

Department of Health and Human Services
**ADMINISTRATION ON AGING
AND
OFFICE OF
INSPECTOR GENERAL**

**ACTION PLAN TO STRENGTHEN
IMPLEMENTATION OF TITLE III
OF THE OLDER AMERICANS ACT**



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EXECUTIVE SUMMARY

BACKGROUND

This report summarizes the findings of a review of States' implementation of Title III of The Older Americans Act (OAA) and sets forth an action plan for the Administration on Aging (AoA).

In the summer of 1992, a joint AoA/Office of Inspector General (OIG) review team conducted compliance reviews of States' implementation of Title III. AoA initiated these reviews to strengthen its stewardship of the OAA and to provide the Commissioner with up-to-date information on implementation of Title III. In April 1993, AoA and OIG issued five reports on the reviews, focusing on the stewardship, targeting, ombudsman, nutrition, and financial management requirements of Title III.

SUMMARY OF FINDINGS

The compliance reviews found that States are generally successful in making area agencies aware of the requirements of Title III. They are, however, less successful in assessing area agency compliance. In some instances key requirements of the OAA were missing from assessment instruments. Additionally, only one-third of the States conduct annual, on-site assessments of area agencies. States report that they are seeking clearer and more comprehensive guidance on many requirements of the OAA, as well as more skills training and information about "best practices."

ACTION PLAN

AoA has prepared this action plan to address weaknesses identified in the reviews and to strengthen the capacity of State and area agencies to provide services to older individuals. It has three parts -- technical assistance, training, and review.

Technical assistance will consist of the development of a system for, and dissemination of, policy issuances and technical information.

Training for State agencies will be based upon a survey of State needs and will employ a strategy to use regional office staff and Title IV program resources to meet identified needs.

Reviews will become a regular part of AoA stewardship with State self-assessments in 1993 and full AoA reviews of States in 1994.

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INTRODUCTION

BACKGROUND

In the summer of 1992 the Administration on Aging (AoA) and Office of Inspector General (OIG) conducted reviews of State Units on Aging's (SUA) implementation of Title III of the Older Americans Act (OAA). AoA initiated these reviews to strengthen its stewardship of the OAA and to provide the Commissioner with up-to-date information on the implementation of Title III. The reviews focused on SUAs responsibility for stewardship, targeting, ombudsman, nutrition, and financial management requirements of Title III. AoA and OIG jointly published five reports in April 1993 which contain the findings from the reviews. Based on those findings AoA plans to undertake a number of actions which are outlined in this plan.

Under the OAA, the AoA serves as the principle Federal advocate for older individuals and monitors SUA implementation of Title III. Through Title III, AoA encourages and assists SUAs and area agencies on aging (AAAs) to implement a system of community-based services to prevent the premature institutionalization of older individuals. In FY 1992, AoA distributed approximately \$787 million in formula grants to States based on the population 60 years and older within each State. The SUAs use 5 percent of the grant on administration and fund AAAs who, in turn, contract for the supportive services, nutrition services and multipurpose senior centers.

However, AoA's capacity to carry out its stewardship responsibilities declined substantially during the 1980's due to a significant reduction in resources. More specifically, AoA sustained a 47 percent reduction in staff and a 75 percent reduction in travel funds. (Each regional office had only \$2,000 annually for travel.) These reductions limited AoA's ability to effectively monitor SUA's implementation of Title III.

METHODOLOGY

The stratified, random sample of 20 States was based upon the population of individuals age 60 and older in each State. These are the same data used to allocate Title III funds among States. In the sampling process, we first divided States into four strata based upon the number of older individuals in each State and then selected five States from each stratum. This sample permits us to generalize findings from the 20 sample States to the nation. We also used sampling techniques during site visits to each State for the reviews of specific area plans, assessments, and audits.

The data collection was conducted in two phases -- an AoA Regional Office desk review and an on-site review at the SUA. In the desk reviews, we reviewed sample SUAs' guidance to, and assessment instruments for, AAAs. We also reviewed their program participation data and waiver requests. During the site visits, we interviewed

SUA staff on their implementation of the requirements of Title III, and reviewed samples of area plans, assessment reports, and audits. Data from reviews are weighted to reflect the sampling plan so that the percentages in the five reports represent the nation.

SUMMARY OF FINDINGS

STEWARDSHIP

Stewardship is the States' process of directing and monitoring AAAs. A key part of that process, the area planning process, works well for those SUAs using it to implement State as well as Federal initiatives. However, the requirements for coordinating with mental health and long term care facilities, and for conducting annual evaluations of outreach are often not addressed. Further, these same three criteria were often missing from assessment instruments. More importantly, one-third of SUAs do not conduct annual, on-site assessments of AAAs. Some of these SUAs want to, but can not because of resources limitations; others were unclear about this requirement.

Only half of the SUAs reported that all AAAs conduct the required evaluation of outreach. This is probably due to the lack of guidance and assessment from the SUAs. Further, authorized waivers for AAA services are common, but do not always follow required procedures established by AoA.

SUAs provide training and technical assistance to AAAs to address noted deficiencies. This assistance most frequently focuses on planning, monitoring, reporting, and financial management. They note that AAAs still have unmet needs and States are seeking training and technical assistance from AoA, including clearer guidance on program requirements and technical assistance on monitoring, data collection, cost sharing, and managing with declining resources.

TARGETING

Virtually all SUAs conduct targeting activities to identify and serve individuals with the greatest economic or social need. These activities most frequently include coordinating with other organizations and conducting conferences and meetings. They also include providing guidance and technical assistance to AAAs and monitoring their targeting efforts. Half of SUAs have established program participation goals for AAAs. Only one-quarter of SUAs have altered their intra-state funding formula, despite AoA's efforts to promote it as a useful targeting technique.

AAA targeting activities most often include outreach, specialized services, and site and provider selection. However, there are weaknesses in implementing the requirements for evaluating the effectiveness of outreach, and for identifying areas with substantial numbers of older individuals with limited English-speaking ability. Also, there are little data to document the effect of targeting initiatives.

SUAs note that targeting causes them to attempt to increase services to selected populations in a period of level funding. Accordingly, they are seeking guidance and

technical assistance from AoA. In particular, they want to learn about "best practices" and to obtain better data on low-income populations.

OMBUDSMAN

While States have similarly structured their offices of ombudsman, their staffing varies greatly. Most ombudsmen are located in the same agency as the SUA, use sub-state offices, and are authorized by State law. However, professional staffing range from 1 to over 130 and volunteers range from 3 to 1,300. Most often professional staffing is directly proportional to the population of older individuals; this is not so for volunteers. One-fifth of States do not use volunteers because State law precludes them or because SUAs and AAAs doubt the abilities of volunteers.

Ombudsmen are generally successful in meeting the requirements of the OAA. Most have the authority needed to carry out all their responsibilities and have coordinated their activities with other agencies, as required. Half the ombudsmen visit all of their nursing homes annually, while most of the others visit at least 70 percent of them. Virtually all ombudsmen include licensed board and care facilities in their visitation program. About one-third report problems in getting adequate legal counsel.

NUTRITION

While States have been generally successful in implementing the nutrition requirements of the OAA, some weaknesses were noted in the SUAs' guidance to and assessments of AAAs. The weaknesses are eligibility criteria for home-delivered meals, the requirements for use of USDA's cash/commodity option, and the provision of nutrition related services other than meals.

Virtually all States assess performance of AAAs' nutrition programs, but only 56 percent of these report that they conduct the assessments annually. Individuals who perform assessments of the nutrition program have a range of expertise and qualifications; a registered dietician or individual with dietetic qualifications or education is used by 58 percent of the States. Through the assessment process, States identified inadequate staff, lack of resources, and sanitation problems as the most common problems faced by the nutrition programs. All States have procedures to act on deficiencies identified by assessments.

The majority of States provide technical assistance or training to address deficiencies identified in AAA assessments. The subjects ranged from management and administration procedure training to meals related issues such as preparation and other nutrition services such as nutrition education. Further, many States seek to control nutrition program costs and utilize a variety of methods to help reduce costs of required or necessary services, to improve access to services, or to improve or increase services. States also discussed their reasons for choosing the USDA options for cash

and/or commodities. In general the reason for choosing commodities is the bonus items, however for some States the problems of storage, transportation or lack of variety, make choosing commodities less desirable.

FINANCIAL MANAGEMENT

While SUAs are meeting a majority of financial management requirements, some vulnerabilities exist. Three-fifths of SUAs do not include in their assessment standards the limits on AAA administrative expenditures. Yet, only four percent spend more than the authorized amount for SUA or AAA administration. We also found that most SUAs lack proper documentation on rural expenditures, and that one-fifth exceed limits for program development and coordination.

SUAs have implemented audit requirements. They require grantees to budget for audits and to submit completed audits to the SUA. SUAs have follow-up procedures to address weaknesses identified in audits and they provide training and technical assistance to address deficiencies. The most common deficiencies are weaknesses in internal controls and accounting. SUAs also requested training and technical assistance from AoA on federal requirements and audits.

ACTION PLAN

State and area agencies on aging have been generally successful in implementing the requirements of Title III. However, the AoA/OIG review of SUAs has identified weaknesses in States' implementation. AoA has made SUAs aware of these weaknesses. In order to take corrective action, SUAs are seeking technical assistance and training from AoA. More specifically, the States want clearer and more comprehensive guidance on many requirements of the OAA and related federal laws and regulations, as well as on skills training and information about "best practices."

AoA has prepared this action plan to address those SUA and AAA needs. The action plan is intended to strengthen the capacity of SUAs and AAAs to provide services to older individuals. The plan identifies three areas -- technical assistance, training, and review -- which will be the primary focus of this capacity-building initiative. As a result of this effort, AoA will increase its direct guidance to States on the OAA and related laws and regulations; provide additional training in key programmatic and skill areas; and conduct periodic, standardized reviews of SUA and AAA implementation of Title III and the new Title VII programs.

TECHNICAL ASSISTANCE

In the course of the reviews AoA noted varying State interpretations and implementation of the OAA and related regulations. In response, SUAs requested that AoA provide clarification and definition of specific Federal requirements in a more timely manner. Currently, AoA issues Program Instructions (PI) when it believes there is a need to clarify a point of law or to initiate a new policy. At this time, AoA does not have a system that allows for archiving and subject-area retrieval. Accordingly, AoA will strengthen its system for providing guidance to SUAs.

AoA will strengthen its formal guidance to SUAs and AAAs by instituting the following:

- **Policy Archiving and Subject-Area Retrieval System.** AoA will issue a one-time compilation of responses to specific needs for policy clarification identified in the course of the AoA/OIG review. In addition, AoA will develop a policy archiving and subject area retrieval system.
- **Dissemination of Policy Issuances and Technical Information.** A compendium of PIs and Informational Memoranda will be widely disseminated and updated semi-annually. Most issuances will have automatic expiration dates. Also, AoA will explore additional methods of dissemination, such as a national electronic bulletin board or other electronic communications systems.

- **Prompt Response to Requests for Policy Clarification.** AoA will respond to most requests for policy clarification within 30 days. The majority of responses will most likely address State-specific issues. However, if AoA believes that the issue has national significance, it will issue a Program Instruction.
- **Proposals for Amendments to Eliminate Outdated or Ineffective Requirements of The OAA.** When AoA notices, or when SUAs or AAAs bring to its attention, contradictory language which affects implementation of the program, AoA will seek an amendment or provide a clarifying regulation. A frequently cited example from the reviews is the requirement that current expenditures in rural areas exceed 105 percent of the 1978 expenditures.

TRAINING

In the course of the reviews AoA noted that SUAs lacked selected skills needed to carry out requirements of the OAA. Many SUAs agreed and noted that AAAs also need skills training. AoA/OIG staff, along with the SUAs, identified a number of key skill areas during the review process. These areas include accounting, financial management, assessment, reporting, and contracting. Examples of training needs for programmatic areas included targeting, cost-sharing and managing voluntary contributions, obtaining adequate legal counsel for ombudsmen, recruiting and managing volunteers, and nutrition program issues.

AoA will strengthen its commitment to provide training to the network by undertaking the following:

- **Survey of States.** The survey will ask SUAs to identify key administrative and programmatic skills needed to implement the OAA.
- **Training Strategy.** This strategy will include the developing a priority listing of training needs, identifying appropriate training approaches, and identifying of knowledgeable and skilled individuals to conduct the training. AoA headquarters and regional staff, as well as Title IV Discretionary Program resources, will be used to implement this strategy. Additionally, AoA will conduct special training on the implementing regulations for the 1992 Amendments within 90 days of the final rule.

REVIEW

The AoA/OIG reviews provided up-to-date and reliable information on State compliance with requirements of the Act. They also found that States were unclear about AoA's expectations in a variety of program activities and, therefore, failed to address some requirements of the OAA. Accordingly, AoA will continue to conduct regular reviews of the implementation of Title III and the new Title VII.

Future reviews will use the tools developed for this initiative. AoA will use standardized instruments and a process that will include pre-testing. The instruments will be published and made available to SUAs in advance of site visits. Baseline reviews will be conducted in all States, and subsequent reviews will focus on specific problem areas.

In 1993, AoA will take the following two steps:

- **State Self-Assessments.** During the spring of 1993, AoA will ask all States that did not participate in the 1992 reviews to self-assess. Regional offices will conduct follow-up site visits to clarify information and to discuss weaknesses.
- **1994 Reviews.** AoA will modify the review instruments to include changes in requirements as a result of the implementation of the 1992 Amendments, and will conduct reviews in the spring of 1994.

ACTION PLAN TIMETABLE

<i>ACTIVITY</i>	<i>DUE DATE</i>
<u>Technical Assistance</u>	
• Implement a policy archiving and subject area retrieval system	July 1993
• Disseminate compendium of policy issuances and technical information	July 1993
• Implement system to respond to requests for policy clarification within 30 days of receipt	April 1993
• Implement policy to seek amendments to eliminate outdated or ineffective requirements of the OAA	July 1993
<u>Training</u>	
• Conduct a survey of States training needs	September 1993
• Complete training strategy	December 1993
• Conduct training on regulations within 90 days of final rule	
<u>Reviews</u>	
• Issue copy of State assessment instrument to all other States	April 1993
• Complete regional office follow-up to State self-assessments	October 1993
• Issue AoA 1994 assessment guidance	December 1993
• Conduct 1994 reviews	January - August 1994
• Report of 1994 review	December 1994