# WHAT IS THE **ROLE OF AREA AGENCIES ON AGING?**

Formally established in 1973 by the Older Americans Act (OAA), Area Agencies on Aging (AAAs) are charged with helping vulnerable older adults live with independence and dignity in their homes and communities.



 $\mathbf{O}$ 

fund, and coordinate a wide range of services.



## ASSESS

community needs and develop and fund programs to respond.

## **EDUCATE**

and provide direct assistance to consumers about available resources in their community.

## **SERVE**

as portals to care via assessments, eligibility determinations, and coordination of services.

## MAXIMIZE

use of public and private funds to serve as many consumers as possible.

## **DEVELOP**

# **CORE SERVICES PROVIDED BY AREA AGENCIES ON AGING**

AAAs operate **complex** delivery systems that provide access to a **range** of community-based, in-home and elder rights services beyond the core services outlined in the OAA.

A portion of those services are made possible through contracts with senior center providers.



## ADDITIONAL SERVICES PROVIDED BY AREA AGENCIES ON AGING

OAA **requires** AAAs to tap **other funding streams** and take on **other roles** to further meet their missions and to serve more older adults and caregivers.

The OAA was intentionally designed to give AAAs the **flexibility** to ensure that the **local needs and preferences** of older adults are considered and reflected in the design and implementation of local service delivery systems.



# **EMPLOYING ARKANSANS AAA STAFF BY SERVICE**

Across the state, Area Agencies on Aging employ over 2,360 individuals in a variety of capacities to serve older people.



71.9%

**Older Workers** 3.4% Support Staff 4.7% Senior Housing/Assisted Living 3.6% **Care Coordination** 3.9%

Information & Assistance <1%

Ombudsman <1%

Other <1%

# AREA AGENCY ON AGING FUNDING SOURCES



Contracts + Fee for Service

Fundraising (AAAs are 501c3 nonprofits.)

### **Private Pay Services**

## OAA & STATE SENIOR SERVICES FUNDING BY FISCAL YEAR

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024 PROJECTED
FEDERAL FUNDS	\$19,133,839	\$26,445,688	\$29,905,676	\$18,138,548	\$27,567,383
STATE FUNDS	\$14,150,725	\$14,431,440	\$13,126,393	\$15,756,285	\$12,751,575
TOTAL FUNDS	\$33,284,564	\$40,877,128	\$43,032,069	\$33,894,833	\$40,318,958

# **ONE-TIME FUNDING**

	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024
FEDERAL FUNDS	<b>\$2,208,121</b> Families First Covid	<b>\$9,380,070</b> CARES Act, HDC5 Act, Expanding Covid Vaccines	\$12,858,300 American Rescue Plan	<b>\$</b> 0	<b>\$ 7,678,878</b> American Rescue Plan Older Armericans Act
STATE FUNDS	\$O	<b>\$1,000,000</b> Covid Steering Cmt	\$O	\$3,000,000 Restricted Reserve	\$O
TOTAL FUNDS	\$2,208,121	\$10,380,070	\$12,858,300	\$3,000,000	\$6,828,678





Match Requirements

**Limited Transfer Authority** 

**Specific Fund Distribution** 

Ombudsman

# OLDER AMERICANS ACT RESTRICTIONS & REGULATIONS

The Older Americans Act has strict guidelines regarding use of funds.

Funding amounts are allocated by ACL and specify service categories in which the funds can be expended. Senior center providers must match 15% of federal OAA funds with local dollars.

The majority of OAA funds cannot be transferred from the original purpose of funding, even if other service areas are in need of additional funding.

State distributes OAA funds based on funding formula.

OAA requires maintenance of effort based on expenditures in benchmark federal fiscal year.

# FUNDING FORMULA

OAA funds are distributed by the State of Arkansas Department of Human Services based on the intrastate funding formula approved by ACL in the Arkansas State Plan on Aging.

The 8 Arkansas AAAs receive 1% each of total funds.

The balance of 92% is distributed based on each region's proportions of the demographic characteristics noted at right, and weighted according to the listed percentages. 60+ Rural Population 15%

60+ Low Income Minority 20%

### 75+ Population 5%

60+ Population 35%

60+ Low Income 25%

# ADMINISTRATIVE RESPONSIBILITIES OF AREA AGENCIES ON AGING

AAAs partner with a total of 32 provider agencies to make services available.

AAAs are responsible for ensuring all 145 senior centers in the state comply with regulatory requirements.



REGION	# CONTRACT PROVIDERS	# SENIOR CENTERS	
Region I	1	17	
Region II	5	19	
Region III	4	22	
Region IV	1	14	
Region V	6	26	
Region VI	4	13	
Region VII	4	17	
Region VIII	7	17	
Total	32	145	

# **SENIOR CENTER SUPPORT** PROVIDED BY AREA AGENCIES ON AGING

The Older Americans Act requires Area Agencies on Aging to support local senior centers.

AAAs partner with senior centers to ensure each site meets requirements that affect their future funding.

Relationships with AAAs provide senior centers with economies of scale, access to robust, specialized experience, and staff support.

Software for Client Management, **Reporting, Billing** 

**Compliance Support/Site Assessments** 

**Education/Expertise** 

Service to Billing Audits

# **AN AGING POPULATION** CHALLENGES FACED BY AREA AGENCIES ON AGING

Over **12,000** people turn 65 in the U.S. each day.

## **Factors:**

Declining Revenue Streams **AR Choices Meal Reimbursement Rates** Costly Labor Market **Insurance Expenses** Food Inflation Fuel Cost

> The need for aging services outpaces the funding.

2040

**80.8 MILLION SENIORS AGED 65+** 

The 85+ population will more than double from 2019-2040.

**54.1 MILLION SENIORS** AGED 65+

> 41% of the baby boomers are now 65 or older.

2019

# 2060

### **94.7 MILLION SENIORS AGED 65+**

A strong network of senior services will be crucial in supporting this growing demographic.

How can we partner to prepare for the challenge ahead?