

AAA Committee Recommendation Report

Report to the AAA Board

Report prepared by: Cheryl Batterman 261-9789
batterman.cheryl@countyofdane.com

Date: 4 October 2021

From: Access Committee Legislative/Advocacy Committee Nutrition/Wellness Committee

History/Related Actions

At the 9/29/21 Legislative/Advocacy Committee meeting, advocacy supporting federal and state programs was discussed and resulted in the following recommendation:

BATTERMAN reported all three Area Agencies on Aging (AAA), GWAAR, Dane, and Milwaukee Counties, recently received confirmation the anticipated and budgeted 2020 Title III-C1 carryover funds had lapsed back into the State's General Fund on 6/30/21. Representatives from all three AAA's met with Office on Aging staff on 9/20/21 to discuss this shortfall—how it happened, what could be done about it, and how could we ensure this doesn't happen again. Initial estimates of lapsed revenue included \$178,000 (Dane County), \$750,000 (Milwaukee County), and \$2.5 million (GWAAR). All three AAA's followed the policy direction and language from the State to spend new federal funding first as State GPR matching funds would carryover and be available to cover the cost of meals through the end of 2021. Batterman and Velasquez met with AAA Board Chair Melissa Ratcliff and AAA Legislative/Advocacy Committee Chair Esther Olson on 9/22/21 to alert them of the situation. Fortunately due to an oversight by the State, a federal COVID payment (CCA-2 funds) of \$198,000 had been received earlier this year but had not yet been spent as the State had not made the required annotations in the claiming system. In absence of a response or resolution from the State, GWAAR made the difficult decision to notify their 70 counties and 11 tribes on 9/27/21 and instructed them to immediately hold off spending their 2020 carryover funds.

Motion made by KAUD, seconded by LEZOTTE to direct AAA staff to draft a letter for AAA Board approval requesting a response from the Office on Aging acknowledging the severity of the situation, addressing how this will be corrected going forward, and requesting funding to replace Dane County's lapsed meal funding. The motion carried by the following vote:

Ayes **5** CASTANEDA, KAUD, LEZOTTE, MCHONE, and OLSON
Absent **3** BUNCK, SCHMIDLKOFER, and VUE

[NOTE: The State emailed the following on 9/30/21 and the draft letter responds to this email.]

Dear Aging Network Partners,

As you may have seen in an email sent by GWAAR Monday evening, Wisconsin's elder nutrition program did not use all of the state funding designated for the Elder Nutrition Program's congregate dining program in the previous state fiscal year. Largely due to the COVID-19 pandemic's disruption of normal services and the influx of more than \$13,000,000 in supplementary federal nutrition funding, approximately \$3.6 million in state funds were unspent and returned to the state's general fund to be

used for other programs and services. While the lapse of program funds is never welcome, supplementary funding from the federal government has continued to flow into Wisconsin in amounts that ensure Area Agencies on Aging and local Aging Units will be able to sustain the expanded and innovative programming that was begun during the pandemic through at least 2023.

BADR's fiscal and reporting team has been engaged in extensive research to clarify the situation and ensure that our communication to you is complete and accurate. We've prepared the attached to detail the circumstances that led to this situation, describe its implications, and suggest some steps we can all take to reduce the chances of additional underspending going forward. This information is detailed, but we encourage you to take the time to read it carefully so that you have a clear understanding of the situation and the action steps needed now. If you have additional questions about the circumstances, please send them to me and our team will respond. If you need specific information about your Aging Unit's GPR expenditures, please contact the AAA that holds your contract (for most, this will be GWAAR).

Thank you for taking the time to absorb this information!

Cindy Ofstead, Director, Office on Aging
Bureau of Aging and Disability Resources
Division of Public Health
Wisconsin Department of Health Services

Financial/Budget/Other Resource Implications (if any)

A loss of \$396,773 to Dane County's Nutrition Program in 2021

Recommendations

To approve the attached draft letter.

Attachments

DHS Office on Aging DRAFT Letter

DRAFT DHS Office on Aging Letter

The AAA Board would like to express our strong disappointment in the Office on Aging's failure to address the State's clear miscommunication provided to AAA's regarding the carry-over of Title III C funds, to include the State match, in their response received on 9/30/21.

Like Milwaukee and GWAAR AAAs, communication regarding the order in which COVID and Title III funding should be claimed was followed as communicated from multiple Office on Aging staff via virtual meetings and emails. **This included the understanding and assurance unspent C1 funds would be carried over, to include the State funding match.** Was it not for this repeated miscommunication, Dane County AAA would have transferred C1 funds to C2 and would have not lost any Title III C funding. As you noted in your 9/30/21 response, Dane County AAA has always been able to expend all of our Title III funding, lending credence to the fact we would have done so were it not for repeated assurances all funds would be carried over.

Unfortunately, after many requests for carryover amounts by Dane AAA staff beginning in January of 2021, it was learned, during a telephone call with the State's Fiscal Analyst on August 5, 2021 to Dane County AAA staff, the State portion of the C1 carry-over funds in fact were not carried forward and they were returned to the State's General Fund.

There was no communication to the AAA of Dane County: (1) the State funds would not be carried over; (2) efforts by the Office on Aging/BADR would not be made for a waiver from the State to carry over these funds; (3) the funding was allowed to lapse and be returned to the State's General Fund without providing timely and transparent communication to Dane County AAA; and (4) communication regarding this entire issue was not timely and occurred after considerable funding was expended beyond our budget. Further, anticipated ARPA funding is included for increased meals needed in our 2022 budget and does not allow for use as a gap filler in the 2021 budget.

While we are extremely aware of the complexity, changing workloads, absence of staff, and often daily decisions/challenges/pivots to the work we are all trying to accomplish, it is difficult to dismiss the level of miscommunication by the State throughout the process that directly caused underspending and remains missing from your recent explanation. In your response, your Office on Aging seems to minimize the loss of these funds as being covered by other supplemental funding. The fact remains according to your calculations, Dane County AAA lost \$396,773, or to put it more frankly, older adults lost 37,116 meals that could have been purchased and reduced malnutrition in persons that need more than one meal per day. For a program that has been critically underfunded for years, every penny is needed.

We are requesting a response from the Office on Aging whereby miscommunication made by the State is acknowledged as a primary factor in the decisions made by Dane County AAA and how this will be corrected going forward. Additionally, we are seeking advocacy on the part of the Office on Aging to secure additional funding to replace lapsed meal funding absorbed by Dane County AAA in 2021 and look forward to your response.