

## Idaho Commission on Aging Technical Guidance

Policy Subject	Policy #
ICOA Technical Guidance <u>State and Federal Cost Sharing</u>	TG.AD.02

### **Title: State and Federal Cost Sharing Requirements:**

Both state and federal programs have different income requirements for Cost Sharing. Depending on whether state or federal funds are being included in the cost sharing, the AAAs must follow the corresponding guidelines and required accounting documentation as listed below:

#### **1: When State Funds are Included:** IDAPA 15.01.01.025.03 and .08

.03. Determining Income. For this purpose, income means **gross household income** from all sources, less the cost of medical insurance and expenditures for non-covered medical services and prescription drugs. Payments the client receives from owned property currently being leased shall be counted as income after expenses are deducted if paid by the client, i.e., insurance, taxes, water, sewer, and trash collection.

142. **Sliding Fee Scale.** (IDAPA 15.01.01.010.42) A fee scale ranging from zero percent (0%) to one hundred percent (100%) of the cost of services. Cost of services shall be based on the contractor's or provider's actual unit costs. A client's percentage (payment) shall be determined by ranking the client's annual household income against the federally determined poverty guidelines for that year. (3-19-99)

#### **2: When Federal Funds are Included:**

##### **OAA Section. 315. CONSUMER CONTRIBUTIONS.**

(4) PAYMENT RATES.—If a State permits the cost sharing described in paragraph (1), such State shall establish a sliding scale, based solely on **individual income** and the cost of delivering services.

#### **3: General Guidelines applicable to both State and Federal Implementation:**

##### **IDAPA 15.01.01.025.08:**

Use of Cost Sharing Payments and Contributions: Providers shall maintain accounting records of all cost sharing payments and contributions collected and of all monies expended from these sources. All monies derived from cost sharing payments, contributions, or both, shall be used to offset the costs of providing the service for which they were collected.

Cost Sharing: Page 176 of manual: Older individuals' eligibility for cost share is determined solely by a confidential declaration of income and there is no requirement for verification.

##### **OAA Section. 315. CONSUMER CONTRIBUTIONS.**

(a) COST SHARING.—

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(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), a State is permitted to implement cost sharing for all services funded by this Act by recipients of the services.

(2) EXCEPTION.—The State is not permitted to implement the cost sharing described in paragraph

(1) for the following services:

(A) Information and assistance, outreach, benefits counseling, or case management services.

(B) Ombudsman, elder abuse prevention, legal assistance, or other consumer protection services.

(C) Congregate and home delivered meals.

(D) Any services delivered through tribal organizations.

(3) PROHIBITIONS.—A State or tribal organization shall not permit the cost sharing described in paragraph (1) for any services delivered through tribal organizations. A State shall not permit cost sharing by a low-income older individual if the income of such individual is at or below the Federal poverty line. A State may exclude from cost sharing low-income individuals whose incomes are above the Federal poverty line. A State shall not consider any assets, savings, or other property owned by older individuals when defining low-income individuals who are exempt from cost sharing, when creating a sliding scale for the cost sharing, or when seeking contributions from any older individual.

(5) REQUIREMENTS.—If a State permits the cost sharing described in paragraph (1), such State shall require each area agency on aging in the State to ensure that each service provider involved, and the area agency on aging, will—

(A) protect the privacy and confidentiality of each older individual with respect to the declaration or non-declaration of individual income and to any share of costs paid or unpaid by an individual;

(B) establish appropriate procedures to safeguard and account for cost share payments;

(C) use each collected cost share payment to expand the service for which such payment was given;

(D) not consider assets, savings, or other property owned by an older individual in determining whether cost sharing is permitted;

(E) not deny any service for which funds are received under this Act for an older individual due to the income of such individual or such individual's failure to make a cost sharing payment;

(F) determine the eligibility of older individuals to cost share solely by a confidential declaration of income and with no requirement for verification; and

(G) widely distribute State created written materials in languages reflecting the reading abilities of older individuals that describe the criteria for cost sharing, the State's sliding scale, and the mandate described under subparagraph (E).

(6) WAIVER.—An area agency on aging may request a waiver to the State's cost sharing policies, and the State shall approve such a waiver if the area agency on aging can adequately demonstrate that—

(A) a significant proportion of persons receiving services under this Act subject to cost sharing in the planning and service area have incomes below the threshold established in State policy; or

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(B) cost sharing would be an unreasonable administrative or financial burden upon the area agency on aging.