



CA2030 and SB 1249: The Plan for California's Aging Future

October 29th, 2025

AGENDA

1. Statewide Services

2. PSA & AAA Designations

3. Funding Formula

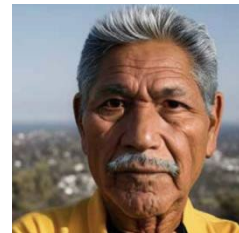
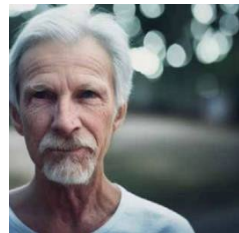
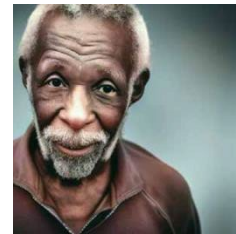
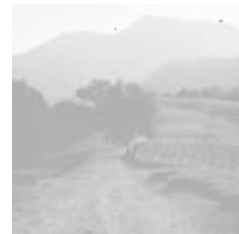
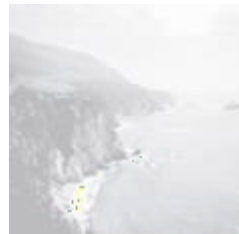
4. Outlook

PURPOSE OF TODAY'S WEBINAR

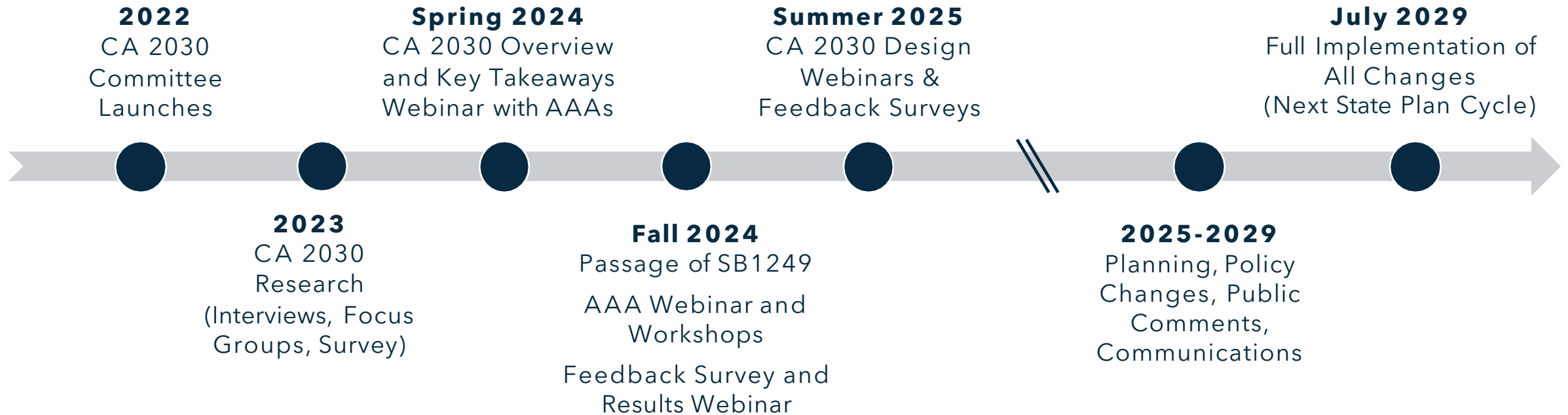
- Share decisions on how elements of the California Aging Network will be updated over the next several years.
- Design & implementation outlook.

The **California Aging Network** refers to the California Department of Aging and the 33 Area Agencies on Aging.

WELCOME



WELCOME



Why Establish Core Statewide Services Programs?

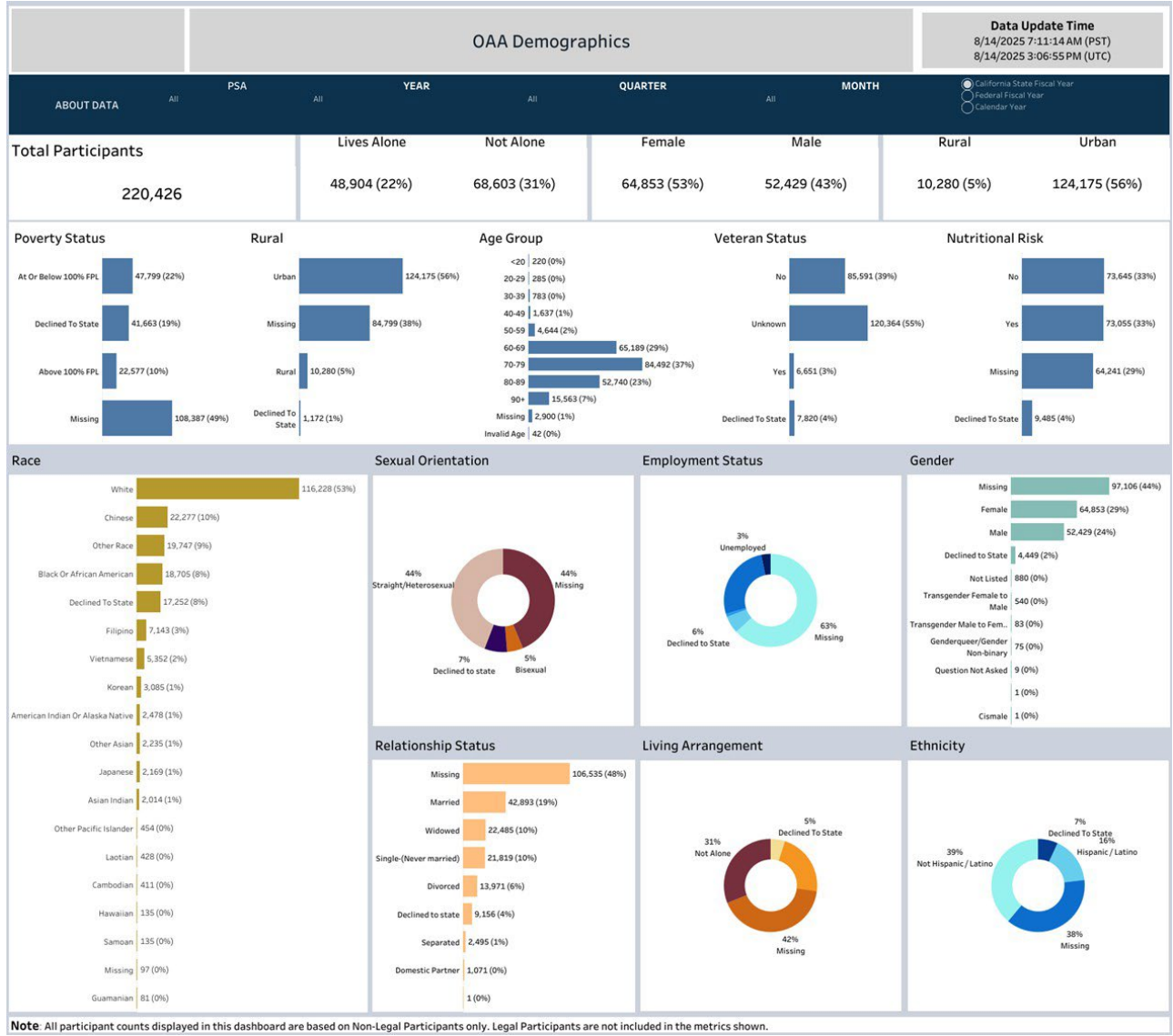
- To ensure service consistency and quality statewide
- To identify service gaps and equity issues that must be addressed
- To discover opportunities to improve the efficiency, effectiveness and quality of services through the exploration of best and promising practices

- CDA will focus on reporting consistency, existing performance measures, and establishing processes.
- CDA will create **non-public** data dashboards that will reflect the following for each quarter:
 - Quarterly reporting timeliness dashboard.
 - Quarterly expenditure data dashboard.
 - Quarterly service data (I&A, Nutrition, Caregiver) dashboard (units and clients served).
- AAA director or designated assistant director will submit a quarterly attestation:
 - Confirmation that all quarterly data has been submitted.
 - Verification that the data is actual and not estimates.
 - Note any issues or anomalies in the data and timeline when these will be corrected.

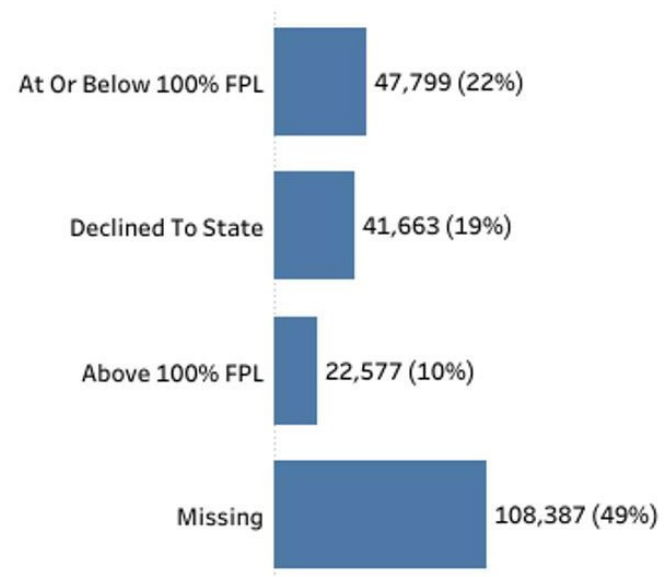
- AAAs will be expected to confirm their previously estimated numbers at the end of **Q2** and **Q4** of each fiscal year.
- Quarterly reporting timeliness dashboard will launch in **Q2 of FY25-26**.
- Quarterly expenditure data dashboard will launch in **Q2 of FY 25-26**.
- Quarterly service data (I&A, Nutrition, Caregiver) dashboard will launch in **Q3 of FY25-26**.
- AAAs will be encouraged to share with CDA any I&A-related service data they collect.

1. Statewide Services

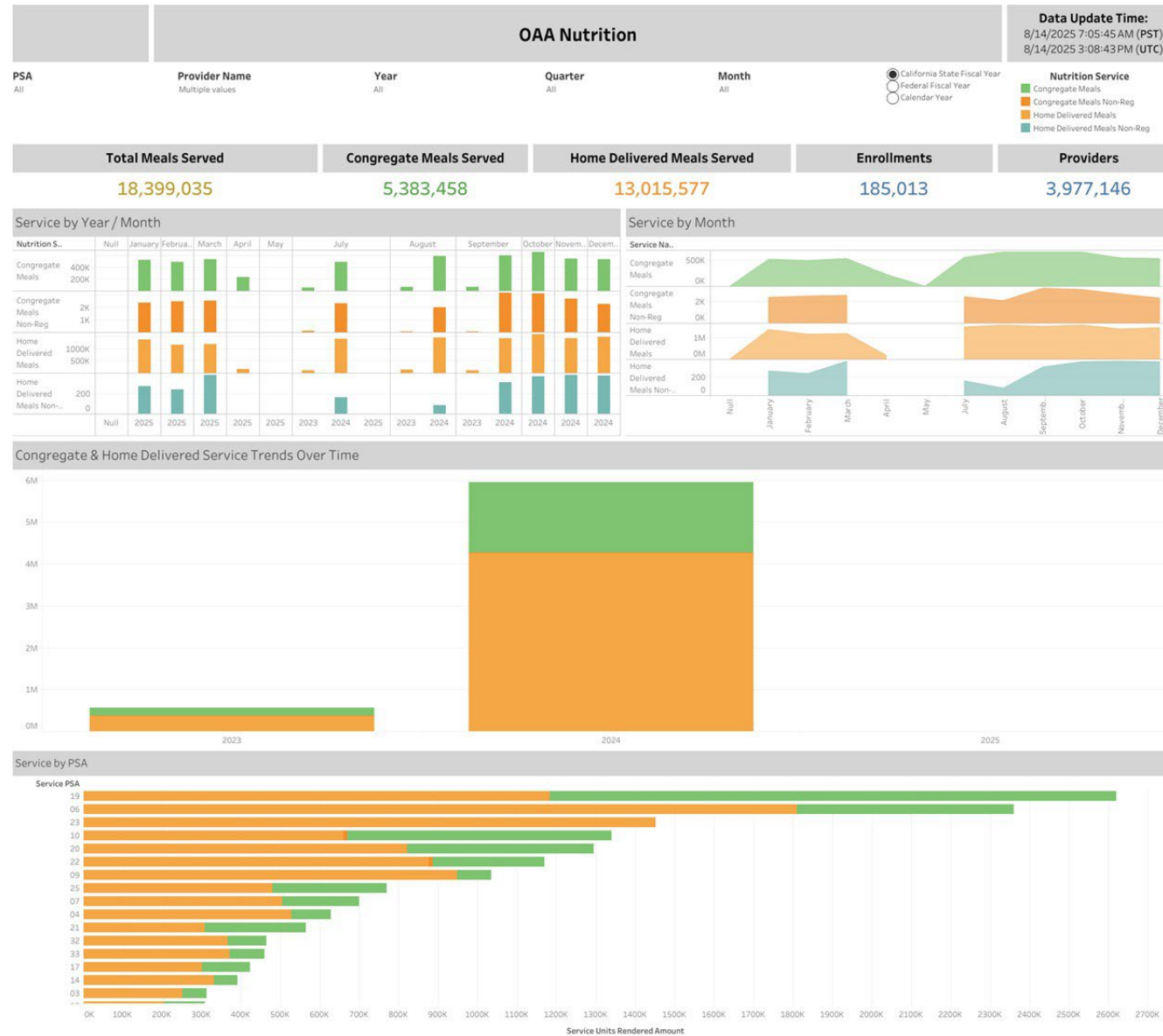
DATA DASHBOARD EXAMPLE: CLIENT DEMOGRAPHICS



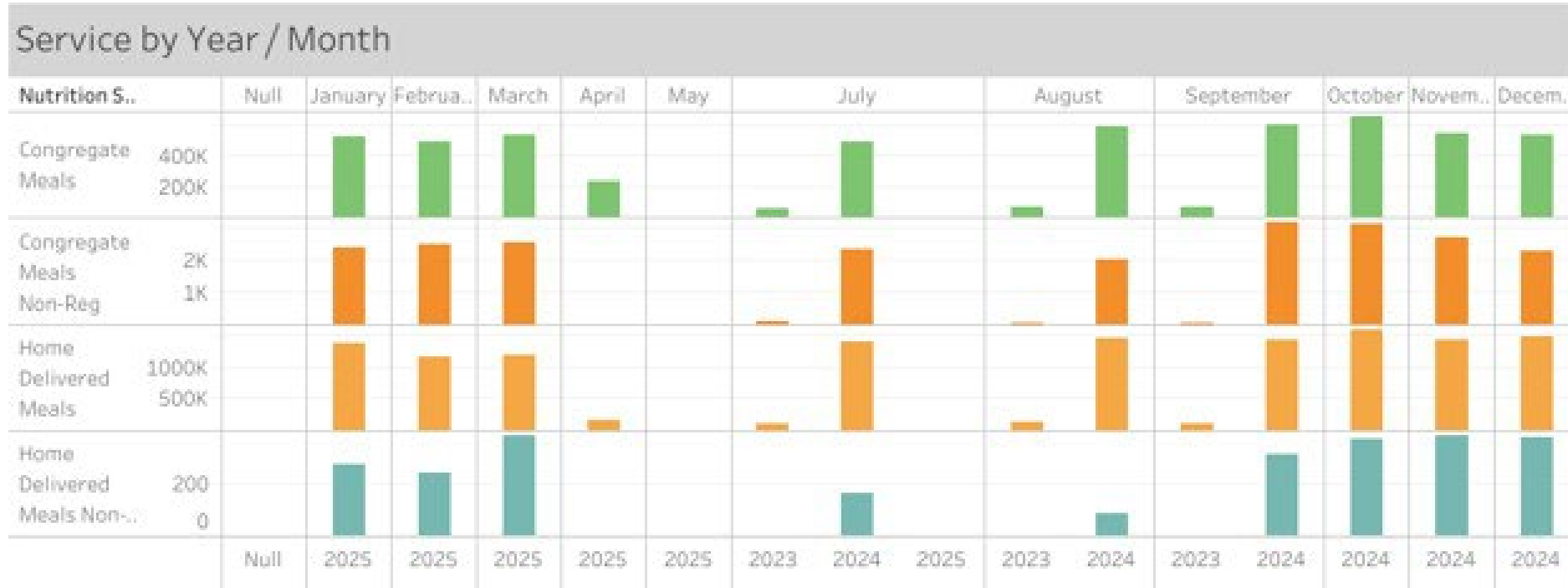
Poverty Status



1. Statewide Services DATA DASHBOARD EXAMPLE: NUTRITION



1. Statewide Services DATA DASHBOARD EXAMPLE: NUTRITION



- Focus on improving systems, adding performance measures, and increasing accountability.
- Begin implementation of recognition and enforcement strategies, including:
 - Dashboards become **public-facing** (data reporting, programs/services, fiscal).
 - Define “high performance” in consultation with AAAs.
 - Public recognition of high performers through the data dashboard, annual awards, and recognition letters to respective AAA advisory councils and boards.
 - Increased tools and technical assistance for quality improvement, and peer supports.
 - Add Corrective Action Plan (CAP) practices for data reporting non-compliance.
 - Establish guidelines for notifying AAA advisory councils and boards about non-compliance.
 - Withholding payments from AAAs that are late submitting quarterly reports.
- Introduce new performance measures for I&A, Nutrition, and Caregiving.

AAA and PSA Designations

Key Definitions

- Planning Service Areas (PSAs) - "The Map"
- Area Agencies on Aging (AAAs) - The local provider in each PSA.
- PSA and AAA Process - The processes to change PSA boundaries or designate new AAA provider.
- PSA and AAA Criteria - The business reasons to change a PSA boundary or select a new AAA provider.

Why Update PSA and AAA Designations?

- The California Code of Regulations have not been updated since the early 1980s.
- The AAA network would benefit from having standard intervals for changes to PSAs and AAAs.
- Several of the PSA and AAA designation criteria lack specificity.
- To allow local units of government to provide AAA services.

2. PSA & AAA Designations

PSA PROCESS UPDATES

PSA Boundary Change Applications

The PSA boundary change process is expected to take six months, from January 2027 to June 2027.

- In **January 2027**, CDA will begin to accept applications for PSA boundary changes.
- From **February 2027 to March 2027**, CDA, in consultation with the Administration for Community Living (ACL), will review the PSA boundary change applications.
- From **April 2027 to June 2027**, for the PSA applications that meet the PSA eligibility criteria and CDA determines have made a strong case for a boundary change, CDA will notify the affected AAAs of the proposed change, seek input from the affected AAAs and counties, provide public notice and hold public hearings, provide time for appeals and protests, and apply to ACL for approval for the boundary change.
- Beginning in **July 2027**, if a PSA application is approved by CDA and ACL, CDA will conduct an AAA Designation request for proposal (RFP) process to select a AAA provider for the new PSA. These are the AAA Designation Letter of Intent and Application processes.

Applications for a Planning Service Area (PSA) change must address the current PSA designation criteria in California Code of Regulations (CCR) §7200 (a)(b)(c) as well as the following four new criteria:

- Whether access to a proposed service delivery network is feasible within the natural geographic formations and transportation corridors which exist in the proposed PSA.
- Existence of an adequate provider network to ensure equitable access to services for individuals in all areas of the new region.
- A total population of 100,000 or more unless an exception is granted by the CDA director based on criteria including but not limited to: geography, population centers, or a provider network that may necessitate a smaller catchment area.
- An analysis of the potential impact of the boundary to current service recipients and program costs.

Existing PSAs with general populations under 100,000 will be grandfathered in but can be subject to changes based on future successful PSA designation applications.

When Can AAAs Be Redesignated?

- When a AAA voluntarily relinquishes providing Older American Act Services
- When CDA de-designates a AAA for noncompliance with the Older Americans Act.
- When a PSA boundary changes
- When a unit of general purpose local government submits a letter of intent to be a AAA provider.

Letters of Intent for AAA Designations

- Once **every four years**, county governments, county-based joint powers authorities (JPAs), and tribal organizations will have the opportunity to apply to be an AAA provider, even if there is an existing provider in place, utilizing the Older American Act's right of first refusal for local units of government per 45 CFR §1321.19 (a)(1)(iv).
- Any time an AAA becomes vacant and a county, county-based JPA, or tribal organization either declines their right of first refusal or cannot satisfy the requirements of 45 CFR §1321(a)(1)(iv)(A)(B), non-profits and non-profit JPA providers may apply to assume the AAA designation.
- From **July 2027 to September 2027**, CDA will institute a Letter of Intent (LOI) process for eligible entities (counties, non-profits, joint powers authorities, and tribal organizations) interested in being an AAA provider:
 - Between **July 1, 2027 and August 15, 2027**, interested applicants must submit a LOI to CDA to be eligible to be considered as an AAA provider.
 - The LOIs will require applicants to submit documentation of fiscal capability, program readiness, and administrative capacity to act as a AAA and to serve the PSA.
 - Between **August 16, 2027 and September 30, 2027**, CDA will conduct a pre-screening process based on the LOIs and will invite eligible candidates to submit an AAA Designation Application.

Applications for AAA Designations

The AAA designation application process is expected to take a total of nine months, from **October 2027 to March 2027**.

- Eligible applicants must submit their AAA Designation applications no later than **December 30, 2027** through a CDA-led Request for Proposal (RFP) process.
- Existing AAAs would not need to submit applications for AAA designation unless:
 - A PSA boundary change has occurred and they wish to pursue AAA designation for the new/updated PSA or;
 - A competing AAA designation application for the existing PSA has been received.
- From **January 2028 to March 2028**, CDA, in consultation with ACL, will implement a three-month application review process and issue any letters of intent to award to successful applicants
- From **April 2028 to June 2028**, CDA in consultation with ACL, will provide three months for public notice, hearings, protests and appeals, and ACL approval.

Transition Process

- Between **July 2028 and June 2029**, CDA will facilitate the transition process between the new and existing AAA, including working together on the local area plan for the upcoming Plan Year, transitioning services, and other necessary activities.
- The new AAA provider would start work on **July 1, 2029**.

Resources for PSA/AAA Designation Processes

- Prior to the opening of PSA and AAA designations processes, CDA will post information about the PSA and AAA designation LOI and application processes and criteria in the AAA Program Guide and on the CDA website.
- CDA will formally announce the open LOI and designation application periods on its website, through social media, and other means.
- CDA will provide LOI and designation application templates, evaluation and scoring criteria and templates, and other tools prior to the start of these processes.
- CDA will offer informational and technical assistance sessions on the processes before the LOI and application windows open.

Applications for a local Area Agency on Aging (AAA) designation change must address the revised AAA

designation criteria in California Code of Regulations (CCR) §7206 (e)(1)(2)(3)(4)(5):

- **Financial records** demonstrating the financial health, acumen, and internal controls of an organization to capably provide programs for older adults and family caregivers. [22 CCR §7206 (e)(1)]
- A description of the **organizational structure, resources, policies and procedures, and governing body** support to enable an organization to effectively oversee and manage programs for older adults and family caregivers. [22 CCR §7206 (e)(2)]
- Adequate **facilities and operational infrastructure** to support service delivery and AAA administrative functions. Service locations should be conveniently located near the populations served, whether the services are provided directly by the proposed AAA or through contracted providers, and must be accessible to older adults and persons with disabilities. [22 CCR §7206 (e)(3)]
- A description of the number and qualifications of the **staff**, staff roles and responsibilities, and staff hiring, training, and ongoing education policies and processes to demonstrate that the organization has staff sufficient in number, qualified to serve essential roles to operate an AAA, and are properly trained to administer programs for older adults and family caregivers and to comply with 45 CFR 1321.55. [22 CCR §7206 (e)(4)]

- The ability to **meet all the assurances required** by state and federal law and regulations. [22 CCR §7206 (e)(5)(A)].
- Additional information to demonstrate that the entity has the **visibility** to be recognized for its leadership role by the residents in the PSA through activities related to public awareness, public accessibility to and transparency of information related to the AAA and the programs it administers, partnerships and collaborations, and program leadership. [22 CCR §7206 (e)(5)(B)]
- Information to demonstrate that the entity has an organizational level of **autonomy** in the areas of funding flexibility, planning authority, and governance independence appropriate to its organizational structure that permits it to impact programs affecting older adults and family caregivers in the PSA and to carry out its planning and advocacy functions. [22 CCR §7206 (e)(5)(C)]

CDA will publish the required and optional additional supporting documentation to support the designation criteria in policy memos and the CDA Program Guide. These materials will be shared with the AAAs for review before they are published.

2. PSA & AAA Designations

OUTLOOK

SFY 25-26 (Q2)	Update state regulations with revised PSA and AAA designation processes and criteria. Submit by October 2025 with public comment period after submission.
SFY 25-26 (Q4)	Update CDA's Program Guide and/or Policy Letters with new detailed AAA designation criteria. Include draft review and feedback by AAAs.
SFY 26-27 (Q1)	Incorporate new AAA designation criteria into existing AAA monitoring processes, as needed.
SFY 26-27 (Q3-Q4)	PSA application process: accept and review applications, public notice and hearings, appeals and protests, ACL approval.
SFY 27-28 (Q1)	Open AAA application letter of intent and pre-screening window.
SFY 27-28 (Q2 - Q4)	AAA application process: accept and review applications, public notice and hearings, appeals and protests, ACL approval.
SFY 28-29	Existing and new providers coordinate transition and local area plan activities.
July 2029	Any new AAA providers start providing services.

WHY UPDATE THE INTRASTATE FUNDING FORMULA NOW?

- **Modernization:** The funding formulas were last updated 30 years ago (1995); our hold harmless and maintenance of effort rules are also outdated.
- **Compliance:** Incorporate updated federal and state statutes and regulations, including the federal requirement that the IFF be reviewed and approved by ACL.
- **Relevance:** Our state funding formula was copied from the state of Washington, which has since updated their own formula.
- **Simplicity:** California has had two different funding formulas (state and federal).
- **Demographic Shifts:** Aligns aging and disability, adjusts for income, and reflects current and future trends in population growth, diversity, geography.

NEW BASE FUNDING SCHEME

- All AAAs will receive a total of \$250,000 in base funding when the new IFF is implemented.
- CDA will increase the federal administrative base funding by \$100,000, totaling \$150,000.
- CDA will maintain the \$100,000 in state administrative base funding.
- Base funding amounts could be subject to change based on any future increases or decreases to the number of PSAs and/or available state and federal funding.

Establish 90% Carry-Over Policy for Federal Funds

- AAAs that spend 90% or more of their federal administrative and program-specific funding can carry over their unspent funds into the next fiscal year.
- AAAs that spend less than 90% must forfeit all their unspent funds.
- All forfeited funds are pooled and redistributed to AAAs that spent 90%+ or more.
- Carry-over funds are allocated based on the IFF, distributed in the first half of the following year, and repurposed based on the specific admin and/or program-specific categories.
- This is modeled after the CalFresh Healthy Living carry-over policy.
- Align implementation with Base Funding & IFF (July 2029).

3. Funding Formula

NEW IFF FACTORS & WEIGHTS

NEW IFF Factors & Weights	Current Federal IFF Factors & Weights <i>(last updated 1996/97)</i>	Current State IFF Factors & Weights (WA Formula) <i>(last updated 1996/97)</i>
60+ Population (20%)	60+ Non-Minority (x1 or 16.7%)	60+ Population (20%) 75+ Population (15%)
60+ Low Income (200% FPL) (20%)	60+ Low Income (125% FPL) (x2 or 33.3%)	65+ SSI/SSP Population (35%)
60+ Racial / Ethnic Minority (20%)	60+ Minority (x2 or 33.3%)	60+ Minority Population (10%) 60+ Non-English Speaking (3%)
60+ with a Disability (20%)	-	65+ SSI/SSP Population (see above)
60+ Geographic Isolation (20%)	60+ Geographic Isolation (x1 or 16.7%)	Square Miles (10%)
-	-	60+ Lives Alone Population (7%)

3. Funding Formula

COUNTY RANKINGS BY IFF FACTORS



	of 60+ Population	of 60+ Low-Income	of 60+ Disabled	of 60+ Minority	of 60+ Geographic Isolation
<div style="border: 1px solid black; padding: 10px; text-align: center;"> Highest Concentrations </div>	Trinity	Imperial	Imperial	Imperial	Alpine
	Plumas	Trinity	Merced	Kings	Modoc
	Mariposa	Kern	Shasta	San Francisco	Plumas
	Nevada	Merced	Tehama	Merced	Mariposa
	Calaveras	Tulare	Kings	Los Angeles	Trinity
<div style="border: 1px solid black; padding: 10px; text-align: center;"> Lowest Concentrations </div>	San Bernardino	Napa	Nevada	Tuolumne	Contra Costa
	Tulare	Contra Costa	San Mateo	Amador	Los Angeles
	Kern	San Mateo	Alpine	Plumas	Alameda
	Merced	San Benito	Marin	Sierra	Orange
	Kings	Marin	Mono	Nevada	San Francisco

3. Funding Formula

FUNDING SOURCES TIED TO NEW IFF

Funding Source	Apply New IFF?
OAA Admin	YES (after base funding of \$150K to each PSA)
OAA Title III (does not include LTCO)	YES
OAA Title V (SCSEP)	NO
OAA Title VII (LTCO)	NO
OAA Title VII Elder Abuse Prevention	YES
State General Fund	YES (after base funding of \$100k to each PSA)
State GF Surplus Overmatch	YES
HICAP	NO
ADRC	NO
MIPPA	NO
Caregiver Resource Centers	NO
New / Future Initiatives	MOST LIKELY (where applicable)

3. Funding Formula

NEW HOLD HARMLESS

Option 1: Remove the existing HH and do not replace.

Option 2: Replace existing HH with FY21/22 and apply to federal and state funding.

Note: If the number of PSAs change in the future (+/-), the HH would likely need to be redesigned / reset.

3. Funding Formula

PHASED ALLOCATIONS

Phased Allocation Distributions

To help AAAs anticipate and manage year-over-year allocation changes under a new IFF, this rule limits the amount of increases and decreases PSAs would experience over a two-year period after the IFF takes effect.

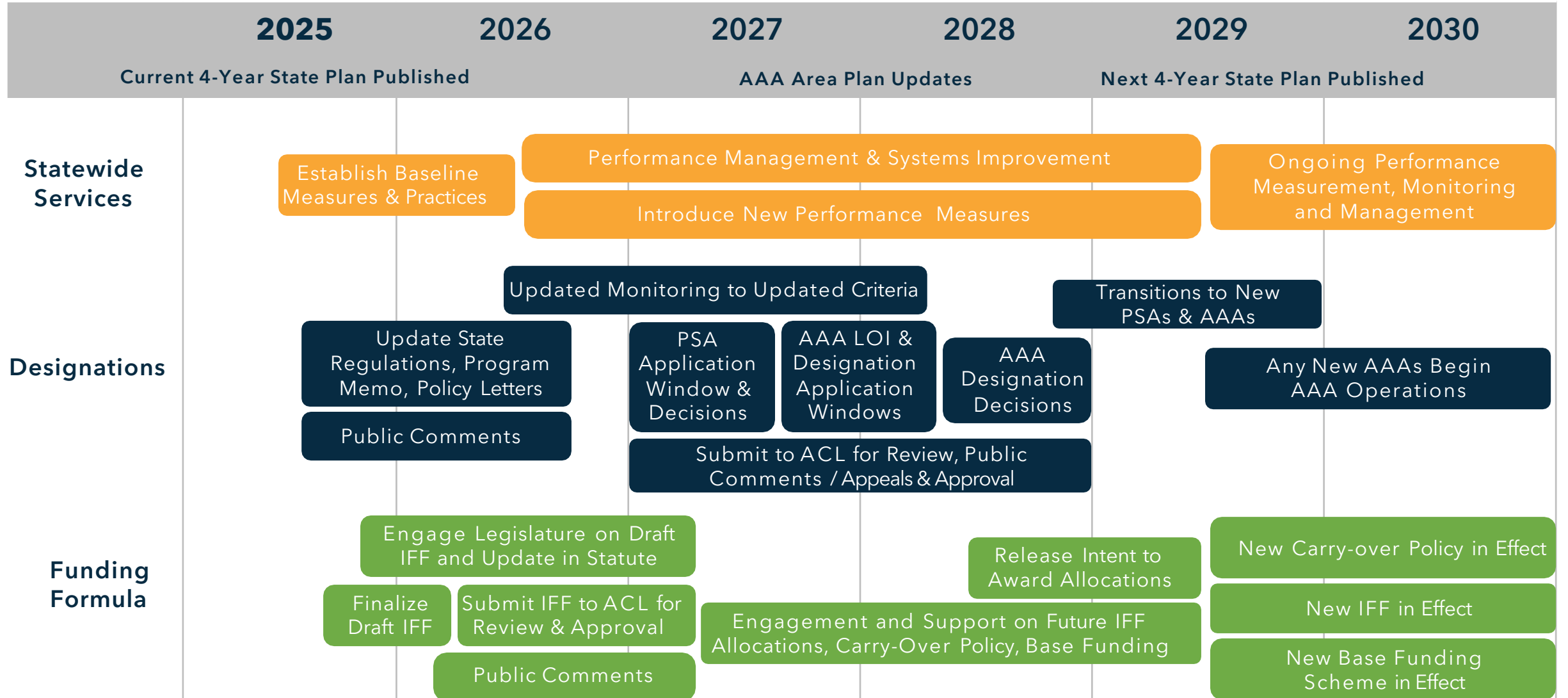
Examples:

- PSA Y's allocation will be \$100,000 less after the new IFF takes effect. PSA Y would receive \$50,000 less annually over a two-year period, starting in July 2029.
- PSA Z's allocation will be \$75,000 more after the new IFF takes effect. They would receive \$37,500 more annually over a two-year period, starting in July 2029.

3. Funding Formula OUTLOOK

SFY 25-26 (Q1)	Determine remaining elements, including update to hold harmless and phased allocations.
SFY 25-26 (Q2)	Confirm new carry-over policy design and implementation timing.
SFY 25-26 (Q3-Q4)	Introduce draft IFF to state legislature for review, comment, and preliminary approval, prior to ACL submission (a new IFF would begin to be implemented in Q1 of SFY 2029-30).
SFY 26-27 (Q1-Q2)	Submit new IFF to ACL for review, comment, and approval.
SFY 26-27 (Q3-Q4)	Formalize new IFF in state statute.
SFY 29-30 (Q1)	<ul style="list-style-type: none"> • New IFF goes into effect (to align with PSA & AAA designation results). • New carry-over policy goes into effect. • New base funding scheme goes into effect.
SFY 29-30 to 32-33	Phased allocation would go into effect (if applicable).

4. OUTLOOK (Subject to Change)



- **CA 2030 Webinars and Publications (2024):** <https://www.aging.ca.gov/CA2030/>
- **State Statutes & Regulations**
 - PSA/AAA Designations ([CCR](#)) ([OCA](#))
 - State Funding Formula ([OCA](#)) ([Area Plan Allocation Methodology](#))
 - Programs & Services ([CCR](#)) ([OCA](#))
- **Federal Statutes & Regulations:**
 - [Older Americans Act \(OAA\)](#)
 - [OAA Reauthorization Act of 2025](#)
 - [ACL Final Rule](#)



Thank you!

Questions or Comments?
CA2030@aging.ca.gov