



## **Montana Intrastate Funding Formula Proposal**

To ensure the effective allocation of federal funding for older residents, Montana strictly adheres to the guidelines outlined in Section 305(a)(2)(C) and (D) of the Older Americans Act (OAA) of 1965. The state collaborates with local agencies and leverages the latest census data to create a funding distribution formula for public review and comment. This formula is carefully designed to address both the geographic distribution and the unique economic and social needs of older individuals, with a special focus on those from low-income or minority backgrounds.

To manage this task, Montana established the Intrastate Funding Formula Taskforce. This group includes three multi-county area agency directors, the Senior and Long Term Care Division administrator, the Governor's coordinator on aging, a representative of the Department of Commerce Census Bureau, a representative of the Snowy Mountain Economic Development Council, Aging Services Bureau staff (fiscal specialist), and an Aging Services Older Americans Act consultant.

The funding formula follows the State Plan for 2023-2027 but now uses 2022 Census data for more accuracy. This will shape the budgets for 2025 to 2027, updated every year. The formula directs the distribution of federal funds across various services aimed at supporting older Americans, such as supportive services, congregate and home-delivered meals, preventive health programs (excluding administrative costs), family caregiver support, and elder abuse prevention initiatives.

In alignment with the Older Americans Act requirements, the taskforce has specified particular allocation percentages for Title III-B funds, ensuring vital services like access to essential services, in-home support, and legal assistance are available to older residents. Specifically, the taskforce mandates:

- 10% of each Area's total Title III-B program allocation for Access Services, ensuring older adults have access to necessary resources and support.
- 10% for In-Home Services to assist older adults in maintaining their independence and quality of life at home.
- 4% for Legal Assistance, providing older adults access to legal advice and representation when needed.

Additionally, the general allocation of funding follows the Intra-State Funding Formula, utilizing a 60/30/10 method to distribute federal funds to the nine Area Agencies on Aging (AAAs) for FY2025 through FY2027. This broader distribution method ensures funds are allocated based on:

- 60% for individuals at or above the age of 60, ensuring a broad coverage across this demographic.
- 30% for individuals at or above the age of 60 with low income, targeting financial support where it's most needed.
- 10% for minority individuals at or above the age of 60, focusing on inclusivity and support for underserved communities.

This approach combines service-specific allocations with the 60/30/10 funding formula, effectively meeting the needs of Montana's aging population. It ensures resources are allocated where most needed, providing a support system for older residents statewide.

Prior to the distribution of funds:

1. **SUA Administration Funds:** Montana is allowed by ACL to aside up to \$750,000 for State Unit on Aging (SUA) administration. Currently, the SUA is setting aside \$625,000 for admin. This amount undergoes an annual review.
2. **Legal Developer Program:** Up to 4% of Title IIIB State Plan administration funds support this program, allowing Area Agencies on Aging (AAAs) to refer individuals to legal services. This program also receives support from about half of the Title VII Elder Abuse funds.
3. **Ombudsman Program Funding:** \$207,496 from Title IIIB funds supports the Ombudsman Program.
4. **Program Base:** Each of the nine AAAs receives \$7,777, totaling \$70,000, for Supportive Services (III-B) and Congregate Meals (III-C1).
5. **Rural Base:** To address the higher costs of delivering services in rural areas, Montana establishes a base funding level by county population (see fig. 1).

60+ Co/Reservation Population	Class	III - B	III - C1	III - C2	III-D
0 - 100	A	\$2,000	\$2,000	\$ 500	\$ 50
101 - 500	B	3,000	3,000	1,000	100
501 - 2,000	C	6,000	6,000	1,500	150
2,001 - 5,000	D	7,500	7,500	2,000	200
5,000 +	E	8,500	8,500	2,500	250

6. **Distribution of Remaining Funds:** After allocating the program and rural bases, Montana distributes the remaining funds using the following criteria based on the 60/30/10 formula.

This method calculates each county's share of the state's total population over 60, then allocates funds according to these specific percentages.

7. **Administration Funds:** 10% of III-B and III-C1 funds are allocated using a 60/30/10 formula. For Title III-C2, Title III-E, and State Program Administration funds, a straightforward 10% of allowable funds is distributed. An Administration Base of \$12,000 goes to each of the seven multi-county/reservation AAAs and \$1,200 to the two single-county AAAs for Social Services (III-B) and Congregate Meals (III-C1).
8. **Ombudsman Program Focus:** Additional funds are set aside for the Ombudsman Program, with allocations based on the number of skilled nursing and assisted living facilities in each area. New state funding starting SFY24 supports additional training costs and allocations based on facility counts.
9. **NSIP Disbursements:** The State Unit on Aging (SUA) equitably disburses Nutrition Services Incentive Program (NSIP) funding, used exclusively to purchase American-grown foods for Home Delivered and Congregate Meals. NSIP funds cannot cover administrative costs. Allocation is based on the number of eligible meals served, as reported in the Capstone database, and adjusted for commodity usage. The remaining balance is distributed over nine months.
10. **Rural Services Guarantee:** Funding for services in rural areas will not drop below the level spent in fiscal year 2019.
11. **Provisional Allocation Schedule:** Based on FFY 2024 funding levels, a schedule outlines tentative allocations to the nine AAAs for SFY 2025, pending final grant awards. This projection helps with budget planning (see fig. 2 on the following page).

S-2 Allocation with 9 AAAs-22 Census 60/30/10 with Program base increase of \$70,000										
AREAS	I	II	III	IV	V	VI	VII	VIII	IX	TOTALS
<b>PROGRAM</b>										
(Staff Training related to OAA programs, not to exceed 5% of the III-B fund amounts above without approval).										
III-B	198,216	287,974	146,323	213,602	125,212	142,263	151,361	89,220	110,563	1,464,735
III-B Local Ombudsman	29,109	53,740	12,689	36,573	20,899	13,435	23,884	0	17,167	207,496
<b>III-B Subtotal</b>	<b>227,325</b>	<b>341,714</b>	<b>159,012</b>	<b>250,175</b>	<b>146,111</b>	<b>155,698</b>	<b>175,245</b>	<b>89,220</b>	<b>127,730</b>	<b>1,672,231</b>
III-C1	269,461	448,846	207,182	341,952	183,968	220,394	253,335	147,981	186,518	2,259,637
<b>III-C1 Subtotal</b>	<b>269,461</b>	<b>448,846</b>	<b>207,182</b>	<b>341,952</b>	<b>183,968</b>	<b>220,394</b>	<b>253,335</b>	<b>147,981</b>	<b>186,518</b>	<b>2,259,637</b>
III-C2	162,875	327,180	132,140	256,882	123,143	159,958	198,764	114,154	146,825	1,621,921
<b>III-C2 Subtotal</b>	<b>162,875</b>	<b>327,180</b>	<b>132,140</b>	<b>256,882</b>	<b>123,143</b>	<b>159,958</b>	<b>198,764</b>	<b>114,154</b>	<b>146,825</b>	<b>1,621,921</b>
III-D	13,436	26,279	10,778	20,551	9,963	12,869	15,795	9,064	11,643	130,378
III-E	79,619	179,782	68,012	143,436	65,661	87,314	113,960	65,668	84,883	888,336
<b>III-E Subtotal</b>	<b>79,619</b>	<b>179,782</b>	<b>68,012</b>	<b>143,436</b>	<b>65,661</b>	<b>87,314</b>	<b>113,960</b>	<b>65,668</b>	<b>84,883</b>	<b>888,336</b>
VII Ombudsman	14,050	25,939	6,124	17,653	10,087	6,845	11,168	0	8,286	100,152
VII - Elder Abuse	1,109	2,505	948	1,998	915	1,216	1,588	915	1,183	12,376
NSIP	106,006	154,132	103,718	108,634	93,230	42,698	139,256	59,675	64,775	872,124
<b>TOTAL</b>	<b>\$873,881</b>	<b>#####</b>	<b>\$687,914</b>	<b>#####</b>	<b>\$633,078</b>	<b>\$686,993</b>	<b>\$909,110</b>	<b>\$486,678</b>	<b>\$631,842</b>	<b>#####</b>
SHIP-Grant Award 4/1/2022	34,213	77,255	29,226	61,637	28,216	37,520	48,970	28,219	36,475	381,730
MIPPA SHIP- Grant Award 9/1/2022	8,934	20,174	7,632	16,095	7,368	9,798	12,788	7,369	9,525	99,682
MIPPA ADRC	0	0	0	0	0	0	0	0	0	0
MIPPA AAA-Grant Award 9/1/2022	7,445	16,810	6,359	13,412	6,139	8,164	10,655	6,140	7,937	83,061
<b>TOTAL</b>	<b>\$50,592</b>	<b>\$114,238</b>	<b>\$43,217</b>	<b>\$91,143</b>	<b>\$41,723</b>	<b>\$55,482</b>	<b>\$72,413</b>	<b>\$41,727</b>	<b>\$53,937</b>	<b>\$564,473</b>
<b>ALLOCATION TOTALS</b>	<b>\$924,474</b>	<b>#####</b>	<b>\$731,130</b>	<b>#####</b>	<b>\$674,801</b>	<b>\$742,475</b>	<b>\$981,523</b>	<b>\$528,405</b>	<b>\$685,780</b>	<b>#####</b>
NEW STATE OMBUDSMAN (General Fund)	34,650	63,969	15,104	43,534	24,877	15,992	28,431	0	20,434	246,990
OMB REGIONAL (General Fund)		5,000			11,000					16,000
<b>GENERAL FUND</b>										
GF Total	<b>925,018</b>	<b>1,291,094</b>	<b>769,465</b>	<b>824,831</b>	<b>609,851</b>	<b>584,312</b>	<b>664,081</b>	<b>369,115</b>	<b>446,873</b>	<b>6,484,641</b>
<b>AAA ADMIN</b>										
III-B	(17,277)	(23,915)	(15,729)	(21,506)	(16,352)	(17,787)	(19,553)	(5,552)	(6,826)	(144,495)
III-C1	(24,509)	(40,245)	(20,839)	(34,535)	(22,316)	(25,718)	(29,904)	(11,517)	(14,536)	(224,118)
III-C2	(16,287)	(32,718)	(13,214)	(25,688)	(12,314)	(15,996)	(19,876)	(11,415)	(14,683)	(162,192)
III-E	(7,962)	(17,978)	(6,801)	(14,344)	(6,566)	(8,731)	(11,396)	(6,567)	(8,488)	(88,834)
<b>TOTALS</b>	<b>(\$66,035)</b>	<b>(\$114,856)</b>	<b>(\$56,583)</b>	<b>(\$96,073)</b>	<b>(\$57,548)</b>	<b>(\$68,232)</b>	<b>(\$80,729)</b>	<b>(\$35,051)</b>	<b>(\$44,532)</b>	<b>(\$619,638)</b>

Figure 2