

**SECTION SIX**  
**RESOURCE ALLOCATION PLAN**



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## OREGON'S RESOURCE ALLOCATION PLAN

### Background

The Older Americans Act, at 42 USC 3025, and implementing regulations, at 45 CFR 1321.37, require the State Unit on Aging, after consultation with all area agencies in the state, to develop and use an intrastate funding formula for allocating funds to area agencies. The State Unit on Aging is obliged to review this funding formula each time it develops a new State Plan on Aging.

### Purpose

The purpose of the intrastate funding formula is to provide equitable funding to ensure quality services to older Oregonians; preference given to providing services to low-income minority individuals with the greatest economic and social needs, and older Oregonians residing in rural areas.

### Goals

In satisfying the requirements of the OAA and the regulations, the intrastate funding formula is intended to meet these goals:

- Ensure equal access to the system by eligible persons
- Apply all requirements objectively
- Correlate services to need
- Address both prevention and intervention in allocating resources

### Targeting populations

The OAA defines *greatest economic need* as that resulting from an income level at or below the poverty level established by the federal Office of Management and Budget. It defines *greatest social need* as that caused by non-economic factors that include physical and mental disabilities, language barriers, cultural or social isolation, geographic isolation—including that caused by racial or ethnic status—that restricts an individual's ability to perform normal daily tasks or that threatens the individual's capacity to live independently. From these two definitions can be extrapolated a definition of *low-income minorities*.

*Rural* is defined as any area that is not urban. *Urban* areas are a central place and adjacent densely settled territories with a combined minimum population of 50,000, or an incorporated place or census-designated place with 20,000 or more inhabitants.

Oregon's intrastate funding formula takes into account all of these factors. Its methodology entails:

- Weighing factors for poverty, minority, and rural older Oregonians in distributing state and federal funds to the districts. Poverty and minority factors are collected from US Census demographics. Funding targeted to rural populations is attained by providing additional funding based on land area formula
- Considering in each service area the number of older elders (75 years and older), who as a group are likely to be frailer, and to have greater socialization, medical needs and cognitive impairments than Oregonians in the 60-74 age group
- Acknowledging that a minimum level of funding is needed to support a viable service system in each area, regardless of the presence of other factors
- Assuring that area agencies pursue contracts for social services and congregate nutrition programs at sites nearest high concentrations of older Oregonians with the greatest economic and social need
- Assuring that area agencies target services to persons with physical impairments and mental disabilities by providing state funds for in-home services for frail older Oregonians
- Assuring that area agencies will spend each fiscal year for their Older Americans Act services to older persons in rural areas not less than the amount expended for those services in fiscal year 2000. In fiscal year 2000, 20.5% of OAA funds were expended on older individuals in rural Oregon. Annual planning allocations to rural communities for each year of this plan will be approximately \$2,350,000
- Assuring that area agencies, whether through direct or contracted-for service, will serve the estimated 6,600 low-income, low-income minority, and rural older Oregonians in proportion to their populations.

## Intrastate funding formula

Oregon's Older Americans Act grant award and Oregon Project Independence appropriation are allocated to individual area agencies on aging based on a combination of a Base Amount formula, a Land Area formula, and a Population formula. OAA Sections 305(a)(2)(C) have been met, and criteria set forth in Sections 305(a)(2)(C)(i) and (ii) have been considered and factors weights in Oregon's funding formula are based upon the most current census data released.

The base amount formula allocates a predetermined amount to each area agency.

The land area formula allocates a percentage based on the agency's share of Oregon's total square mileage:

- 2.5 or 5% of Older Americans Act award after subtracting base amount
- 5% of Oregon Project Independence appropriation

The population formula bases an agency's percentage of the grant and allocation on the agency's share of four population factors of Oregon's total for each factor. The amount allocated based on population is the total amount less allocations for base amount and/or land area. The population factors are:

- population 60 years and older
- population 75 years and older
- minority population 65 years and older
- poverty population 65 years and older with incomes below 125% of federal poverty level
- population 70 years and older
- preventive health populations—75 years and older plus minority plus poverty —This is no longer in the law.

The method used to meet the needs for services in rural areas are percentages of the OAA allocation distribution is based upon each AAA share of Oregon's total square mileage. The land area formula is used in allocating Title III B, III E and VII funds. Each of Oregon's Type A AAA's are located in area defined as rural. OAA Administration funds are provided to each Type A as additional support for training opportunities. Funds are generally used for travel, lodging, meal per diem and training registration expenses. AAAs are expected to provide a match contribution for training expenses. Additionally Type A AAA's receive \$5,000 in Title XIX funds each biennium for outreach, information and assistance to older Oregonians who are likely eligible for Medicaid services.

Methods to meet the service needs of low-income minority older Oregonians begins with a calculation of minority and minority plus poverty for each AAA allocation. The number of minority older Oregonians was used in calculating the allocations for Title IIIB, IIIC, IIIE and VII. Minority plus poverty was the primary factor used in allocating Title IIID Preventive Health funds. Separate allocations are made for each of the seven Older Americans Act programs—supportive services, congregate meals, home delivered meals, family caregiver support, elder abuse prevention, preventive health, and Oregon Project Independence. The chart below demonstrates how the three formulas are used to allocate the available funds for the seven programs.

	Base Amount	Land Area	Population
Supportive Services	\$25,000	2.50%	a.-d.
Congregate Meals	Not Used	Not Used	a.-d.
Home Delivered Meals	Not Used	Not Used	a.-d.
Preventive Health *	\$1,500	Not Used	f.
Family Caregiver Support	Not Used	2.50%	c.-e.
Elder Abuse Prevention	\$500	2.50%	a.-d.
Oregon Project Independence	Not Used	5.00%	a.-d.

\* Allocated only to AAAs which have at least one county identified as Medically Underserved.

Minimum Funding for Priority Services:

- Access.....18%
- Legal..... 3%
- In-Home.... 3%

**2005 - 2007 PLANNING ALLOCATIONS FOR OAA AND OPI FUNDS**

<b>AAA</b>	<b>III B</b>	<b>III C-1</b>	<b>III C-2</b>	<b>III D</b>	<b>III E</b>	<b>VII B.</b>	<b>Total OAA</b>	<b>OPI</b>
NWSDS	1,052,942	1,196,728	633,704	80,044	781,850	14,449	3,759,717	548,330
CCSS	636,032	700,974	371,188	43,150	431,243	8,857	2,191,444	319,486
CAT	131,724	94,298	49,934	8,268	58,504	2,067	344,795	43,847
MCADS	1,236,653	1,429,378	756,897	102,332	986,231	16,941	4,528,432	644,744
WCDAVS	665,907	739,485	391,581	43,527	456,766	9,259	2,306,525	334,530
OCWCOG	538,563	578,746	306,464	34,383	373,205	7,545	1,838,906	268,607
LCOG	718,058	794,014	420,455	51,588	519,908	9,960	2,513,983	366,871
DCSDSD	333,415	326,995	173,154	19,262	216,354	4,766	1,073,946	157,419
SCBEC	328,036	324,096	171,619	22,687	216,493	4,691	1,067,622	152,528
RVCOG	727,653	804,322	425,913	52,035	525,206	10,071	2,545,200	371,158
MCCOG	182,337	140,618	74,462	11,723	100,879	2,728	512,747	76,719
COCOA	381,736	379,303	200,852	20,176	238,547	5,416	1,226,030	186,507
KBSCC	191,352	155,831	82,517	11,438	114,718	2,789	558,645	92,783
KBSCC-Lake	53,971	43,952	23,274	3,226	32,356	787	157,566	26,170
CAPECO	216,976	185,950	98,467	14,212	126,786	3,200	645,591	94,308
CCNO-Grant	29,389	25,139	13,312	4,516	22,093	389	94,838	20,373
CCNO	195,672	153,326	81,191	12,586	111,342	2,908	557,025	85,608
HCSCS	92,938	32,000	13,552	2,006	33,238	1,532	175,266	31,968
MCOACS	141,994	83,811	44,381	8,765	72,029	2,173	353,153	57,588
<b>TOTALS</b>	<b>7,855,348</b>	<b>8,188,966</b>	<b>4,332,917</b>	<b>545,924</b>	<b>5,417,748</b>	<b>110,528</b>	<b>26,451,431</b>	<b>3,879,544</b>