



2019 Draft Proposal for Cost Sharing

Each year the Minnesota River Area Agency on Aging (MNRAAA) proposes a plan to the Minnesota Board on Aging (MBA) for the use of Title III Older Americans Act (OAA) funds to provide supportive, nutrition, health promotion and caregiver services and must employ a cost sharing strategy to expand service to older adults and their caregivers. Service expansion, as feasible, is undertaken by organizations that receive Title III funds from MNRAAA for services subject to cost share and cost share payments from individuals receiving services.

MNRAAA implements cost sharing in accordance with requirements of the OAA and the MBA.

Services Subject to Cost Share in 2019:

- Homemaker
- Chore
- Assisted Transportation
- Transportation
- Caregiver Respite
- Caregiver Individual and Family Counseling
- Caregiver Coaching/Consulting
- Powerful Tools for Caregivers

Services Not Subject to Cost Share in 2019:

- Information and Assistance provided through the Senior LinkAge Line®
- Legal Assistance
- Legal Education
- Special Access
- Congregate and Home Delivered Meals
- Evidence-Based Health Promotion Programs
- Caregiver Support Groups
- Caregiver Group Education and Training

Cost sharing will be applied to all individuals receiving any service subject to cost share, except individuals:

1. With incomes at or below 100% of the federal poverty level.
2. Receiving services through a Medicaid Waiver Program or the Alternative Care Program.

The OAA and MBA require that Title III providers of services subject to cost sharing have written policies and procedures that describe how they will implement and administer cost sharing, including how the provider will:

1. Protect the privacy and confidentiality of each individual, specifically with respect to the declaration or non-declaration of individual income and to any share of costs paid or not paid by an individual;
2. Establish appropriate procedures to safeguard and account for cost sharing payments;
3. Use cost sharing payments received to expand the service for which the payment was given;
4. Account for cost sharing funds under a separate accounting in the general ledger and not co-mingle the funds with funds received under any other agreement;
5. Determine the unit of service cost as the basis for the cost sharing sliding scale;
6. Establish a sliding scale so as not to impose cost sharing for an individual whose income is at or below 100 percent of the Federal Poverty Guidelines, but provides them with an opportunity to make a voluntary contribution;
7. Inform individuals of their rights and responsibilities in relation to cost sharing including cost of the service, recommended level of cost sharing, availability of the cost sharing sliding scale and information on availability of services if payment is not made due to inability or unwillingness to pay;
8. Determine eligibility for cost sharing based solely on a confidential declaration of gross income, with no requirement for verification;
9. Determine income level solely on the gross income of the individual who is 60 years and older, not considering assets, savings, or other property owned by an older individual, to determine whether cost sharing is permitted (In the case of a caregiver service, the income level will be based on the care receiver's income; where the caregiver and the care receiver live together and one is 60 years and older, the provider is required to use the two person household income and apply the two person household category on the sliding scale.);
10. Determine when cost sharing participation shall be waived for extreme hardship (e.g. high medical or living expenses) as determined by MNRAAA and the provider; and
11. Notify individuals of current cost sharing amount due without carrying forward a balance due amount.

Cost Sharing Sliding Scale

MBA recommends a 50% cost sharing level of the service cost, or higher. For individuals unable or unwilling to cost share at the 50% level, the cost share amount is to be determined using a cost sharing sliding fee scale. The State of Minnesota recommended scale is established on 10-25-50-100% of the cost of the service and applicable to the individual's income level at: greater than 100%, greater than 150%, greater than 200%, and greater than 250% of the Federal Poverty Guidelines. Providers must establish the scale based solely on the gross income level of the individual and cost of the service.

Title III providers conducting services subject to cost sharing must submit a copy of the sliding fee scale(s) and related client education and notification materials to MNRAAA for review, comment and approval. Variations in the scale that comply with the intent of the cost share policy and encourage financial contributions by users are allowed. Scales that vary from the recommended scale must be approved by MNRAAA prior to implementation.