

173-3-07

Older Americans Act: ~~consumer-voluntary contributions, cost sharing, and other program income.~~

(A) Introduction: All services paid, in whole or in part, with Older Americans Act funds are subject to voluntary contributions. All services paid, in whole or in part, with Older Americans Act funds are subject to cost sharing, except for services excluded by paragraph (C)(1) of this rule. All ~~consumer-voluntary contributions and cost sharing~~ for services paid, in whole or in part, with Older Americans Act funds are subject to the requirements contained in 42 U.S.C. 3030c-2 and ~~45 C.F.R. 1321.67~~.

(B) Voluntary contributions: Each AAA is subject to the federal mandate under 42 U.S.C. 3030c-2 to consult with relevant service providers and older individuals in the AAA's ~~planning and service area (PSA)~~ to determine the best method for accepting voluntary contributions.

(1) A provider may do the following:

(a) Solicit ~~consumers-service recipients~~ to contribute toward the cost of the services received and encourage any ~~consumer-service recipient~~ to contribute if the ~~consumer's-service recipient's~~ self-declared income is at, or above, one hundred eighty-five per cent of the federal poverty guidelines, which the United States department of health and human services establishes annually according to 42 U.S.C. 9902 and publishes on <https://aspe.hhs.gov/poverty-guidelines>.

(b) Develop a suggested contributions schedule for voluntary contributions ~~according to 45 C.F.R. 1321.67~~ based on the actual cost of services, but not use the schedule or any other means test to determine if a ~~consumer service recipient~~ is eligible to receive a service.

(2) A provider shall do the following:

(a) Clearly inform each ~~consumer-service recipient~~ in written materials, in alternative formats, and in languages other than English in compliance with federal civil rights laws, that contributions are purely voluntary. 42 U.S.C. 3030c-2 and ~~45 C.F.R. 1321.67~~ ~~do~~ does not allow means testing or denial of a service to a ~~consumer-service recipient~~ who does not contribute of the cost of the service.

(b) Protect the privacy and confidentiality of each ~~consumer-service recipient~~ with respect to the ~~consumer's-service recipient's~~ contribution or lack of contribution.

(c) Safeguard and account for all voluntary contributions.

(d) Use collected voluntary contributions to expand the services for which ~~consumers~~ service recipients contributed, and supplement Older Americans Act funds for those services and to meet any other requirements for program income in 2 C.F.R. 200.307 and 45 C.F.R. 1321.9(c)(2)(xii).

(e) Conduct voluntary contributions in a manner that does not cause a service recipient to feel intimidated or pressured to contribute.

(C) Cost sharing:

(1) All services paid, in whole or in part, with Older Americans Act funds are subject to cost sharing, except for the following services:

(a) Information and assistance, outreach, benefits counseling, case management, disease prevention, and health promotion, or volunteer ~~placement~~ management.

(b) Education, training, or a support group provided through the national family caregiver support program.

(c) Congregate and home-delivered meals.

(d) Ombudsman, elder abuse prevention, legal assistance, or another consumer-protection service.

(2) Each AAA shall implement and administer a cost-sharing policy that includes all of the following:

(a) The following sliding-fee schedule, which determines the ~~consumer's~~ service recipient's suggested cost-share percentage of the actual (or partial) contracted cost of a unit of a service based upon the ~~consumer's~~ service recipient's individual income as a percentage of the federal poverty guideline. Under no circumstances may an AAA permit or obligate a ~~consumer~~ service recipient to participate in cost sharing when the ~~consumer's~~ service recipient's income is below one hundred fifty per cent of the federal poverty guideline.

Sliding-fee Schedule

INCOME	SUGGESTED COST SHARE
149% and below	0%

150-174%	10%
175-199%	20%
200-224%	30%
225-249%	40%
250-274%	50%
275-299%	60%
300-324%	70%
325-349%	80%
350-374%	90%
375% and above	100%

- (b) A requirement to determine the ~~consumer's~~ service recipient's income solely by the ~~consumer's~~ service recipient's self-declaration of income with no requirement for verification, and no consideration or means testing of the ~~consumer's~~ service recipient's assets, savings, or other property.
- (c) A procedure for collecting cost-sharing payments from ~~consumers~~ service recipients, including from ~~consumers~~ service recipients receiving participant-directed services.
- (d) A prohibition against denying services paid, in whole or in part, by Older Americans Act funds due to the income of the ~~consumer~~ service recipient or the ~~consumer's~~ service recipient's failure to make a cost sharing payment.
- (e) A requirement to widely distribute written materials to ~~consumers~~ service recipients that describe the requirements for cost sharing, the services subject to cost sharing, the procedure for cost sharing, the sliding-fee schedule published in this rule, and a statement that a provider is prohibited from denying services paid, in whole or in part, by Older Americans Act funds due to the income of the ~~consumer~~ service recipient or the ~~consumer's~~ service recipient's failure to make a cost sharing payment.

- (f) A requirement to provide a receipt to a ~~consumer~~ service recipient or caregiver who makes a payment.
 - (g) A procedure for safeguarding and accounting for all cost-sharing funds collected.
 - (h) A requirement to retain records of all cost-sharing funds collected.
 - (i) A requirement to keep the ~~consumer's~~ service recipient's declaration or non-declaration of income and cost-sharing payment history confidential.
 - (j) A requirement to use the funds collected from cost sharing to expand the capacity to provide the service for which the funds were given, unless the funds are used to expand the pool of funds from which ~~the~~ a care-coordinated services are service is paid and to meet any other requirements for program income in 2 C.F.R. 200.307 and 45 C.F.R. 1321.9(c)(2)(xii).
 - (k) A requirement to conduct cost sharing in a manner that does not cause a service recipient to feel intimidated or pressured to contribute.
- (3) The AAA may request a waiver of the requirement in paragraph (C)(2) of this rule to implement and administer a cost-sharing policy. ~~ODA AGE~~ shall approve the request if the AAA demonstrates to ~~ODA AGE~~, by a preponderance of the evidence, one of the following:
- (a) At least eighty per cent of the ~~consumers~~ service recipients in the PSA have incomes below one hundred fifty per cent of the federal poverty guidelines.
 - (b) Cost sharing would be an unreasonable administrative or financial burden on the AAA.

(D) All program income:

- (1) "Program income" has the same meaning as in 2 C.F.R. 200.1. Under 45 C.F.R. 1321.9(c)(2)(xii), "program income" includes voluntary contributions and cost sharing.
- (2) Program income is subject to all of the following standards:
 - (a) 45 C.F.R. 1321.9(c)(2)(xii), which establishes the following:

(i) A limit on spending program income on only the service to which the income was originally collected.

(a) For program income received through a congregate dining project or home-delivered meals project, this means using the program income to increase the number of meals provided or to increase the nutrition counseling, nutrition education, or nutrition health screening to consumers who receive meals through the project.

(b) For program income received for a Title III-B service, this means using the program income to provide the same service to either of the following:

(i) Service recipients on waiting lists.

(ii) Service recipients in areas of the PSA in which the service has not been available or is underserved.

(ii) The addition alternative in 2 C.F.R. 200.307(e)(2).

(iii) A requirement to use program income during the grant period in which the income was originally collected.

(b) Requirements to report program income to AGE as it is earned.

(c) Requirements to report program income expenditures in AGE's designated reporting system.

Effective:

Five Year Review (FYR) Dates: 8/11/2025

Certification

Date

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Statutory Authority: 121.07, 173.01, 173.02, 173.392; 42 U.S.C. 3025; 45 C.F.R. 1321.9
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