

The responses below are based on the Department's best position at the time the statement was made and do not necessarily constitute the final position of the Department.

Factors and Weights

1. **Can the definition of low income be changed to 300% of the federal poverty level, as opposed to 200% of the federal poverty level? How is a 200% federal poverty level determined as the threshold for being low income?**
 - The 200% federal poverty level being used is based on the surveys returned to us by AAAs. That was the amount offered by most AAAs. That is just what we're exploring at this point. We welcome your feedback.
2. **Could we give feedback on how we feel about different data sources?**
 - Yes. We would welcome that in the IFF Calculator Questionnaire.
3. **Assuming no AAA will recommend a scenario that does not benefit themselves fiscally, how will the CDA decide on how to move forward on factors and weights?**
 - It's very important to remember that the strategy will not be about one AAA versus another. The formula will aim only to benefit the state of California, older adults, adults with disabilities, and their caregivers, and will try to create a stronger network.
 - We anticipate consensus across AAAs around some of these factors, and there will also be some that most do not gravitate towards. We plan to assess the IFF Calculator Questionnaire results, look for trends, and use AAA feedback as guidance.
4. **Understanding that the federal administration has different priorities from our state, what are the strategies to align the two?**
 - CDA's analysis of factors and weights reveals alignment with key state and federal priorities. For instance, the Alzheimer's data point demonstrates a strong correlation with minority populations, women, and the 85+ demographic. CDA will be able to use previously unavailable data to address multiple state priorities effectively.
 - We will conduct a comparative review of what is proposed through the calculator against our current methodology. CDA is committed to ensuring alignment with the broader aging network's priorities, and the initial findings indicate considerable and promising overlap.
5. **What is the rationale for limiting it to only five factors? Why not consider incorporating six or seven factors?**
 - CDA's analysis revealed an overlap between factors, indicating that adding more could lead to redundancy and competition. The selection of five factors aims to provide a transparent and focused approach that distinguishes the unique characteristics of different AAAs.

Base Funding

6. **Where does the funding come from for the additional base allocations?**
 - Our administrative base funding is \$100,000 from the state general fund and \$50,000 from the federal fund. The proposed calculator uses a \$150,000 federal fund base (for a total of \$250,000 base for all AAAs). The additional funding comes from the federal government. A

larger share will be allocated to the base funding level, and the remainder will be distributed according to the factors.

Hold Harmless and Maintenance of Effort (MOE)

7. Does MOE change the different matching requirements?

- No. The Older Americans Act sets matching requirements and remains constant.

8. If we go to 3%- 5% the same year over year, and the federal government reduces funding by 30%, how would CDA keep our funding level?

- If the Older Americans Act (OAA) undergoes massive reductions, we will be in a different situation, regardless of any exercises we're doing.
- We would all need to work together, and there would be a separate conversation regarding how to proceed with reduced funding. CDA is trying to figure out how to distribute our current funding best.

IFF Update Process / Implementation

9. How will the changing federal budget figure into this new process?

- This will be the new way funding is allocated. It will be the process for our federal funds, our general funds, and so forth. Regardless of the allocation from the federal government, this will be the new formula that will be implemented.

10. If you move to an IFF strategy, how will we know what counts as federal for our reporting requirements?

- AAAs will still receive budget displays and MOUs. That will not change. The only thing changing is the formula CDA uses to distribute funds before an AAA receives its allocation.

11. Are the IFF updates compulsory, either in regulatory standards or otherwise?

- CDA's understanding of these requirements is still evolving. This responsibility, previously held by the Administration for Community Living (ACL), could now reside with the Administration for Family and Children or CMS. Since other states conduct such reviews as frequently as every five years, our timeline indicates California is significantly overdue.

12. There is a concern regarding applying a unified formula for federal and state funding. Historically, the flexibility of separate formulas for state dollars has enabled creative mitigation strategies in response to unforeseen circumstances. Given the current administrative landscape, the distinct nature of funding streams, and the absence of ACL, maintaining separate formulas is necessary, even if the state formula initially mirrors the federal one. It is critical to retain the adaptability needed to address potential state-level exigencies.

- CDA is committed to preserving local autonomy. We want to establish a framework that promotes consistency and transparency while empowering local decision-making.
- One potential avenue for exploration is enhancing the flexible application of the general fund beyond matching requirements. While the matching portion of general funds may need to align with OAA stipulations, past practices with other funding streams like nutrition suggest possibilities for greater flexibility.

- CDA welcomes further input on this matter through the formal comment process.

Miscellaneous

13. Several C4A's AAA members utilize braided funding models to support programs and clients, potentially leading to unspent funds. Would CDA consider allowing intra-agency transfers or the return of funds to CDA within the fiscal year without negatively impacting future allocations?

- The current formula-driven system necessitates that all financial transactions adhere to its structure, so returned funds cannot be earmarked for reallocation to specific aging partners. Such recaptured funds are incorporated into a one-time calculation and redistributed in the subsequent fiscal year. A mechanism for within-year transfers does not currently exist. We acknowledge this feedback and will consider it a potential area for exploration.