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NAPA COUNTY BOARD OF SUPERVISORS Board Agenda Letter

TO: Board of Supervisors
FROM: Shelli Brobst for Snowden, Randolph F. - Director
Health & Human Services
REPORT BY: Charles Castellar, Behavioral Health Care Manager, 253-4651
SUBJECT: Discussion and possible action related to Area Agency on Aging Serving Napa and Solano, Inc.

RECOMMENDATION

Director of Health and Human Services requests Board guidance regarding an appeal from the Area Agency on Aging Serving Napa and Solano, Inc. (AAA) that Napa County increase its basic contribution to the AAA from \$18,680 to \$45,680 based on an increase of approximately one dollar for each county resident age 60 or older.

EXECUTIVE SUMMARY

Board guidance is sought regarding a request from the Area Agency on Aging Serving Napa and Solano, Inc. (AAA) that Napa County increase its basic contribution to the AAA from \$18,680 to \$45,680. The requested increase is based on an approximate "dollar per senior" formula – there are approximately 27,000 residents in Napa County age 60 and older. AAA proposes to use the funds to improve and expand services for Napa County older adults. The Health and Human Services Agency (HHSA) is requesting guidance from the Board regarding: (i) whether the Board supports amendment of the current AAA funding level administered through HHSA in the amount requested; (ii) whether the Board supports HHSA's position that services, budget information, and service outcome measures should be established at the same time additional funding is committed; and (iii) whether the Board wishes HHSA to transfer funding within the Agency from other existing services to support this contract increase.

FISCAL IMPACT

Is there a Fiscal Impact? Yes

Is it currently budgeted? No

What is the revenue source? County discretionary general funds would have to be used to meet this request not only for Fiscal Year 2007-2008 but for subsequent fiscal years. HHSA management believes that sufficient areas of projected under-expenditure can be identified within HHSA's existing budget to fund the

increase for Fiscal Year 2007-2008. For subsequent fiscal years, the funds would have to be transferred from other programs unless the fixed general fund contribution to HHSA were increased.

Is it Mandatory or Discretionary? Discretionary

Discretionary Justification: The Area Agency on Aging Serving Napa and Solano, Inc. has indicated that it intends to use the additional funds to improve and expand services benefiting Napa County seniors. The AAA is a key strategic partner to HHSA in the provision of services to the senior and disabled population within Napa County. The increase in funding will be leveraged by the commitment of the Solano County Board of Supervisors to increase that County's funding, conditioned upon Napa County's commitment to also increase its funding.

Is the general fund affected? Yes

Future fiscal impact: If so directed by the Board, in future fiscal years HHSA will move funds from other discretionary programming to continue the increased level of funding proposed here; however, the number of older adults is projected to increase significantly over the coming years, which will result in an increased cost for this request under the proposed "base plus one dollar per senior" formula implicit in it. This could result in HHSA eventually having to request additional County general funds to avoid disabling reductions in funding for other programs.

Consequences if not approved: Although the AAA Serving Napa and Solano is financially solvent at this time, additional County contribution by both Napa and Solano counties will help assure the viability of this reputable non-profit and avoid the possible risk of the counties having to assume direct operation of the AAA, which would significantly increase costs.

Additional Information:

ENVIRONMENTAL IMPACT

ENVIRONMENTAL DETERMINATION: The proposed action is not a project as defined by 14 California Code of Regulations 15378 (State CEQA Guidelines) and therefore CEQA is not applicable.

BACKGROUND AND DISCUSSION

The Area Agency on Aging Serving Napa and Solano, Inc. (AAA) is a private, nonprofit agency designated by the California Department of Aging to be the Planning and Service Area (PSA 28) for the Counties of Napa and Solano. The mission of the AAA is to provide effective leadership, promote cooperative relationships in the aging network, and provide or procure services to maintain and/or enhance the health, dignity and independence of older adults, persons with disabilities, and caregivers.

The AAA functions under the direction of a 16-member volunteer Board of Directors. Ten of the AAA Board of Director positions are nominated by County Supervisors (five from each County). These Directors are responsible for communicating with the Supervisor that appointed them to increase the Supervisor's awareness of senior needs and services. There are also three "at large" positions on the Board from each County.

Major AAA activities include planning, coordinating, and advocating for the development of a comprehensive service delivery system, and the administration of contracted programs. The AAA either directly provides or contracts with local community-based organizations for the delivery of an array of services including: Information and Assistance, Outreach, Case Management (including the Multipurpose Senior Services and Linkages programs), Centrally Provided and Home Delivered Meals, Senior Brown Bag, In-Home Visits and Telephone Reassurance Calls, In-Home Caregiver Referral Registry, Senior Legal Assistance, Assisted Transportation, Alzheimer's Day Care Resource Centers, Family Caregiver Support Program and Long-Term Care Ombudsman Program.

In Napa County, the AAA works collaboratively with the Napa County Health and Human Services Agency (HHSA) through HHSA's "Comprehensive Services for Older Adults" Division (CSOA). CSOA operates a range of programs for older adults and people with disabilities, directly or through contracts, including Adult Protective Services, In-Home Supportive Services, Mental Health Case Management, Older Adult Public Assistance, Older Adult Public Health Nursing, Public Guardian, Aged, Blind, Disabled and Long Term Care Medi-Cal, Conservatorship and Administrator services, and Veteran's Services. A few of AAA's programs, such as the Multipurpose Senior Services and Linkages programs, are provided in Napa County by AAA staff who are co-located within CSOA's offices.

Napa County's basic support for the AAA has for a number of years been in the range of \$18,000-21,000. This amount flows to AAA through a County match managed by CSOA and is used for administrative support. The figure is the required match for federal and state Title III and VII funds drawn down annually by AAA to provide services for Napa County seniors.

In 2007 AAA undertook an initiative to increase its annual base funding from Napa and Solano Counties by \$1 for each County's residents age 60 or older. AAA originally approached CSOA management staff with this request. CSOA responded by requesting more detailed information regarding the proposed use of the additional funding, including proposed new services, budget information, and service outcome measures. AAA met with CSOA staff and indicated that they envisioned using the additional funding to leverage more funding and to fill gaps in areas not currently funded. The AAA also proposed expanding direct services to Napa County seniors. After this initial meeting, CSOA requested further discussions in order to develop a proposal that would link the funding to quantifiable measures, deliverables and outcomes. The AAA did not respond to this request but did initiate a series of informational visits by AAA board members to individual members of the Napa County Board of Supervisors to update the Supervisors on AAA's activities and on their funding initiative. The AAA also obtained a vote of support for the funding initiative from the Solano County Board of Supervisors, which is reportedly conditioned on Napa County also committing to the initiative.

CSOA management has since contacted AAA management, who have provided some additional information regarding the possible uses to which AAA might put the additional requested funding. These include: (i) expansion of the AAA's grant writing capacity – AAA estimates that each dollar spent on grant writing should yield two to three dollars in additional program funding; (ii) disaster preparedness; (iii) assisted transportation; (iv) geriatric caregiver education; and (v) support for additional administrative staffing. AAA officials have indicated their intention to work collaboratively with CSOA management and their community-based provider network to ensure that services are developed and delivered effectively, addressing gaps and minimizing duplication.

HHSA considers AAA to be an essential strategic partner in the provision of services to older and disabled adults in Napa County. AAA has demonstrated its ability to provide services effectively, efficiently and ethically. If HHSA were to provide these services directly, as is the case in some California counties, costs would probably be significantly higher than providing them through AAA. AAA is challenged to maintain and expand essential services in the current restrictive funding climate in which both AAA and Napa County function. With the projected growth in the number of older adults in the coming years, AAA is striving to ensure that it maintains a staffing infrastructure to meet this critical service challenge. Most AAA funding is categorical and dedicated to specific program categories. The current funding initiative is designed to provide additional funds that can be used more flexibly to meet other

needs and to cover general operating cost increases.

The requested increase, if approved, would have to be underwritten with County general funds or other fully discretionary funding sources. For the current fiscal year, HHSA should be able to fund the increase through the shift of contract savings and other projected under-expenditures in the budget of its Comprehensive Services for Older Adults Division. However, ongoing funding within HHSA will require the identification of other program activities, either within the CSOA Division or the Agency as a whole, for which program funding will have to be reduced and transferred to this proposed use of increased funding for AAA.

This approach is reflective of the general understanding between HHSA and the Board of Supervisors regarding County support for human and social services. In approving HHSA's annual budgets, the Board of Supervisors has set the level of County support for HHSA at a fair level that is above the legal minimum that would be necessary to sustain State and Federal funding at their existing levels. That level of County support has been a fixed amount that continues from year to year and within which HHSA is responsible for managing the competing human service needs of the community. While unusual circumstances may require that the Board consider increasing or decreasing the level of County general fund support for HHSA, any such proposal would require significant analysis and policy discussion. HHSA believes that modest program adjustments of the type under consideration here should be the responsibility of HHSA to manage, based on any direction that the Board wishes to provide.

Against this background, HHSA is requesting guidance from the Board of Supervisors as follows:

1. Does the Board support the amendment of the current AAA funding agreement administered through HHSA in the amount requested?

-- HHSA's recommendation is that the Board support an increase up to the amount requested.

2. Does the Board support HHSA's position that services, budget information, and service outcome measures should be established at the time funding is committed, or would the Board prefer for the money to be provided for AAA to use to further its overall mission but otherwise within its sole discretion?

-- HHSA's recommendation is that the funding be tied to specific services, activities, budget information and outcome measures at the time it is committed.

3. If the Board supports the funding increase requested by AAA, would it prefer for the funds to be transferred from other programs within HHSA or funded through additional County general funds?

-- HHSA's recommendation is that the Board direct that HHSA identify discretionary funds currently budgeted for other uses to be transferred to support the requested funding increase.

SUPPORTING DOCUMENTS

None

CEO Recommendation: Approve

Reviewed By: Lorenzo Zialcita