X	X	X	X	X	X	X	X	
RI	X	X	P	P	P	P	P	P	X(?)
SC	X	X		X	X	X	X	P	
SD	X	X	P	P	X	X	X	P	
TN	X	X		X	X	X	X	X	
TX	X	X		X	X	X	X	X	
VA	X	X	X	X	X	X	X	X	
VT	X	X	X	X	X	X	X	X	X(LTC coord.)
WA	X	X		X	X	X	X	X	X(advoc./counsel)
WI	X	X	X	X	X	X	X	P	
WV	X	X		X	X	X	X		
WY	X	X		X	X	X	X	X	

X = Voluntary contributions collected

P = Service provided but voluntary contributions not collected

If blank, service not provided with Title III funds

The AAAs will potentially become responsible for developing fee schedules, for accounting for and tracking funds, and for developing default policies. Currently, AAA staff may or may not have any experience with these activities.

Setting of fees

Within their current cost sharing and voluntary contribution activities, States are using a variety of fee setting practices. After determining the actual value of the service provided, a State, AAA, or service provider might calculate the recipient's income, and use income thresholds and fee schedules when determining how much a recipient must pay for a service. States with more experience with some or all of these activities might transition into Title III cost sharing more easily or effectively. In addition, these practices may affect how much revenue can be generated from Title III cost sharing.

Most of the States that conduct cost sharing programs consider personal income (29 States), income of a spouse living in the household (27 States), and business profits and interest (25 States), when determining if and how much a recipient should pay for a service. States also consider income from other household members (14 States), income from government assistance programs (13 States), and assets (5 States). At least 17 States will deduct certain expenses when determining a recipient's income. The most commonly deducted expenses are medical bills, including prescription costs. Less often considered are expenses such as housing, utilities, and other extraordinary costs. (See Appendix B for an example of a form used to determine recipient income.)

Currently, 24 States reported that they use an income threshold below which recipients do not have to pay for the service they receive. Thresholds vary from annual incomes determined to be at poverty, going up to 150 percent of poverty, or they might be determined based on monthly income, such as \$800.00 a month for a single household member, or \$1500.00 a month for two household members. In some cases, these thresholds are determined at the local level, and vary from AAA to AAA, or even from service provider to service provider within a State.

Some States use sliding-scale fee schedules to help providers determine how much a recipient must pay for a service. The sliding scales generally address the fairness issue within cost sharing. The more a recipient earns in income, the more they are expected to pay for a service. Sliding scales might be a useful tool when marketing a cost share program - recipients are asked to pay only what they can afford.

Within the cost sharing programs, 28 States reported that sliding-scale fee schedules are used. These might be developed at the State level, or left up to the AAA or even to the local provider to develop. (See Appendix B for an example of the sliding scale used in a cost sharing program.)

Twenty-two States also use sliding-scale fee schedules in the collection of voluntary funds. Although recipients of these services are not required to pay for the service,

the fee schedules help providers and recipients determine what a recipient's fair voluntary contribution should be. States already using sliding scale fee schedules for their voluntary contribution services might be better prepared to utilize them in cost sharing activities.

State respondents expressed a variety of opinions regarding the potentialities of cost sharing for Title III funds. Opinions ranged from great support for the idea, to great caution.

Expansion of services

Although most State respondents thought the cost sharing would not affect the way they provide services to elderly recipients, about one-half of respondents thought that through cost sharing, they could expand the services provided to recipients. Services that could be expanded include transportation, adult day care, respite care, and other in-home services. Most of the respondents were unsure of how much they could expand these services.

Explaining cost sharing to recipients

Some respondents expressed that the successful implementation of Title III cost sharing will depend on how well cost sharing is explained to recipients. Of great concern was how the concept of mandatory cost sharing will be accepted by recipients who are used to receiving a service for free. Many State respondents expressed that a personal explanation from the service provider to the recipient about the need for cost sharing and the potential benefits, i.e. expansion of services, would be the best approach. This approach could be supplemented by the use of letters from officials, flyers, announcements at senior centers, and the use of the media.

Additional ideas about successful implementation of cost sharing Title III funds in diverse State environments include allowing flexibility both for and within States, phasing in slowly a few services at a time, and using pilot programs in order to test several approaches.

Targeting of services

A few State respondents expressed their concern that cost sharing of Title III funds could adversely affect current targeting strategies and availability of services to low-income elderly. Respondents were concerned that, if allowed to cost share, providers might reach out more aggressively to recipients with the best potential to pay a greater share of the service. No ideas on how to counteract this potential effect of cost sharing were offered.

Cost sharing with Title III funds raises accountability and oversight questions for States, AAAs, and service providers.

Income verification

Nine States report that they currently verify the income of recipients in their cost sharing programs through such methods as reviewing check stubs. Most of the cost share programs use "self-declaration" by the recipients. Some respondents from States where these methods are not currently in use expressed concern that both the declaration and/or provision of proof of income will embarrass or anger recipients to such an extent that they will drop out of programs or discontinue needed services.

Furthermore, some State respondents also questioned the cost effectiveness of verification of income. It is possible that the time and resources spent on determining how much a recipient actually earns will surpass the amount of cost shared funds that might be lost if self-declared income is erroneous.

Billing, collection, and targeting issues

Cost sharing with Title III funds will require billing and collection activities on the part of States, AAAs, and service providers that might not currently exist. Currently, in 26 States, the service provider both bills the recipient and collects the cost shared funds. In nine States it is the AAA that bills and collects cost shared funds.

In most States, for both cost shared funds and for voluntary contributions, the collected funds are re-spent on the same service they are collected from. In most cases, because the funds are collected by the service provider, funds stay within that service and are thus targeted to recipients with certain needs. This is a fairly simple way to control the use of cost shared funds. However, in some States, where the AAA or the State collects funds, the collected funds might be used to offset expenses for other services. This allows more options for the use of funds, but more planning and tracking of the funds might be required as well.

Payment default issues

Few States with cost sharing programs seem to have clear or written policies and procedures regarding payment default by recipients. At least eight States leave these policies up to individual AAAs and service providers. Other States expressed to us general policies, such as sending the client several notices before services are terminated, or negotiating with clients for deferred or different payments. Some States lean toward policies which require termination of service after other collection methods are exhausted. Other States strongly avoid terminating services, regardless of a recipient's lack of payment.

Accounting issues

Sixteen State respondents expressed that cost sharing will change the way Title III services and funds are accounted for in their State. They could not describe what these changes will look like without more information on what will be allowed or required in terms of cost sharing. Seventeen respondents also said that computer systems, and accounting and tracking systems will have to be changed and updated in order to successfully implement Title III cost sharing.

IMPLEMENTATION

States currently operate in widely diverse environments regarding current voluntary contribution practices and cost shared services and programs. Within States, AAAs and service providers might vary greatly with their practices.

If the Congress enacts legislation permitting the use of cost sharing for Title III funds, the AoA will need to consider practical aspects of several issues. These include:

Direction

The mandates and/or direction AoA will give to the States concerning kinds of services cost shared; the setting of fees, including the calculation of recipient income, income thresholds and sliding-scale fee schedules; and the billing, collection, and targeting of cost shared funds.

Oversight

The development of oversight and accounting activities which will be necessary on the part of AoA, the States, AAAs, and service providers in regard to cost sharing Title III funds. This includes policies on income verification, and payment default.

Technical Assistance

The training and technical assistance which will be available to States, AAAs, and service providers in regard to implementing Title III cost sharing. Some States will need more help than others.

AoA's Comments

The AoA provided comments about this report; they can be found in Appendix C. The AoA states that the information in the report has provided them with the necessary background information required to assess cost sharing language in reauthorization bills proposed by the majority in both the House and the Senate. The AoA also anticipates that the survey data will provide baseline information to develop program policy and technical assistance for State agencies administering programs under the Older Americans Act.

APPENDIX A

Surveys and Responses

INITIAL SURVEY FORM

STATE 53 Returned _____

PLACE AN "X" NEXT TO OPTIONS THAT DESCRIBE YOUR STATE.

1. Is there **any** cost sharing for any services provided to elderly recipients in your State?

YES 36 ANSWER QUESTIONS 2,3, and 4 ONLY.

NO 17 ANSWER QUESTION 5 ONLY.

2. Please check the option that applies in your State:

All AAAs in the State must cost share 13.

Some AAAs must cost share 2. PLEASE SEND A LIST OF WHICH AAAs MUST COST SHARE.

AAAs may choose to cost share or not 5. IF KNOWN, PLEASE SEND A LIST OF WHICH AAAs CHOOSE TO COST SHARE.

3. Does the State conduct any cost sharing separate from AAAs?

NO _____

YES 22 (PLEASE EXPLAIN BELOW. USE SEPARATE PAGE IF NECESSARY.)

cost share through Medicaid waiver, Social Security Block Grants.

state is single PSA

state has cost sharing both separate from and through AAAs.

4. Listed below are actions State Units on Aging might take when allowing or requiring AAAs or local providers to cost share. Please indicate whether your State Unit on Aging has taken any of the following actions:

Action	NO	YES
Provide guidance to AAAs/LPs to help them develop fee schedules and procedures.	1	14
Review AAAs/LPs' proposed fee schedules and procedures.	1	12
Approve AAAs/LPs' proposed fee schedules and procedures.	1	7
Develop fee schedules and procedures to be implemented by AAA/LP.	1	18
Develop fee schedules and procedures used by State.	1	16
Other (PLEASE SPECIFY)	1	1

-
5. Does your State have any plans to require or allow cost sharing for services provided to elderly people through the State, AAAs or other local providers?

NO _____

YES 5 DESCRIBE BELOW CURRENT PLANS FOR COST SHARING IN YOUR STATE. USE A SEPARATE PAGE IF NECESSARY.

MAIN SURVEY SECTION I - CURRENT COST SHARING PRACTICES

1. Listed below are various services that might be offered to elderly people through SUAs, AAAs, and LPs. Please consider the types of services listed below. If the service is **not** provided in your State at all, check N/A column. If the service **is** provided in your State, but there is **no cost sharing** for that service, check the NO column. If the service **is** provided in your State, and there **is cost sharing** for the service, check the YES column. Please check only one option in the first three columns.

If the answer is "YES," go to the next three columns and write in the SPENT column how much money (excluding Title III funds) in FY 1994 was spent on the service. In the COLLCTD column write how much money was collected for that service from cost sharing in FY 1994. If you only have money amounts for another year, please write those, but indicate to the right of the table what year the amounts are for. If you don't know how much money was spent or collected in any year, check the DK column. If you only have total amounts for all services, please write those at the bottom of the table.

TYPE OF SERVICE	N/A	NO	YES	\$\$\$ SPENT	\$\$\$ COLLCTD	DK
Congregate Meal	1	28	1			1
Home-delivered Meal	2	19	9			8
In-home Services (Medical - skilled nursing, physical therapy, etc.)	8	10	12			9
In-home Services (Personal -housework, errands, etc.)	0	5	24			14
Adult Day Care	1	8	21			14
Transportation	1	18	11			10
Legal Assistance	2	26	1			1
Case Management	1	19	7			7
Other: (PLEASE SPECIFY)	1	5	5			1
Totals:						

SEND ANY COST REPORTS OR OTHER DOCUMENTATION SENT TO YOU BY AAAs/LPs WHICH EXPLAIN THE ABOVE LISTED \$\$\$s, AND ANY OTHER COST REPORTS FORMULATED BY THE STATE FOR ACCOUNTING FOR AND TRACKING THE COST SHARED FUNDS DESCRIBED ABOVE.

2. The table below describes different ways cost shared fees might be determined in your State, either by the State, AAA or LP. Indicate YES or NO if the option applies in your State. We are aware that all options might apply in your State, due to varying AAA/LP practices. If unknown, check the DK column.

OPTION

	NO	YES	DK
Everyone pays the same set fee based on service provided, regardless of different incomes. *MD, RI, VT	26	3*	1
Some people pay the same set fee based on service provided, after crossing an income threshold. *KS, MO, NY, RI, VT, WY	22	6*	1
People pay different fees for different services, based on income, using a "sliding-scale" fee schedule.*MA **CA, LA	1*	28	2**
Other: (PLEASE SPECIFY) *DC - Based on service cost, people pay different fees for the service.	3	1*	1

IF AVAILABLE, PROVIDE FEE SCHEDULES, AND SLIDING SCALE TABLES.

3. Considering most services which are cost shared in your State, does the State, any AAAs or LPs use an income ceiling above which people are not eligible for some services?

DK 2

NO 18

YES 10 IF YES, EXPLAIN BELOW FOR WHICH SERVICES AND/OR WHICH AAAs/LPs USE AN INCOME CEILING. IF AVAILABLE, PROVIDE DOCUMENTATION OF CEILING AMOUNTS.

EXPLAIN:

DC, GA, MA, MO, NH, PA, RI, SD, VT, WA.

Some States use monthly incomes which range from \$750.00 to \$1700 monthly for an individual. One State uses 380 percent of poverty, another uses 300 percent of SSI.

4. Listed below are various sources of income. For most services that are cost shared, indicate by checking YES or NO whether the State, AAA, or LP considers each source of income when determining a client's cost shared fee. If the answer is YES, check the "VER" column, if this income is documented and verified by such methods as reviewing pay stubs, etc.

SOURCES OF INCOME	NO	YES	VER	DK
Personal (wages, salaries, retirement/pensions, Social Security, income from insurance, etc.) *CT, DC, HI, IL, ME, OH, PA, RI, VT	1	29	9*	1
Business and investment (profits, interest, dividends, rent, etc.)	3	25	7*	3
Income of spouse living in household. *CT, DC, HI, IL, ME, OH, PA, RI, VT	2	27	9*	1
Income of household members other than spouse.*IL, ME, PA, RI, VT	14	14	5*	3
Income from government assistance programs (Food Stamps, AFDC, etc.)*DC, CT, OH	15	13	3*	1
Assets (home, vehicles, etc.)*CT, MD, MN, NM, SD **CT	23	5*	1**	1
Other: (PLEASE SPECIFY)	0	0	0	

IF AVAILABLE, PROVIDE COPIES OF FORMS USED TO DETERMINE INCOME.

5. Considering most cost shared services in your State, does the State or any AAA/LP use an income threshold below which people do not have to pay for any service?

DK 2 CA, MN

NO 4 DC, KS, LA, NH

YES 24 IF YES, EXPLAIN BELOW FOR WHICH SERVICES AND/OR WHICH AAAs/LPs HAVE AN INCOME THRESHOLD. IF AVAILABLE, INCLUDE DOCUMENTATION OF THRESHOLD AMOUNTS.

EXPLAIN:

Poverty or below - CT, IL, OR, PA, SC, SD,

125% of Poverty or below - GA

150% of Poverty or below - NY

Approx. \$8000.00 or less annual income for one person - KY, VA

Approx. \$800.00 or less monthly income for one person - MO, WA

Those with Medicaid eligibility or incomes less than - MA

Determined at local level - MD, VT

6. Does the State, or any AAAs or LPs deduct any client expenses (e.g. housing, medical, loans) from clients' income when determining fee levels for services?

DK 4 CA, CT, NM, NV

NO 10 DC, GA, IL, KS, LA, MA, MD, NH, WA

YES 17 IF YES, EXPLAIN BELOW WHAT EXPENSES ARE DEDUCTED WHEN DETERMINING FEE LEVELS. IF AVAILABLE, PROVIDE FORMS OR OTHER DOCUMENTATION TO ILLUSTRATE.

EXPLAIN:

MEDICAL - HI, ID, IN, KY, MO, OH, OR, PA, SC, VA, VT, WY

HOUSING - NY, VT, WY

ENERGY - SC

NON-EMPLOYMENT INCOME (such as IRS deductions)- ID

DEPENDENT CARE - VT

OTHER - (extraordinary situations that affect income, situations that are determined on case by case basis) - KY, ME, SC, VT

UNKNOWN - RI, SD

7. Below are various actions SUAs might take when collecting cost shared funds or allowing AAAs or LPs to collect cost shared funds. Indicate by checking YES or NO if your State has taken any of the following actions. (CHECK ALL THAT APPLY.)

ACTION	NO	YES	DK
State bills client and collects cost shared funds. *SD, RI +CT	27	2*	1+
AAA bills client and State collects cost shared funds. +CT	28	0	1+
AAA bills client and collects cost shared funds.*GA, IN, KY, ME, NY, OH, OR, PA, VA +CT	20	9*	1+
LP bills client and State collects cost shared funds. *SD +CT	27	1*	1+
LP bills client and collects cost shared funds.*SD, OH +CA, VA	2*	26	2+
Other: (PLEASE SPECIFY:) * DC -client pays contractor PA -client sends receipts to AAA and is reimbursed MO - state deducts co-pay for providers reimbursement HI- client pays contractor and is reimbursed by LP		4*	

IF AVAILABLE, PROVIDE EXAMPLES OF FORMS USED TO BILL CLIENTS, AND OTHER BILLING PROCEDURES OR POLICIES.

8. Below are listed various services which might be cost shared. The columns to the right give different times when payments on cost shared funds might be collected. The times are ONCE A MONTH (MON); and AT THE TIME OF THE SERVICE (SER). We are aware that these times might vary by individual AAA/LP practice. Check the VARIES (VAR) column if this is the case. If there is some other time when payments are collected in your State, check the OTHER (OTH) column and indicate to the right of the table what that time is. If unknown, check the DK column. If the service is not cost shared or is not provided in your State, check the N/A column.

TYPE OF SERVICE	MON	SER	VAR	OTH	DK	N/A
Home Delivered Meal	6	1	3	0	1	17
Congregate Meal	1	2	1	0	1	23
Assist with bathing/ dressing in the home	10	1	9	0	1	7
Respite Care	6	3	7	1	1	10
Home-health services (skilled nursing, physical therapy, etc.)	6	1	6	0	2	13
Emergency response/alert	1	1	5	0	3	18
Friendly calls/visits	1	0	1	0	2	23
Light housework	11	1	10	0	2	4
Errands/shopping	10	1	6	0	2	9
Handyman/minor home repair	3	3	6	0	1	13
Transportation	2	3	6	0	3	13
Legal assistance	1	2	2	0	1	21
Adult Day Care	10	1	9	0	3	6
Case management	3	0	4	0	1	19
Counseling	2	0	1	0	2	22
Other (PLEASE SPECIFY)*MA-bills for entire program MO-RN visit and advanced personal, KS-senior care act +NY-respite and ancillary, PA-partial hospitalization	3		2+			

9. Please explain general policies and procedures used by the State, and if known, by most AAAs/LPs in the State when clients default on cost sharing bills. ATTACH ANY AVAILABLE DOCUMENTATION EXPLAINING POLICIES AND PROCEDURES.

Policy developed by AAA/LP - GA, HI, KY, NM, OR, PA, VA, VT

Give client several notices/chances to pay before service termination-ID, IL, OH, PA, SC, WY

Will try to work out with clients on case by case basis -HI, ME, OR, PA, SC

Generally will not terminate services -NH, NV, OR, SC, VT, WY

Generally will terminate services after other collection methods are exhausted -ID, IL, IN, KS, MA, ME, NY, OH, PA, SD, VA

Other - DC (service is provided only on receipt of payment for a voucher.)

Unknown - AK, CA, MD, MN, MO

10. Listed below are some options regarding how cost shared funds might be spent after they are collected. Indicate by checking NO or YES if this option applies in your State. We are aware that more than one option might apply in your State due to varying AAA/LP practice. Check all options that apply.

OPTIONS	NO	YES	DK
Collected funds are spent only on the same type of service.*KY, NY	2*	25	3
Collected funds are used to offset administrative costs at State/local level.*IL, LA, ME, NV, RI, VA, VT	18	7*	4
Collected funds are used to offset expenses for other services.*MO, NH, NY, OH, PA, RI, VA	16	7*	6
Collected funds are used to offset expenses in other State/local programs.*MO, NY, OH, RI, VA	20	5*	4
Other: (PLEASE SPECIFY) *KY -unknown, VA -unexpended balances must be spent on critical care needs.		2*	

11. Does your State keep track of, or have any records or reports indicating the administrative costs incurred from cost sharing practices?

DK 3

NO 26

YES 2 (PLEASE EXPLAIN, AND ATTACH ANY PERTINENT DOCUMENTATION)

KS - difficult to calculate, but administrative costs to not exceed collected amounts.
VA - each AAA reports cost of administering fee for service program.

SECTION II - CURRENT VOLUNTARY CONTRIBUTION PRACTICES

12. Below is a table that lists various services that could be provided in whole or in part with Title III funds. As with the first table, check the N/A column if the service is not provided in your State at all. Check the NO column if the service is provided but **voluntary contributions** are not collected at all for the service. Check the YES column if the service is provided and voluntary contributions are collected. Check only one option for each service.

If the answer is YES, indicate how much of **Title III money** was spent on that service in FY 1994 and how much was collected in voluntary contributions. If you have figures for another year, use those figures, but indicate what year to the right of the table. If figures are unknown, check the DK column. If only total amounts are known, write those in the last row.

TYPE OF SERVICE	N/A	NO	YES	\$\$\$ SPENT	\$\$\$ COLLCTD	DK
Congregate Meal	0	0	49			
Home-delivered Meal	0	0	49			
In-home Service (Medical - skilled nursing, physical therapy, etc.)	16	9	22			
In-home Services (Personal -housework, errands, etc.)	1	3	43			
Adult Day Care	5	4	37			
Transportation	0	1	48			
Legal Assistance	0	7	41			
Case Management	6	17	22			
Other: (PLEASE SPECIFY)	0	2	17			
Totals:						

SEND ANY COST REPORTS OR OTHER DOCUMENTATION SENT TO YOU BY AAAs/LPs WHICH EXPLAIN THE ABOVE LISTED \$\$\$s, AND ANY OTHER COST REPORTS FORMULATED BY THE STATE FOR ACCOUNTING FOR AND TRACKING VOLUNTARY COLLECTED FUNDS.

13. Does the State or any AAAs/LPs use any fee schedules/income requirements to determine suggested contribution amounts?

DK 4

NO 23

YES 22 (EXPLAIN BRIEFLY BELOW AND ATTACH FEE SCHEDULES, ETC.)

AAAs/LPs required to develop schedules- PA, SC, TN, WV

AAAs/LPs allowed but not required to develop fee schedules - CA, GA, NY

AAA/LP vary in establishing fee schedules- AZ, CA, CT, MN, NH, SC, TN, TX, VA

State has recommended fee schedule for AAA/LP use - NC

Other - NM (AAAs post cost of meal at mealsite), RI (nutrition project counsels for meals) (home health agencies use fee schedules.)

Unknown - DE, ID, MI, SD

14. Listed below are actions SUAs might take when collecting voluntary contributions and/or requiring AAAs/LPs to collect voluntary contributions. Please indicate whether your SUA taken any of the following actions:

Action	NO	YES
Provide guidance to AAAs/LPs to help them develop fee schedules and procedures. *AK, AL, AR, DC, FL, GA, IA, ID, IL, IN, MA, MD, MN,	20*	28
Review AAAs/LPs' proposed fee schedules and procedures. *AL, AR, CO, FL, GA, IA, ID, IL, KS, LA, MA, MD, ME MN, MT, NH, NM, OK, SC, VT, WI, WY	22*	24
Approve AAAs/LPs' proposed fee schedules and procedures.*AZ, DC, DE, MS, NV, NY, OR, PA, RI, SD	35	10*
Develop fee schedules and procedures to be implemented by AAA/LP. *CT, GA, ID, LA, NC, ND, NV, OR, PA, RI, SC, SD	35	12*
Develop fee schedules and procedures used by State. *CT, RI, SD, WI	42	4*
Other (PLEASE SPECIFY)		0

15. Below are actions a State, AAA or LP might take when seeking voluntary contributions from clients for services. Check YES or NO if any of the following actions occur in your State. If unknown, check the DK column.

ACTION	NO	YES	DK
Give client written information on suggested contribution amounts.*IN, WI +AL, WA	2*	44	2+
Give client envelopes to submit contributions.*AL, ID, MS, WY +WA	4*	42	1+
Set out a locked box in which clients may contribute.*NH +VT, WA	1*	45	2+
Send client monthly statement with suggested contribution amount.*AK, CO, CT, DC, DE, HI, IA ,KS, LA, MI, MN, MO, ND, NH, NV, OR, PA, SC, SD, TX, VA, WV, WY +KY, NJ, VT, WA	20	23*	4+
Negotiate amount of contribution with client or family member.*AK, AZ, CO, CT, DC, HI, LA, ME, MI, MS, ND, NH, NM, NV, PA, RI, SC, SD, TX +MT, OR, VA, VT, WA	24	19*	5+
Ask for contributions from family members.*AK, DC, DE, FL, HI, KY, LA, MD, MI, MO, MS, MT, ND, NJ, NM, NV, OR, PA, RI, SD, TX, VT, WV. +AR, ME, NH, VA, WA.	19	23*	5+
Other: (PLEASE SPECIFY) *MS -promote contributions using written and verbal methods, SD -use a monthly ticket/punch card system, WI -give client information on service cost per unit.		3*	

PROVIDE EXAMPLES OF FORMS, STATEMENTS, AND/OR ENVELOPES USED TO COLLECT FUNDS.

16. Listed below are some options regarding how voluntarily contributed funds might be spent after they are collected. Indicate by checking NO or YES if this option applies in your State. We are aware that more than one option might apply in your State due to varying AAA/LP practice. Check all options that apply.

OPTIONS	NO	YES	DK
Collected funds are spent only on the service they are collected from.*IL, KY, OR, SC	4*	39	4
Collected funds are used to offset administrative costs at State/local level. *GA, LA, ME, NV, RI, VA, VT, WV	35	8*	3
Collected funds are used to offset expenses for other services. *CO, GA, IA, IL, KY, LA, ME, ND, NH, OR, PA, RI, SC, VA, WV	26	15*	5
Collected funds are used to offset expenses in other State/local programs. *KY, LA	39	2*	5
Other: (PLEASE SPECIFY) *KS -collected funds must be used within same title		1*	

17. Below are listed various services which might have voluntary contributions. The columns to the right give different times when voluntarily contributed payments might be collected. The times are ONCE A MONTH (MON); and AT THE TIME OF THE SERVICE (SER). We are aware that these times might vary by individual AAA/LP practice. Check the VARIES (VAR) column if this is the case. If there is some other time when payments are collected in your State, check the OTHER (OTH) column and indicate to the right of the table what that time is. If unknown, check the DK column. If the service has no voluntary contributions or is not provided in your State, check the N/A column.

TYPE OF SERVICE	MON	SER	VAR	OTH	DK	N/A
Home Delivered Meal	5	7	35	1	1	0
Congregate Meal	1	31	16	0	1	0
Assist with bathing/ dressing in the home	6	2	28	1	1	9
Respite Care	7	2	26	1	1	10
Home-health services (skilled nursing, physical therapy, etc.)	2	1	20	1	2	21
Emergency response/alert	1	1	14	1	5	24
Friendly calls/visits	0	2	17	1	3	21
Light housework	6	4	28	1	1	5
Errands/shopping	4	3	27	1	3	8
Handyman/minor home repair	0	5	27	1	1	11
Transportation	1	22	22	1	1	0
Legal assistance	1	8	25	1	4	7
Adult Day Care	6	3	26	1	1	10
Case management	2	2	17	1	2	22
Counseling	0	1	15	1	3	25
Other (PLEASE SPECIFY) *HI - escort, MA-health promotion, VA-dental, health promotion, emergency, financial consulting, info and referral.	0	3*	0	0	0	

SECTION III - IMPLEMENTATION OF TITLE III COST SHARING

18. Listed below are some potential changes/effects that might happen in your State if cost sharing for certain Title III funds is implemented. Check the NO column if you believe the change will not happen in your State. Check the YES column if you think this change might happen in your State AND EXPLAIN BELOW HOW YOU THINK THAT CHANGE MIGHT OCCUR. Check the DK column if you do not know if this change will happen in your State.

POTENTIAL CHANGE	NO	YES	DK
Cost sharing of Title III funds will change the way services are provided in the State.*AZ, CO, HI, KY, LA, MA, ME, MN, NC, NM, RI, TN, TX, WI	24	14*	11
Cost sharing of Title III funds will change the way funds are allocated to AAAs.*KY	27	1*	19
Cost sharing of Title III funds will change the way funds are allocated to LPs.*HI, KY, NM, RI	21	4*	24
Cost sharing of Title III funds will change the way funds are accounted for by the State/AAA/LP.*AR, CT, GA, KS, KY, MA, MI, MS, ND, NY, PA, RI, TN, VT, WI, WV	17	16*	16
Other: (PLEASE SPECIFY)	2	1	2

***EXPLAIN YES ANSWERS:**

18D: ND -cost sharing mandates may decrease the number of higher income people if the fee scale requires that significant increases be made.

18OTH:

AR -client contributions are not reported in detail to the state at present. If cost sharing were implemented, those funds would have to be reported differently.

CA-cost sharing clients would create additional administrative costs.

MS-will need new procedures for dealing with large amounts of funds. Will need closer security or new ways of dealing with funds.

ND-cost sharing could affect the type of person receiving the service.

19. Listed below are various services that might be funded wholly or in part with Title III funds. If you believe that this service can be expanded and provided to more recipients by cost sharing the Title III funds spent on this service, check the YES column. Estimate to the right of the YES column a percentage on how much this service might be expanded through cost sharing. If the service cannot be expanded through cost sharing, check the NO column. If you do not know, check the DK column.

TYPE OF SERVICE	DK	NO	YES	PERCENT
Home Delivered Meal	16	12	21	
Congregate Meal	17	17	16	
Assist with bathing/ dressing in the home	21	6	21	
Respite Care	23	5	21	
Home-health services (skilled nursing, physical therapy, etc.)	24	7	14	
Emergency response/alert	23	7	12	
Friendly calls/visits	22	21	5	
Light housework	19	6	24	
Errands/shopping	19	9	21	
Handyman/minor home repair	22	6	21	
Transportation	18	6	26	
Legal assistance	23	6	21	
Adult Day Care	19	5	24	
Case management	23	13	11	
Counseling	22	10	9	
Other (PLEASE SPECIFY)			2	

20. What might be some of the reactions of recipients of Title III funded services to the implementation of mandatory cost sharing for certain services?

Recipients will drop out of programs: 21 -AZ, CT, DC, DE, GA, GM, HI, IA, KY, LA, MA, MO, MT, NH, NY, OK, OR, SC, SD, VT, WY

Recipients will say they cannot afford services: 15 -AZ, CT, DC, IL, KY, MA, ND, NH, NY, PA, SC, TX, VT, WA, WY

Recipients will feel resentment/embarrassment about revealing income: 12 -GA, IL, MA, ME, ND, NY, OK, SC, SD, TX, WA, WI

Recipients will understand/accept necessity: 12 -CT, DE, GA, LA, ME, NH, NY, SC, SD, TX, VT, WV

21. What are some ways that cost sharing for Title III funds might best be announced and explained to recipients?

Public notices/mass media/hearings: 12-DE, GM, HI, KY, LA, MA, ME, MT, ND, NY, PA, WV

Involve elected officials: 3- AL, KY, LA

Have service provider inform recipient in person: 12 -AZ, DC, DE, GM, IL, KY, ME, ND, OR, PA, WA, WY

Send letters from AoA and/or State Agencies: 5- GM, IL, KY, ME, WA

Distribute flyers/other information at senior centers: 4 -AZ, HI, ME, PA,

Explain need for cost sharing/how cost sharing will help maintain or expand services: 15 -CT, DC, GA, HI, IA, MA, NH, OK, OR, SC, SD, TX, VT, WA, WI

Other suggestions:

Use pilot programs to phase in cost sharing.

Involve recipients in planning/implementation.

Give clients plenty of notice.

Make sure there is policy that no one will be refused service for inability to pay.

Do not use mass media.

22. What resources (e.g. staff, systems, etc.) does your State anticipate it will take to implement sharing for Title III funds?

Staff time at State, AAA, and/or LP level: 12 - AZ, CT, DC, GA, HI, KY, ME, NY, OK, OR, WV

Update computer/accounting/tracking systems: 17 -CT, DC, GA, GM, KY, MA, ME, MA, M, ND, NY, TX, VT, WA, WI, WV

Develop new policies and procedures: 6 -HI, KY, ME, MS, NY, VT

Training time: 10 -GA, HI, IL, KY, MS, NC, NY, OK, VT, WI

Other costs:

Materials

Travel

Printing

Audits

23. Please comment below on any other implications of cost sharing of Title III funds.

State supports cost sharing: 5 - DE, GA, ME, SC, SD

Concern that cost sharing will affect targeting and availability of services to low-income elderly: 7 - CT, DC, IL, ND, NY, VT, WV

Other comments:

Would like to cost share nutrition services.

State already receives substantial amounts in voluntary contribution - cannot see how cost sharing will bring in more.

Cost sharing constitutes a major change in philosophy - should be considered carefully.

Carefully consider the cost effectiveness of cost sharing, especially if recipients must verify income.

APPENDIX B

Examples of State Forms for Determining Recipient Income and Sliding Fee Scales

CUMBERLAND COUNTY OFFICE OF AGING
 SLIDING FEE SCALE FOR PERSONAL CARE ATTENDANT CARE HOME SUPPORT HOME
 MODIFICATION/OPTIONS II IN HOME SERVICES

NAME _____ DATE _____
 ADDRESS _____ WORKER _____

- I. Monthly income (less federal, state, local taxes including FICA)
- Social Security/RR Retirement _____
 - Pension/Annuities _____
 - Net wages _____
 - Interest/Dividends _____
 - Workers, Unemploy., and/ or Disability Compensation _____
 - Other Income _____
- TOTAL _____

- II. Exclusions
- A. Medical exclusions that exceed 7.5% of income may be deducted:
1. Actual monthly income _____ X 7.5% = _____
 2. Monthly medical expenses _____
 Subtract "1" from "2" _____
- B. Housing exclusions that exceed 30% of income may be deducted:
1. Actual monthly income _____ X 30% = _____
 2. Monthly housing expenses _____
 Subtract "1" from "2" _____

Add Medical exclusions and housing exclusions _____
 Subtract exclusions from actual monthly income to obtain adjusted income and determine bracket for sliding fee scale.

SLIDING FEE SCALE

1 PERSON < 1000	Adjusted income 2 PERSONS < 1300	Cost per hour no charge
1001 - 1050	1301 - 1350	1.50
1051 - 1100	1351 - 1400	2.00
1101 - 1150	1401 - 1450	2.50
1151 - 1200	1451 - 1500	3.00
1201 - 1250	1501 - 1550	3.50
1251 - 1300	1551 - 1600	4.00
1301 - 1350	1601 - 1650	4.50
1351 - 1400	1651 - 1700	5.00
1401 - 1450	1701 - 1750	5.50
1451 - 1500	1751 - 1800	6.00
1501 - 1550	1801 - 1850	6.50
1551 - 1600	1851 - 1900	7.00
1601 - 1650	1901 - 1950	7.50
1651 - 1700	1951 - 2000	8.00
1701 - 1750	2001 - 2050	8.50
1751 - 1800	2051 - 3000	9.00
1801 - 1850	3001 - 3050	9.50
1851 - 1900	3051 - 4000	10.00

Income exceeding these levels, a flat rate of \$10.50 per hour will be charged.
 For each additional legal dependent for Internal Revenue Service purposes, deduct \$200 from monthly adjusted income and use 2 person scale to determine appropriate bracket on sliding fee scale.

IV. Your fee for: Personal Care _____ Home Support _____ Attendant Care _____
 Home Modification _____ Options II _____ service has been determined to be
 \$ _____ per hour of service.

 Client signature

Expanded In-Home Services for the Elderly Program

CLIENT COST SHARING THRESHOLDS AND SCHEDULES
Effective January 1, 1995

A. Monthly Income Thresholds

INDIVIDUAL = \$946 per month
COUPLE.... = \$1,264 per month

B. Housing Adjustment Thresholds

1) To be eligible for a housing adjustment, average monthly housing expenses must be more than the following:

INDIVIDUAL = \$378 per month
COUPLE.... = \$506 per month

2) The amount of the housing adjustment can not be more than the following maximum amounts:

INDIVIDUAL = \$189 per month
COUPLE.... = \$253 per month

C. Cost Share Rate Schedule

INDIVIDUAL		COUPLE	
Adjusted Income	Fee Rate	Adjusted Income	Fee Rate
\$0	0%	\$0	0%
\$1 to \$33	5%	\$1 to \$44	5%
\$34 to \$66	10%	\$45 to \$89	10%
\$67 to \$100	15%	\$90 to \$133	15%
\$101 to \$133	20%	\$134 to \$177	20%
\$134 to \$166	.25%	\$178 to \$222	.25%
\$167 to \$199	30%	\$223 to \$266	30%
\$200 to \$232	35%	\$267 to \$311	35%
\$233 to \$265	40%	\$312 to \$355	40%
\$266 to \$299	45%	\$356 to \$399	45%
\$300 to \$332	.50%	\$400 to \$444	.50%
\$333 to \$365	55%	\$445 to \$488	55%
\$366 to \$398	60%	\$489 to \$532	60%
\$399 to \$431	65%	\$533 to \$577	65%
\$432 to \$465	70%	\$578 to \$621	70%
\$466 to \$498	.75%	\$622 to \$665	.75%
\$499 to \$531	80%	\$666 to \$710	80%
\$532 to \$564	85%	\$711 to \$754	85%
\$565 to \$597	90%	\$755 to \$799	90%
\$598 to \$631	95%	\$800 to \$843	95%
More than \$631*	100%	More than \$843*	100%

* Or eligible for Medicaid.

APPENDIX C

AoA's Comments



Washington, D.C. 20201

APR - 4 1997

TO: Inspector General

FROM: Assistant Secretary for Aging

SUBJECT: OIG Draft Report "Cost Sharing Under the Older Americans Act"
OEI-05-95-00170

Thank you for the opportunity to review and comment on your draft report, "Cost Sharing Under the Older Americans Act." We are pleased with the attention and quick turn around provided by your Office of Evaluation and Inspections.

As you know, the Older Americans Act (Act) does not permit cost sharing. State agencies administering programs under the Act have expressed a desire to implement some measure of cost sharing in programs under the Act for over 20 years, and many are involved in cost sharing strategies as permitted under other federal and state programs. In recognition of this, and to facilitate enhanced coordination of programs under the Act with other human and social service programs, we are promoting in the current reauthorization proposal the option for states to allow cost sharing for some services.

The comprehensive survey developed and administered by Jean DuFresne, and the coordination provided by David Wright has provided us with the necessary background information required to assess cost sharing language in reauthorization bills proposed by the majority in both the House and Senate. We also anticipate that this survey data will provide us with baseline information to develop program policy and technical assistance for state agencies administering programs under the Act.



Fernando M. Torres-Gil