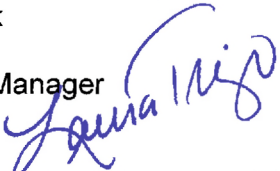


CITY OF LOS ANGELES
INTER-DEPARTMENTAL CORRESPONDENCE

Date: April 23, 2018

To: Honorable Paul Krekorian, Chair
Budget and Finance Committee

Attn: Erika Pulst, Legislative Assistant II
Office of the City Clerk

From: Laura Trejo, General Manager
Department of Aging 

Subject: **LOS ANGELES DEPARTMENT OF AGING RESPONSE TO PROPOSED
FISCAL YEAR 2018-2019 BUDGET**

The Mayor's proposed budget for Fiscal Year 2018-2019 for the Los Angeles Department of Aging (LADOA) is responsive to the needs of seniors and operation of the Department in assuring the continued funding for important service programs. The Department is appreciative of the proposed budget's continued baseline funding for senior services that includes nutrition programs; the Echo park Mini-MPC; the Estelle Van Meter Mini-MPC; and the Evidence Based Health Promotion Programs. In addition, the Department is appreciative of the funding and position supports for the Purposeful Aging Los Angeles Initiative.

Service Delivery Improvements

The LADOA has a long history of leveraging all of its resources (grants, staff, and community stakeholders) to obtain in-kind, additional funding, and additional community partners in maintaining and expanding senior and family caregiver services. The Department has a demonstrated record of maximizing its use of limited resources. However, with the rising demand for services as the older adult population grows, the continuing rates hunger/food insecurity and growing numbers of homeless older adults (who are now nearly 1/3 of the City's unsheltered adults) and the impact of flat lined grant budgets, the LADOA will continue to need City support for maintaining minimum service delivery levels.

Request for Additional Senior Nutrition Funds

The senior nutrition programs, congregate and home delivered meals, are facing a funding gap of \$793,173 needed for 99,981 meals (comprised of 85,651 congregate meals and 14,330 home delivered meals), because of increased costs and funding reduction. Implementation of City policies beginning in Fiscal Year 2016-17, are having a direct impact on cost of meals. LADOA is in full support of these policies and values of the Good Food Purchasing Policy, Sustainability Policy, and City Minimum Wage Ordinance. The share of cost related to implementation of the GFPP and other City policies is \$1,849,552. As detailed in Attachment 1, LADOA will require \$793,173 in additional funding for FY2018-19 to maintain service levels to avoid closing senior dining centers or placing homebound seniors on wait lists.

Request for Mini-MPC Administrative Dollars

In FY2016-17 and FY2017-18, City Council and the Mayor have funded the establishment of two mini-Multipurpose Senior Centers at Sandra Cisneros Learning Academy in Echo Park and the Estelle Van Meter Community Center. The two sites are funded at \$450,000 each to provide a range of senior services and pilot projects to those local communities.

As now fully established programs, the LADOA has completed its evaluation of staff resources needed to oversee these new sites, and is therefore requesting \$70,000 in administration funds to pay for the salary and expense costs of administering the two contracts, processing monthly invoices, and providing the auditing and fiscal monitoring.

Reduced Resources

Regrettably, one program the Department is unable to continue is the Older Workers Employment Program (OWEP) pilot serving homeless older adults. The program is currently budgeted at \$450,000 in General Funds considered one-time only and requiring an efficiency package for consideration. In addition, it would require additional \$171,853 in funding for the staffing needed to continue with full implementation given the work need to serve our clients. Over the last two years, the program has served 128 homeless older persons (37% more than targeted) by providing paid job-skills training, assessing service needs and providing/connecting them to supportive services. While our primary goal was identification, placement and job skills training, our results have gone beyond our expectations, all OWEP participants were assisted in securing transitional housing, 10 secured unsubsidized jobs, and 12 were able to secure permanent housing. LADOA deeply appreciates the opportunity to serve this population and to be given the opportunity to demonstrate the effectiveness of our strategies, interventions and most important community based partnerships. We applaud and are grateful to Mayor and Council for having the vision of allowing the Department to test this economic justice model in serving homeless older adults.

Metrics

The Department as an integral part of its service delivery model uses planned performance metrics that focus on efficiency, quality and targeting. These are incorporated into service provider contracts, are used by Contract Management and Planning staff to monitor performance and provide technical assistance to improve service delivery. The LADOA builds into its Four Year Area Plan a set of metrics in all service delivery components including nutrition, social services, and family caregiver services, etc.

Our Performance Outcomes Program uses internal and external data sources, including:

- Fiscal Audits – such as City outside audits, independent audits required of all contract providers, Controller audits, CDA comprehensive fiscal reviews conducted every four years
- Performance Audits – LADOA semi-annual monitoring, CDA comprehensive performance reviews conducted every four years
- Data Systems – Client Tracking System (CTS)
- Client Level Evaluation – includes surveys, pilots etc.

For example, in evaluating performance of our nutrition services we look at areas like:

- Efficiency - number of meals served and % waste.
- Quality - Percent of home delivered meal clients rate services good to excellent.
- Targeting - Percent of clients that live in poverty, at least 150% greater than the percent of all US elders living in poverty.

In addition, the LADOA has implemented a peer-to-peer based review of performance to identify and transfer best practices from within our own provider network.

Best Practices

As a recognized leader and innovator in our field, the LADOA is always looking to counterparts at the local, state, national and worldwide for new models and innovations in service delivery. As part Purposeful Aging LA: an Age Friendly Cities and Communities initiative we are reaching out to identify how to best serve the residents of Los Angeles. Among our most recent efforts are:

Dementia Friends California

In April 2018, LADOA as part of our work with Purposeful Aging LA, a partnership of Los Angeles City and County, and the Alzheimer's Association of Greater Los Angeles, we launched Dementia Friends California, part of a global movement that is changing the way people think, act, and talk about dementia. Developed by the Alzheimer's Society in the United Kingdom and embraced now in the USA with the goal of helping everyone in a community understand what dementia is and how it affects people, and how each of us can make a difference for people touched by dementia.

Aging Mastery Program®

In Fall of 2017, LADOA in collaboration with the National Council on Aging (NCOA), the UCLA Los Angeles Community Academic Partnership for Research in Aging, and Los Angeles County launched the Aging Mastery Program. NCOA created the Aging Mastery Program® (AMP) to develop new expectations, norms, and pathways for people aged 50 to 100, to make the most of their gift of longevity. AMP helps older adults and boomers build their own playbook for aging well. It is a fun, innovative, and person-centered education program that empowers participants to embrace their gift of longevity by spending more time each day doing things that are good for themselves and for others. As longtime collaborator, LADOA was invited to join NCOA in piloting this new program given our national reputation in the development, implementation and evaluation of similar programs. We are now actively seeking grants and private revenue streams to sustain the AMP and ensure its scalability and sustainability with the region.

Aging into the Future

In 2017, the Department began support of the Aging into the Future Conference sponsored by St. Barnabas Senior Services that brings Tech Entrepreneurs and Startups, Innovators, VC's and Investors; Aging Experts and Academia and Think Tanks, Nonprofits and Service Providers in Aging, Government Agencies, Foundations, and Consumers / Older Adults (65+) together to explore how technology can help/enhance the lives of older persons as they age in place. As a result of this involvement we are now developing a strategic vision of how to maximize the impact of technology on the well-being of older adults in our community. In addition, LADOA successfully secured a \$25,000 grand prize that will be given next year as part of local competition to encourage and support technology innovators in aging.

If you have any questions, please do not hesitate to call me at (213) 202-5645.

Attachment

cc: Interim City Administrative Officer
Deputy Mayor for Budget and Innovation
Deputy Mayor for City Services

Budget Package: Funding for Good Food Purchasing Policy Shortfall

LADOA is requesting to increase its GCP funding allocation for the Home Delivered Meals (C2) and Congregate Meals (C1) programs by \$123,385 and \$669,788 respectively. The funding is needed to offset the cost of implementing and maintaining meal enhancements in accordance with the City's Good Food Purchasing Policy (GFPP) CF11-1678.

In FY 2016-17, LADOA began implementing the GFPP. In accordance with the GFPP, LADOA authorized meal cost increases to enhance the quality of the meals with fresh, locally grown food and meal packaging upgrades that are more in accordance with the City's sustainability policy. In order to partially compensate for the cost increase, LADOA reduced the number of meals contracted for the Home Delivered Meals program from 815,842 meals to 770,788 meals; a reduction of 45,054 budgeted meals. In the Congregate Meal Program for FY 2016-17, the contracted meals were reduced from 861,261 meals to 729,298 meals in order to incorporate the GFPP; a reduction of 131,963 meals. The Year-Over-Year meal reductions are reflected below.

Year-Over-Year Meals Reduction Table			
	FY 2015-16	FY 2016-17	FY 2017-18
Congregate Meals Funded	861,261	729,298	678,232
Home Delivered Meals Funded	821,014	770,788	662,200

In FY 2016-17, there was a delay in implementing the quality-enhanced GFPP meals and the GFPP upgrades did not take effect until May 2017, resulting in program savings. In FY 2017-18, the Home Delivered Meals Program's contract levels were cut again to 662,200 meals, well below the 721,312 meals that LADOA is projected to actually serve. To compensate for the reduction in meals, LADOA used the One-Time-Only (OTO) funds that it received as a result of the FY 2016-17 program savings to fund an additional 59,112 home delivered meals in FY 2017-18 as reflected in the table below.

FY 2017-18 Projected Meals Shortfall		
	Congregate Meals	Home Delivered Meals
Anticipated Meals Needed	679,533	721,312
Meals Funded	679,533	662,200
One Time Only Funded Meals		59,112

For FY 2018-19, LADOA received an additional \$717,487 in funding from the California Department of Aging (CDA) for its Home Delivered Meal Program which compensates for the 2% inflation rate, a portion of the catered meal cost increase and the July 1, 2018 minimum wage increase for the 89 Home Delivered Meal drivers that are employed by the program via LADOA's non-profit service providers (St. Barnabas Senior Services, Watts Labor Community Action Committee, Jewish Family Services, San Fernando Valley Interfaith Council, etc.). However, the GFPP meal enhancements have left LADOA with less funding to deal with the Congregate Meal and Home Delivered Meal cost increases for FY 2018-19 and beyond. The tables below outline the cost increase per meal for FY 2016-17, FY 2017-18 and FY 2018-19.

Congregate Meal Cost Increase Factors (reflected as cost increase per meal)			
	FY 2016-17	FY 2017-18	FY2018-19
FY 2015-16 Catered Meal Cost	\$ 3.29	\$ -	\$ -
GFPP & Sustainable Packaging Upgrades	\$ 1.27	\$ -	\$ -
2% Inflation Rate for Catered Meals	\$ 0.09	\$ 0.09	\$ 0.10
City Minimum Wage Increase	\$ -	\$ 0.18	\$ 0.15

2% Inflation for Admin Costs	\$ 0.05	\$ 0.05	\$ 0.06
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Home Delivered Meal Cost Increase Factors (reflected as cost increase per meal)			
	FY 2016-17	FY 2017-18	FY2018-19
FY 2015-16 Catered Meal Cost	\$ 3.29	\$ -	\$ -
GFPP & Sustainable Packaging Upgrades	\$ 1.37	\$ -	\$ -
2% Inflation Rate for Catered Meals	\$ 0.09	\$ 0.10	\$ 0.09
City Minimum Wage Increase	\$ -	\$ 0.09	\$ 0.12
2% Inflation Rate for Admin Costs	\$ 0.07	\$ 0.05	\$ 0.06

Furthermore, LADOA contracts with nutrition consultants who perform numerous activities in support of the Congregate Meal and Home Delivered Meal programs. The Nutrition Consultant contractor is allocated \$203,701 in Congregate Meal Program funding and \$103,604 in Home Delivered Meal Program funding. Most of the tasks that the nutrition consultants perform are required by the California Department of Aging (CDA). The tasks are as follows:

- Routinely inspecting all meal kitchens to ensure that all congregate and home delivered meals are prepared in accordance with federal and state mandates;
- Visiting each congregate meals site (83 to 89 sites) on a monthly basis to ensure that the food is delivered and distributed to program clients in accordance with federal and state requirements;
- Provide nutrition education on a monthly basis at each Congregate Meal Site;
- Provide nutrition education materials to Home Delivered Meal clients;
- Contacting 10% of the Home Delivered Meal clients on a monthly basis;
- Inspecting Home Delivered Meal drivers / routes to ensure that meals are delivered in accordance with federal and state requirements;
- Surveying Congregate and Home Delivered Meal program participants to measure the quality and impact of the program.

As a result of the GFPP and sustainability packaging upgrades, the cost per catered home delivered meal increased from \$3.29 to \$4.66 and the cost per catered congregate meal increased from \$3.29 to \$4.56 in May 2017. An increase of \$1.37 per home delivered meal which amounts to \$988,197 (721,312 projected actual meals served for FY 2018-19 x \$1.37) for the Home Delivered Meals program; and an increase of \$1.27 per congregate meal which amounts to \$861,355 (678,232 projected actual meals served for the FY 2018-19 x \$1.27) for the Congregate Meal program.

LADOA shares the values in the City Council's adoption of the Los Angeles GFPP and has worked tirelessly to ensure that the City's Older Adults receive the quality-enhanced, locally-grown, fresh, nutritious meals that they deserve. For the past three years LADOA implemented the GFPP in the most cost effective and efficient manner possible. LADOA's department nutritionist provided technical assistance to the smaller caterers that produce the ethnic meals for the minority populations to ensure their adoption of the GFPP.

Consequently, LADOA's moderate cushion of excess meals has been completely depleted and program savings have been drastically reduced, if not completely eliminated. As a result, LADOA faces a projected shortfall to its Home Delivered Meal Program in the amount of \$123,385 and a projected shortfall to its Congregate Meal program of \$669,788. In order to fill a portion of the gap created by the GFPP, LADOA respectfully requests to increase the annual

allocation of Home Delivered Meal program GCP funding to \$2,667,230 (\$2,543,845 current funding + \$123,385 proposed funding) and to increase the annual allocation of Congregate Meal program funding to \$1,213,788 (\$544,000 current funding + \$669,788 proposed funding).

FY 2018-19 Projected Meals Shortfall		
	Congregate Meals	Home Delivered Meals
Projected Meals Needed	678,232	721,312
Meals Funded	592,581	706,982
Projected Meals Shortfall	(85,651)	(14,330)

LADOA is requesting these funds in order to avoid having to cut daily home delivered meals to 58 frail, homebound older adults (\$123,385 shortfall ÷ \$8.61 total cost per meal including packaging and delivery ÷ 249 days of service) and turn away older adults at congregate meal sites by serving 85,651 less meals in FY 2018-19 (\$669,788 shortfall ÷ \$7.82 total cost per meal including packaging, delivery and service). The allocation of the requested funding is needed to stabilize the infrastructure of these two successful nutrition programs, which have existed for over 30 years and are relied upon by over 21,000 older adult Angelenos (LADOA served 4,743 Home Delivered Meal clients and 16,779 Congregate Meal clients in FY 2016-17).