

## Cost sharing in the 2000 reauthorization of the Older Americans Act

### (a) Cost sharing

#### (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 chapter 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.

#### (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.

#### (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 nondeclaration 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 chapter 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 chapter subject to cost sharing in the planning and service area have incomes below the threshold established in State policy; or
- (B) cost sharing would be an unreasonable administrative or financial burden upon the area agency on aging.

#### (b) Voluntary contributions

##### (1) In general

Voluntary contributions shall be allowed and may be solicited for all services for which funds are received under this chapter provided that the method of solicitation is noncoercive.

##### (2) Local decision

The area agency on aging shall consult with the relevant service providers and older individuals in agency's planning and service area in a State to determine the best method for accepting voluntary contributions under this subsection.

##### (3) Prohibited acts

The area agency on aging and service providers shall not means test for any service for which contributions are accepted or deny services to any individual who does not contribute to the cost of the service.

##### (4) Required acts

The area agency on aging shall ensure that each service provider will—

- (A) provide each recipient with an opportunity to voluntarily contribute to the cost of the service;
- (B) clearly inform each recipient that there is no obligation to contribute and that the contribution is purely voluntary;
- (C) protect the privacy and confidentiality of each recipient with respect to the recipient's contribution or lack of contribution;
- (D) establish appropriate procedures to safeguard and account for all contributions; and
- (E) use all collected contributions to expand the service for which the contributions were given.

(c) Participation

(1) In general

The State and area agencies on aging, in conducting public hearings on State and area plans, shall solicit the views of older individuals, providers, and other stakeholders on implementation of cost-sharing in the service area or the State.

(2) Plans

Prior to the implementation of cost sharing under subsection (a) of this section, each State and area agency on aging shall develop plans that are designed to ensure that the participation of low-income older individuals (with particular attention to low-income minority individuals and older individuals residing in rural areas) receiving services will not decrease with the implementation of the cost sharing under such subsection.

(d) Evaluation

Not later than 1 year after November 13, 2000, and annually thereafter, the Assistant Secretary shall conduct a comprehensive evaluation of practices for cost sharing to determine its impact on participation rates with particular attention to low-income and minority older individuals and older individuals residing in rural areas. If the Assistant Secretary finds that there is a disparate impact upon low-income or minority older individuals or older individuals residing in rural areas in any State or region within the State regarding the provision of services, the Assistant Secretary shall take corrective action to assure that such services are provided to all older individuals without regard to the cost sharing criteria.