

## **104 – Intrastate Funding Formula Public Comment Summary**

Two substantive changes were made to the amended policy. First the language has been revised to clarify that the funding formula applies only to funds that are intended to be distributed by formula to Area Agencies on Aging (AAAs). Secondly, the proposed rule has been revised to specifically identify the percentages used for the formula components and to specifically identify the base percentage allocated to agencies.

**104.00****Intrastate Funding Formula****10-1-18**

~~The Division of Aging and Adult Services (DAAS) will use the DAAS funding formula to disperse Title III, SSBG, Advocacy Assistance, Nursing Home Alternatives, Older Workers, Case Management, and State Discretionary funds distributed to the eight Area Agencies on Aging (AAAs.)~~

~~Purpose: Older Americans Act regulations require DAAS to use a funding formula to disburse Title III funds to the AAAs. This funding formula complies with Older Americans Act requirements and consolidates the funding formulas for the Title III, Social Services Block Grant (SSBG), Advocacy Assistance, Nursing Home Alternatives, Older Workers, Case Management, and State discretionary programs.~~

~~Scope: The DAAS funding formula applies to the Title III, SSBG, Advocacy Assistance, Nursing Home Alternatives, Older Workers, Case Management, and State Discretionary funds distributed to AAAs.~~

The Department of Human Services (DHS) will implement an intrastate funding formula for the equitable distribution of Title III funds to Area Agencies on Aging (AAAs) to comply with Older Americans Act regulations. DHS will apply the same methodology to the distribution of other funds intended for statewide distribution on an equitable basis, including without limitation Social Services Block Grant (SSBG), Advocacy Assistance, Nursing Home Alternatives, Older Workers, Case Management, and State discretionary programs. The purpose of the intrastate funding formula is to reach older Arkansans with the greatest economic and social needs by using a fair and objective allocation methodology.

**104.001 General Authority****10-1-18**

Older Americans Act of 1965, as amended in 2016  
45 CFR 1321

Arkansas Code Annotated § 25-10-101 et seq.

U.S. Department of Health and Human Services

U.S. Census Bureau

Title VII Civil Rights Act of 1964, as amended

Social Services Block Grant

## 104.100 Definitions

10-1-18

The following terms are defined by the U.S. Census Bureau, U.S. Department of Health and Human Services, and the Title VII Civil Rights Act of 1964, as amended:

- A. Age 60 – An individual who turns 60 years of age as of the census date of April 1st.
- B. Age 75 – An individual who turns 75 years of age as of the census date of April 1st.
- C. Low-Income – An individual whose income within the past 12 months is below the poverty thresholds set by U.S. Department of Health and Human Services.
- D. Low-Income Minority – An individual who identifies with one of the four minority groups as listed below and whose income within the past 12 months is below the poverty thresholds set by U.S. Department of Health and Human Services.
- E. Minority – The smaller part of a group within a country or state that differs in race, religion, or national origin from the dominant group.

According to the Equal Employment Opportunity Commission guidelines, the term minority means four, particular groups who share a race, color, or national origin. These groups are:

1. **American Indian or Alaskan Native.** A person having origins in any of the original peoples of North America, and who maintain their culture through a tribe and community.
2. **Asian or Pacific Islander.** A person having origins in any of the original people of the Far East, Southeast Asia, India, or the Pacific Islands. These areas include, for example, China, India, Korea, the Philippine Islands, and Samoa.
3. **Black (except Hispanic).** A person having origins in any of the black racial groups of Africa.

4. **Hispanic.** A person of Mexican, Puerto Rican, Cuban, Central or South American, or other Spanish culture or origin, regardless of race.

F. **Rural** – This term is defined as a territory, population, and housing units not classified as urban.

#### 104.200 Allocation Methodology

10-1-18

The intrastate funding formula for Area Agencies on Aging (AAAs) will be allocated as follows:

- A. Each of the eight AAAs will receive a base percentage of 1% from ~~three~~ each funding source before the funding formula is applied.
- B. Of the remainder:
  1. 50% of the remaining funds 35% will be distributed based on each region's proportion of Arkansans ages 60 and older over in the state;
  2. 40% of the remaining funds 25% will be distributed based on each region's proportion of low-income Arkansans ages 60 and older over in the state;
  3. 10% of the remaining funds 20% will be distributed based on each region's proportion of low-income minority populations Arkansans ages 60 and older over in the state;
  4. 15% will be distributed based on each region's proportion of rural Arkansans ages 60 and older; and
  5. 5 % will be distributed based on each region's proportion of Arkansans ages 75 and older.

#### 104.300 Updates

10-1-18

Department of Human Services DAAS will adjust revise and update the AAAs allocations annually according to population data as relevant demographic information becomes available and is provided by the U.S. Census Bureau.