

ADRCs – State Funding Formulas

Overview

The Administration on Aging (AoA) within the Administration on Community Living (ACL) and the Centers for Medicare & Medicaid Services (CMS) have collaboratively worked to support the development of Aging and Disability Resource Centers (ADRC) in almost every state and territory in the U.S. ADRCs work to integrate and coordinate existing aging and disability service systems to create a “single point of entry” or “no wrong door” into the long-term services and supports system for seniors and people with disabilities in each state. The core functions of an ADRC are 1) information, referral and awareness, 2) options counseling, advice and assistance, 3) streamlined eligibility determination for public programs, 4) person-centered transitions, and 5) quality assurance and continuous improvement.

NASUAD surveyed its members to learn more about their ADRC funding sources and distribution formulas. Seventeen states responded to this inquiry, including: Arizona, Colorado, Delaware, Illinois, Indiana, Iowa, Kansas, Maryland, Massachusetts, Missouri, Montana, Nevada, New Mexico, North Carolina, Ohio, Oklahoma, and Texas.

Response Summary

Ongoing Sources of Funding

State agencies were asked what ongoing (not time-limited) sources of funding they currently use to support ADRCs. Four states (Iowa, Missouri, North Carolina, and Texas) reported that they have no ongoing funding to support their ADRC efforts at this time. Other states reported the following funding scenarios:

- Combination of funding from Older Americans Act (OAA) via AoA and Medicaid funding via CMS—Arizona and Indiana
- Combination of funding from OAA, Medicaid, foundation grants, and partner contributions—Colorado
- Combination of funding from OAA, Medicaid, and appropriations from the state (not including OAA matching funds)—Illinois, Kansas, Nevada, and Ohio.
- Combination of funding from OAA, Medicaid, appropriations from the state (not including OAA matching funds), and donations—Montana

- Combination of funding from Medicaid, appropriations from the state (not including OAA matching funds), CMS State Health Insurance Plan dollars, and ACL Senior Medicare Patrol grants—New Mexico
- Solely state appropriations—Delaware, Maryland, and Oklahoma
- Solely Medicaid funding—Massachusetts

In addition to the previously stated ongoing sources of funding, states named several creative future sources of funding they hope to use in support of their ADRC efforts. These possible sources include:

- Title III-B OAA funds for Information and Referral/Assistance
- State funding for Information and Referral/Assistance
- OAA/Medicaid reimbursement for Options Counseling
- Fee-for-service Options Counseling
- Cost sharing
- Veteran's Directed Home and Community Based Services state general funds
- Money Follows the Person

State ADRC Funding Formulas

States were asked to describe the formulas they used to distribute funding to the ADRCs in their state. They described the following:

- Funds to ADRCs are distributed by the Intrastate Funding Formula (IFF) used to distribute funds to Area Agencies on Aging (AAAs) under the OAA—Arizona, Illinois, Indiana, Montana, and Ohio
- ADRCs receive equal amounts of funding—Delaware, Nevada, and Texas
- In Colorado funds are distributed based on need, and existing resources of each ADRC.
- Indiana's "Empowering Individuals Grants" were distributed based upon number of hospitals served by each ADRC. State ADRC funds have been distributed based solely on the population the ADRC serves.
- Iowa funds two pilot sites.
- Kansas contracts with a single, statewide ADRC that is also an AAA. The ADRC subcontracts with the other 10 AAAs.
- Massachusetts uses various funding formulas depending on the source of funding. Currently, their funding formula is based on the population in need of services. For Options Counseling funding is based 50 percent on the number of beds the ADRC services and 50 percent on the population it services.
- New Mexico's ADRC is operated solely by the state agency on aging, thus, there is no funding formula.
- In addition to using IFF, Ohio's Medicaid funds that support waiver administration (including functions of I&R, options counseling, eligibility determination and functional assessment) are distributed by a formula developed in the state. The formula takes into account a number of factors, including the number of hospital beds and waiver enrollment.

- Oklahoma’s distribution of funds is done through their contracting and budgeting process.

Medicaid Funded ADRC Services

The chart below outlines the specific ADRC activities that states fund with Medicaid money.

Medicaid Funded ADRC Services					
State	I&R	Options counseling	Eligibility determination	Functional assessment	Case management
Illinois			X	X	
Kansas	X	X		X	
Maryland	X	X			X
Massachusetts		X			
Montana			X		
Nevada	X				
New Mexico	X	X	X		
Ohio	X	X	X	X	X

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