

Correspondence: Department of Health,
Education, & Welfare, 1972 September



OFFICE OF THE ADMINISTRATOR

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
SOCIAL AND REHABILITATION SERVICE
WASHINGTON, D.C. 20201

June 30, 1972

Received by
SECRETARY'S OFFICE

SEP 11 1972

DEPT. OF PUBLIC WELFARE

BALL PRESS - COPIES
CC: BAER - FOR RELEASE

CC: ~~BAER~~ LETTER:
SEC'y

BEAL
KNAUER
LEOPOLD

Mrs. Helene Wohlgemuth
Secretary
Department of Public Welfare
Health and Welfare Building
Harrisburg, Pennsylvania 17120

Dear Mrs. Wohlgemuth:

We are pleased to inform you that we have approved your request to amend the Pennsylvania section 1115 demonstration project #11-P-57087/3-02, "Pennsylvania Social Service System". This amendment includes approval of an additional grant of \$148,000 from special Federal project funds for emergency flood relief.

Sincerely yours,

John D. Twina

John D. Twina
Administrator

cc:
Regional Commissioner, SRS
R & D Specialist
Dr. Garrett
Mr. Rotundo
CSA

RECEIVED

SEP 12 1972

DEPUTY SECRETARY
FOR SOCIAL AND
MEDICAL PROGRAMS
REF. TO. _____

This approval is for
university level

October 26, 1972

RECEIVED

NOV 1 1972

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
FOR SOCIAL AND MEDICAL PROGRAMS
REF. TO. _____

Mr. Francis L. Warren
Regional Commissioner
Social and Rehabilitation Service
Department of Health, Education, and
Welfare
401 North Broad Street
Philadelphia, Pennsylvania 19108

Dear Fran:

I am most concerned about the effects the limitations imposed on the provision of social services to past and potential recipients under the closed-end will have on our Wyoming Valley United Service Agency Demonstration (Pennsylvania Section III5 Demonstration Amendment No. 1) as approved by Mr. Twiname on June 30, 1972.

As you know, geographic group eligibility was granted for all Title I, IVA, X, and XIV services included in our state plans covering the total counties of Luzerne and Wyoming. This method of coverage for an area so thoroughly devastated is absolutely essential and practical considering the social recovery needs of the area.

At this point, we are not terribly concerned about the absolute dollar ceiling for services. We think that we can provide a reasonably adequate statewide service program, including the Wyoming Valley, without allocation for this fiscal year. We do not, however, feel that we can generate the necessary state funds to provide the services not specifically exempt from the 90% - 10% current-past/potential formula. Because of the retroactivity of that provision, we are reasonably certain that we are presently approaching our 10% limit to past and potential recipients based on services provided from July 1, to the present.

Francis L. Warren

-2-

October 26, 1972

In view of the above, I am asking that you advise me whether or not the Secretary has discretion under the new amendments to waive any of the provisions on the service expenditures of the States. Specifically, I am requesting information about the possibility, considering the extreme circumstances in the disaster area, of being granted a waiver of applicability of the 90/10 formula for the purpose of this demonstration.

Your early reply will be greatly appreciated.

Sincerely yours,

(Mrs.) Helene Wohlgemuth

cc: Mrs. Wohlgemuth
Mr. Ball ✓
Mr. Buchanan
file
SB/JB/HW/bs

FLOOD RECOVERY PROPOSAL
PROJECTED BUDGET

(In Thousands)

PROPOSAL	TOTAL COST	FEDERAL FUNDS		TOTAL STATE \$ REQ.	NEW \$ REQUIRED FROM STATE
		SRS	OTHER		
USA Central Office	592	592	-	-	-
Day Care	13,544	6,048	5,583	1,913	777
Juvenile Delinquency	3,384	2,444	-	940	940
Homemaker	1,721	1,291	-	430	430
Medical Assistance	16,534	3,269	7,380	5,885	5,885
Income Maintenance	4,012	2,141	-	1,871	1,871
Mental Health	1,636	751	-	885	885
Mental Retardation	1,959	1,469	-	490	490
Transportation	592	444	-	148	148
Child Welfare	2,000	824	-	1,176	1,176
Training	280	213	-	67	67
Adult Services (Aged-Blind-Disabled)	268	201	-	67	67
TOTALS:	46,522	19,687	12,963	13,872	12,736

FLOOD RECOVERY PROPOSAL
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TOTALS:	46,522	19,687	12,963	13,872	12,736

Leave blank

Number.....
Date received....
Action and date..
Approval period..
Approved SFP grant

APPLICATION DEMONSTRATION PROJECT (Title XI, Section 1115 of the Social Security Act)

Application is hereby made to the Social and Rehabilitation Service for approval of a demonstration project, for the purpose described herein, in accordance with the agreement signed below:

1. TITLE OF PROJECT: Wyoming Valley Flood Recovery Medical Assistance Program
2. TYPE OF APPLICATION: Original ☒ Continuation ☐ Amendment ☐
3. REASON(S) FOR REQUESTING APPROVAL UNDER SECTION 1115 OF THE SOCIAL SECURITY ACT:
Waiver of plan requirements ☒
Cost not otherwise subject to Federal financial participation ☐
Request for special Federal project funds ☐
4. TOTAL COST OF PROJECT FOR APPROVAL PERIOD (Not to exceed one year)..... \$2,404,000
5. SPECIAL FEDERAL PROJECT GRANT REQUEST FOR APPROVAL PERIOD..... - 0 -
6. LOCATION OF PROJECT: Wyoming and Luzerne Counties of Pennsylvania
(Statewide or identify local agency)
7. PROJECT DIRECTOR: Kathryn S. McKenna - Project Director, United Services Agency
(Name and title)
8. AGREEMENT: It is understood and agreed to by the applicant that: (1) Funds granted for this project will be used only for the conduct of the project as approved. (2) The grant may be terminated in whole, or in part, by the Administrator of the Social and Rehabilitation Service. Such termination shall not affect obligations incurred under the grant prior to the effective date of such termination. (3) When funds are advanced, any unexpended balance at the end of the approval period will be returned. (4) When the project is terminated, there will be proper accounting for the Federal interest in the value of all equipment purchased from project funds. (5) The applicant will request that the project be revised whenever the approved plan of operation or method of financing is materially changed. (6) Progress reports will be submitted every six or nine months as applicable. The final report will be submitted within two months after the project terminates. Necessary records and accounts, including financial and property controls, will be maintained and made available to the Department of Health, Education, and Welfare for audit purposes. (7) All reports of investigations, studies, etc., made as a result of this proposal will acknowledge the support provided by the Social and Rehabilitation Service. (8) All personal information concerning individuals served or studies under the project is confidential and such information may not be disclosed to unauthorized persons. (9) The Social and Rehabilitation Service reserves a royalty-free nonexclusive license to use and authorize others to use all copy rightable or copyrighted material resulting from this project. (10) Form HEW-441 (Assurance of Compliance with the Department of Health, Education, and Welfare Regulation under Title VI of the Civil Rights Act of 1964) applies to this application and is on file with a unit of the Department ☐ or is attached ☐.

It is certified that the applicant has the legal ability to conduct this project.

(Mrs.) Helene Wohlgenuth, Secretary of Public Welfare
(Name and title of authorized official)

Pennsylvania Department of Public Welfare
(State agency)

Harrisburg, Pennsylvania 17055
(Address)

(Signature)

(Date)

ESTIMATE OF EXPENSES BY PURPOSE FOR APPROVAL PERIOD*

Page 3 of

Categorical Program Title XIX

(Since the State agency must allocate project costs to specific categorical program(s), a separate copy of this page should be made out for each program involved, with each copy showing only those costs charged to the given program. All project costs are to be summarized on page 4.)

PART I. ESTIMATED COSTS FOR ASSISTANCE

	First quarter	Second quarter	Third quarter	Fourth quarter	For approval period
A. Number of new recipients added by demonstration project.....	* 175	150	50	30	405
B. Number of recipients with grants increased due to demonstration project.....	* 4150	50	35	25	4206
C. Total payments due to demonstration project.....	\$	\$	\$	\$	\$2,404,000
1. Federal share from regular fund.....	\$	\$	\$	\$	\$1,033,720
2. State fund.....	\$	\$	\$	\$	\$1,370,280
3. Additional Federal share of assistance from special Federal project funds (may not exceed Item C minus Item C1 above).....	\$	\$	\$	\$	\$ None

PART II. ESTIMATED COSTS FOR ADMINISTRATION, SERVICES, AND TRAINING

	Subject to 75% Federal financial participation		Subject to 50% Federal financial participation	Total
	Services	Training		
A. Total.....	\$	\$	\$	\$
1. Regular Federal share.....	\$	\$	\$	\$
2. State funds.....	\$	\$	\$	\$
3. Additional Federal share from special Federal project funds (may not exceed Item A minus Item A1 above).....	\$	\$	\$	\$

* May not exceed 1 year.

*See Wyoming Valley Flood Recovery Proposal section 1115 requesting waivers in cash assistance program.

SUMMARY AND ESTIMATE OF FUTURE COSTS

PART I. SUMMARY OF ESTIMATE OF EXPENSES BY PURPOSE FOR ALL
CATEGORICAL PROGRAMS FOR APPROVAL PERIOD

A. Regular Federal share (Sum of Part I.C.1. and Part II.A.1.)...	\$ 1,033,720
B. State funds (Sum of Part I.C.2 and Part II.A.2.).....	\$ 1,370,280
C. Amount requested from special Federal project funds (Sum of Part I.C.3. and Part II.A.3.).....	\$ None
D. Total project costs for approval period (This sum should be the same as the total on the Estimate of Expenses by object)...	\$ 2,404,000
Less unencumbered balance previous grant.....	\$ None
Net Total.....	\$ 2,404,000

PART II. ESTIMATE OF COSTS DURING FUTURE YEARS OF DEMONSTRATION PROJECT

(Projects will generally not be considered if they require longer than 3 years to complete. Approval to carry out the project beyond the current approval period depends upon the receipt of satisfactory progress reports and a continuation request on Form SRS-180. Progress reports are due every six or nine months as notified in approval letter. The continuation request is due not later than two months before the end of the current approval period.)

A. Estimated <u>total</u> duration of project: Beginning	^{1/1/73} XXXXXX	Ending	^{1/1/74} XXXXXX
	Mo. Day Yr.		Mo. Day Yr.
B. Estimated total cost of project: 2nd Year..\$	_____	3rd Yr..\$	_____
C. Estimated special Federal project grant request:	2nd Year..\$	3rd Yr..\$	_____
D. Current approval period:	_____		
(Reserved for use of Social and Rehabilitation Service)			

SUMMARY OF MEDICAL SERVICES PROPOSAL
WYOMING VALLEY FLOOD RECOVERY PROGRAM

✓
Summing
on 1/23/72

<u>Medical Assistance Caseload-</u>	<u>Persons</u> <u>Present</u>	<u>New</u>	<u>Projected</u> <u>Total</u>
Public Assistance (PA)	18,665	4,200	22,866
Medically Needy (MN)	8,000	-	8,000
Total Persons	26,666	4,200	30,866

An additional 4,200 persons will be eligible for Medical Assistance and added to the Public Assistance caseload by providing a \$50 Special Flood Allowance and a Social Care Allotment above the present PA Financial Standard.

Expanded Services to PA and MN Persons

1. Provide eye care to PA and MN Persons except School Children who presently receive eye care.
2. Expand to MN Persons Drugs, Dental, Appliances, and Prostheses.
3. Expand to ADC Category and MN Persons Intermediate Care in public or private facilities.
4. Provide Early Screening and Diagnosis to PA and MN adults; this service is presently available to all children under age 21.
5. Pay reasonable costs for skilled Nursing Home Care, Intermediate Care, and Outpatient Clinic Services.

Other Institutional Services to Non PA and MN Persons

1. Reimburse hospitals and nursing homes about \$600,000 for emergency medical inpatient care given to persons who were treated and were unable to pay and were not eligible for Medical Assistance.

Institutional Facility Construction and Renovation

1. Construct 150 bed facility as a Restoration or Geriatric Center.
2. Need to construct 100 new nursing home beds since all of the existing beds are full.
3. Construction of residential or custodial facilities to accommodate 200 persons.
4. Total Cost of Construction is \$9,130,000.

10/2/72

SOCIAL RECOVERY PROPOSAL
PENNSYLVANIA WYOMING VALLEY FLOOD AREA

SOCIAL SERVICE

←-----HEW-----→

	Total Pop.	Total Cost	SRS	OC	NIMH	Hill- Burton	Total HEW	Total State Exp.	Extra New State Exp.	Other State Exp.	TOTAL OTHER FEDERAL DETS.
ent Service Programs	26,665	15,092	6,492				6,492	8,600		8,600	
osed Service Program (No Waiver)	30,866	20,092	8,640				8,640	11,452	2,852	8,600	
er to Include Eye Care A & PA Recipients ludes School Children)	6,250	250	107.5				107.5	142.5	142.5		
er to Include Dental, s, Appliances	10,300	850	399.5				399.5	450.5	450.5		
for MA & ADC Recipients		200	94				94	106	106		
y Screening for Adults	15,000	750	352.5				352.5	397.5	397.5		
er to Pay Reasonable Cost Skilled NH, ICF, & atient Clinic Services		354	167.0				167.0	187.0	187.0		
osed Program (Total ith Waivers) Service Cost)		22,496.0	9,760.5				9,760.5	12,735.5	4,135.5		
urse Facilities For ient Emergency Services		600						300.0	300.0		300 (OEP)
Location of Facilities:											
Construct Beds for Restoration Center	150	5,250				3,500.0	3,500.0	1,750	1,750		
Nursing Home Beds	100	1,200									1,200-SBA
Residential-Condominium Beds	200	2,680									2,680-HUD
CONSTRUCTION COST		9,130				3,500.0	3,500.0	1,750	1,750		3,880
PROPOSED PROGRAM ices and Construction)		31,626	9,760.5			3,500.0	13,260.5	14,785.5	6,185.5		3,880

Cost of Services Based on 43% Federal Participation - State 57% Net Share

10/2/72

FISCAL IMPACT OF EXTRA CASELOAD
AND EXPANDED SERVICES

	<u>Total Extra Cost</u>	<u>Total Extra Federal Share</u>	<u>Total Extra State Share</u>
Extra Cost of Extra Caseload	\$5,000,000		
Extra Cost of Expanded Services	<u>\$2,404,000</u>		
Total Extra Cost	\$7,404,000		
Federal Share (43%)		\$3,269,000	
State Share (57%)			\$4,135,000
Plus Construction Costs	\$9,130,000		
Federal Share -DHEW		\$3,500,000	
Federal Share - SBA, HUD		\$3,880,000	
State Share			\$1,750,000
Plus Reimbursement Emergency Inpatient Services			
Total Extra Cost	\$ 600,000		
Federal Share (50%)		\$ 300,000	
State Share (50%)			\$ 300,000
	<u>\$17,134,000</u>	<u>\$10,949,000</u>	<u>\$6,185,000</u>

Federal Waivers Needed

To provide the expanded services, Federal waivers will be required for the items of services recommended above, primarily coverage of Medically Needy Eligible Persons.

10/2/72

WYOMING AND LUZERNE COUNTIES

TITLE XIX PROGRAM

PROJECT NARRATIVE

About three months have passed since the devastating flood waters receded into the Susquehanna River. The reality of homelessness, joblessness, and illness are just becoming apparent to residents in the Wyoming Valley affected by the flood. The rigors of cleanup are over for most; for others, they are to be experienced.

The physical and mental toll will be great. A deterioration of physical and mental health in process must be arrested for those already experiencing the clinical manifestations of overwork, stress, and anxiety and must be prevented, if possible, in those for whom such symptoms are predestined unless precluded in time by appropriate measures.

The health care delivery system must be strengthened in order to provide required health care. As appropriate, financial incentives must be developed to insure maximum participation of area health care providers in the Title XIX program. Finally, the Title XIX Program's amount, duration, and scope of services made available to Title XIX recipients in the area must be broadened so as to make available all required health care services necessary to assure an optimum physical and mental health condition for this population. The existing Title XIX Program in these two counties is inadequate to achieve this goal. The accomplishment of the described goal will be a sufficient demonstration that the modifications made in the Program in these two counties should be made Statewide for the entire Title XIX Program.

State Plan waivers will be required so that eye care, including glasses, and early screening, diagnosis and treatment can be provided to all individuals 21 or over (categorically and medically needy). These waivers will be necessary to screen, diagnose, and treat this population to raise their health care status to an acceptable level. This is particularly important for the elderly population so negatively affected from a physical and mental viewpoint by the flood. This population is patently unable to pay for these real needs.

State Plan waivers are also necessary to enable the medically needy group to secure necessary drugs, dental services, and appliances and prostheses, expensive essential services that were economically unavailable to this population even before the flood, and now more than ever.

Finally, the number of available health care providers in the area has been significantly reduced by the impact of the flood. Many that are available are reluctant to participate under Title XIX because of the low reimbursement. Several health care facilities (outpatient clinics, skilled nursing homes, and intermediate care facilities) projected to open in the area, as well as existing providers, will find the Title XIX reimbursement schedule too low. If the number of Title XIX providers is to be maximized to handle the increased Title XIX population, these potential providers must be encouraged to become Title XIX providers. For these reasons, there is a desperate need to provide a financial incentive to maximize provider participation. Thus, a State Plan waiver will be necessary to allow the reimbursement of outpatient clinics, skilled nursing homes, and intermediate care facilities on a reasonable cost basis.

EVALUATION AND MONITORING FOR 1115 PROJECT

NUMBER 11-P-15333/3-01

(MEDICAL ASSISTANCE)

FOR THE ATTENTION OF A. S. SALVI

TITLE XIX WAIVERS

ITEM I. SCREENING, DIAGNOSIS AND TREATMENT

This provision extends the Federal Requirement for Screening, Diagnosis and treatment beyond age 21 in an effort to provide preventive medical services to all age groups. Incipient physical and mental problems can be discovered and treated. The initial cost of this service would increase expenditures but should not only provide optimum medical care but in the long run decrease costs because of early diagnosis and treatment.

Screening, diagnosis and treatment of all adults should result in corrective medical services being provided for adults who with such treatment would be rendered employable. The shortage of manpower and the booming labor market in the area demands that as many people as possible be rendered job ready. The Public Assistance rolls constitute a major manpower resource if necessary medical care can be provided to correct or alleviate limiting handicaps.

ITEM II. EXPANSION OF MEDICAL PROGRAM

The medically indigent, under the present plan, are not really served if treatment recommended for a medical problem includes drugs, dental services, appliances, etc. To qualify for medical assistance, consumers must be at the poverty level. To make a diagnosis and recommend treatment which includes the above is not a service but a dis-service to an already economically and socially deprived group.

ITEM III. INCREASE IN MEDICAL AND MEDICALLY RELATED FEES

The Nursing Home and Intermediate Care situation is a serious one. Operators are faced with rising costs brought about by state requirements in respect to staff ratio to patients. Additionally to meet Life Safety Requirements most if not all Nursing and Intermediate Care Homes must make costly renovations to their facilities. If they are not adequately reimbursed proprietors will be forced out of business and patients needing the care they provide will suffer because they will be forced into sub-standard unlicensed facilities which at best provide only minimal custodial care.

In an attempt to insure Medical Care for the Medically Indigent a plan is in progress to enlist the services of a group of doctors who have signified their willingness to provide care to Public Assistance and Medical Assistance eligible consumers. The Department will work out a plan whereby the physicians will be relieved of the volume of paper work involved in providing services. Clerical and paper details will be handled by Departmental employees. This plus an equitable increase in fees should result in greater participation by physicians and increased service to consumers.

Leave blank

Number.....
Date received....
Action and date..
Approval period..
Approved SFP grant

APPLICATION DEMONSTRATION PROJECT (Title XI, Section 1115 of the Social Security Act)

Application is hereby made to the Social and Rehabilitation Service for approval of a demonstration project, for the purpose described herein, in accordance with the agreement signed below:

1. TITLE OF PROJECT: Wyoming Valley Flood Recovery Proposal
2. TYPE OF APPLICATION: Original ☒ Continuation ☐ Amendment ☐
3. REASON(S) FOR REQUESTING APPROVAL UNDER SECTION 1115 OF THE SOCIAL SECURITY ACT:
Waiver of plan requirements ☒
Cost not otherwise subject to Federal financial participation ☐
Request for special Federal project funds ☐
4. TOTAL COST OF PROJECT FOR APPROVAL PERIOD (Not to exceed one year)..... \$4,012,000
5. SPECIAL FEDERAL PROJECT GRANT REQUEST FOR APPROVAL PERIOD.....
6. LOCATION OF PROJECT: Luzerne and Wyoming Counties
(Statewide or identify local agency)
7. PROJECT DIRECTOR: Elliot Knauer, Deputy Secretary for Northeastern Region
(Name and title)
8. AGREEMENT: It is understood and agreed to by the applicant that: (1) Funds granted for this project will be used only for the conduct of the project as approved. (2) The grant may be terminated in whole, or in part, by the Administrator of the Social and Rehabilitation Service. Such termination shall not affect obligations incurred under the grant prior to the effective date of such termination. (3) When funds are advanced, any unexpended balance at the end of the approval period will be returned. (4) When the project is terminated, there will be proper accounting for the Federal interest in the value of all equipment purchased from project funds. (5) The applicant will request that the project be revised whenever the approved plan of operation or method of financing is materially changed. (6) Progress reports will be submitted every six or nine months as applicable. The final report will be submitted within two months after the project terminates. Necessary records and accounts, including financial and property controls, will be maintained and made available to the Department of Health, Education, and Welfare for audit purposes. (7) All reports of investigations, studies, etc., made as a result of this proposal will acknowledge the support provided by the Social and Rehabilitation Service. (8) All personal information concerning individuals served or studies under the project is confidential and such information may not be disclosed to unauthorized persons. (9) The Social and Rehabilitation Service reserves a royalty-free nonexclusive license to use and authorize others to use all copy rightable or copyrighted material resulting from this project. (10) Form HEW-441 (Assurance of Compliance with the Department of Health, Education, and Welfare Regulation under Title VI of the Civil Rights Act of 1964) applies to this application and is on file with a unit of the Department ☒ or is attached ☐.

It is certified that the applicant has the legal ability to conduct this project.

Helene Wohlgemuth, Secretary of Public Welfare
(Name and title of authorized official)

Pennsylvania Department of Public Welfare
(State agency)

Health and Welfare Building
(Address)

Harrisburg, Pennsylvania 17120

Helene Wohlgemuth
(Signature)

11-15-72
(Date)

Project Narrative

I. Goals of Project:

The goals of the project are to assist low-income persons in recovering from the effects of the flood by recognizing that the flood disaster has: (1) created extraordinary needs and (2) rendered certain resources either insignificant, or of special importance to their recovery effort.

Specifically, the proposals and the goals attached to them are:

1. Special Allowance for Flood Victims:

The goal is to provide for (a) victims of the flood who lost clothing and other items of personal property such as household supplies and equipment that are not generally replaceable through SBA loans, and (b) those living in temporary shelter in which costs for utilities and other services are beyond their control.

2. Social Care Allowance:

The goal is to provide for persons who, because of age infirmities, require supervised rooming and boarding arrangements. The County Authorities have been providing an allowance to supplement the PA grant in 50 cases. However, expenses of the flood have bankrupted the County to the extent that their supplementation cannot be continued. Further, it is anticipated that the need for supervised room and board arrangements will increase because of the large number of elderly persons who have to find new living arrangements because of loss of their own homes.

3. Support from LRR:

The goal is to avoid the unproductive activity of requiring residents of the Wyoming area to seek support from their legally responsible relatives living in the area when it is known that most of these relatives were also affected by the flood.

4. Disregard of Cash Value of Insurance:

Insurance protection in the period following a disaster takes on special significance to persons involved in the disaster. In low income families, few persons have insurance holdings with value in excess of our \$500 cash limit. The proposal would void the need to make a review of an asset that has particular significance to the client but is of minor consequence to the agency. A spin-off of value to the agency and the client is the simplification of both the application and redetermination procedures that will result.

Sumner

II. Description of Program:

The special policies to be applied to Wyoming Valley are:

1. Special Allowance for Flood Victims:

An allowance of \$50 monthly for one person and \$25 for each additional person in the family unit up to a maximum of \$200 for an assistance unit shall be made to individuals or families whose homes were flood-damaged. To qualify for the allowance the individual or family must certify as to his address at the time of the flood and that his home and/or household or personal possessions were damaged.

2. Social Care Allowance:

An allowance of \$50 monthly will be made for individuals who require supervised care in a boarding home. Individuals eligible for this allowance must be able-bodied to the extent that neither nursing home nor intermediate care is required.

3. Support from LRR:

The ability of legally responsible relatives living in Wyoming Valley to prove support will not be determined nor will action be taken to obtain support from such relatives. Support provided by such relatives on a voluntary or court-ordered basis will, however, be considered as a resource that reduces need for assistance.

4. Resource Value of Insurance:

Insurance will be disregarded as a resource for all applicants and recipients in Wyoming Valley.

The proposals involve policies and allowances that we hope to extend on a State-wide basis, either in the form proposed or on a modified level. Experience with them in a limited geographic area will enable the agency to determine the feasibility of State-wide application.

The agency is prepared to initiate the project immediately upon approval.

III. Qualifications of Staff:

No special staff qualifications are required to implement the proposals. All project positions are to be merit system positions.

IV. Community Involvement:

The proposals are part of a package for serving the disaster area effectively and totally. Community organizations and agencies have been heavily involved in developing the package.

In respect to these apecific proposals, involvement has been with the County Bureau for the Aging on the allowance for Social Care and that Bureau will make placements and supervise the boarding homes providing such service.

V. Reason for Requesting Approval:

The proposal initially, at least, will be in effect only in two of the 67 administrative units (counties) of the State. For this reason, waiver of Statewideness, 45 CFR 233.20(a), is requested.

Statutory changes are not needed to make the proposals State-wide should the project prove successful. A change in regulations and allowance policies would suffice.

There is indication that the proposals might be adopted State-wide if the demonstration is successful.

CC: Mrs. Wohlgemuth ✓
Mr. Beal
Mr. Jones
Mr. Little
Mr. Elliot Knauer
Mr. Buchanan
Miss Davis

DD/bae

ESTIMATE OF EXPENSES BY PURPOSE FOR APPROVAL PERIOD*

Page 3 of

Categorical Program _____

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2. State fund.....	\$	\$	\$	\$	\$1,871,000
3. Additional Federal share of assistance from special Federal project funds (may not exceed Item C minus Item C1 above).....	\$	\$	\$	\$	\$

PART II. ESTIMATED COSTS FOR ADMINISTRATION, SERVICES, AND TRAINING

	Subject to 75% Federal financial participation		Subject to 50% Federal financial participation	Total
	Services	Training		
A. Total.....	\$	\$	\$	\$
1. Regular Federal share.....	\$	\$	\$	\$
2. State funds.....	\$	\$	\$	\$
3. Additional Federal share from special Federal project funds (may not exceed Item A minus Item A1 above).....	\$	\$	\$	\$

* May not exceed 1 year.

SUMMARY AND ESTIMATE OF FUTURE COSTS

PART I. SUMMARY OF ESTIMATE OF EXPENSES BY PURPOSE FOR ALL CATEGORICAL PROGRAMS FOR APPROVAL PERIOD

- | | | |
|----|---|--------------|
| A. | Regular Federal share (Sum of Part I.C.1. and Part II.A.1.).. | \$ 2,141,000 |
| B. | State funds (Sum of Part I.C.2 and Part II.A.2.)..... | \$ 1,871,000 |
| C. | Amount requested from special Federal project funds (Sum of
Part I.C.3. and Part II.A.3.)..... | \$ NONE |
| D. | Total project costs for approval period (This sum should be
the same as the total on the Estimate of Expenses by object).. | \$ 4,012,000 |
| | Less unencumbered balance previous grant..... | \$ NONE |
| | Net Total..... | \$ 4,012,000 |

PART II. ESTIMATE OF COSTS DURING FUTURE YEARS OF DEMONSTRATION PROJECT

(Projects will generally not be considered if they require longer than 3 years to complete. Approval to carry out the project beyond the current approval period depends upon the receipt of satisfactory progress reports and a continuation request on Form SRS-180. Progress reports are due every six or nine months as notified in approval letter. The continuation request is due not later than two months before the end of the current approval period.)

- A. Estimated total duration of project: Beginning 1-1-73 Ending 1-1-74
Mo. Day Yr. Mo. Day Yr.
- B. Estimated total cost of project: 2nd Year..\$_____ 3rd Yr..\$_____
- C. Estimated special Federal project
grant request: 2nd Year..\$_____ 3rd Yr..\$_____
- D. Current approval period: _____
(Reserved for use of Social and Rehabilitation Service)

EVALUATION AND MONITORING FOR 1115 PROJECT

NUMBER 11-P-15334/3-01

(INCOME MAINTENANCE)

FOR THE ATTENTION OF A. S. SALVI

EVALUATION AND MONITORING FOR 1115 PROJECT NUMBER 11-P-15334/3-01 (INCOME MAINTENANCE)

Income Maintenance Waivers

Item 1 Special Allowance for Flood Victims

Provision of a Flood Recovery Allowance will enable flood victims to begin to reestablish themselves in normal living conditions. Temporary housing provided by HUD is merely a stop gap and already this agency is beginning to provide relocation counseling in an effort to move families from temporary housing. SBA loans provide funds for major replacements, but items needed on a day to day basis to begin to refurbish a home represent an expense not provided for in grants to public assistance recipients. Additionally many families, although their losses may have been more than \$5000.00, applied for only the amount that would be forgiven. They could anticipate no way they could repay any amount over that figure because they were living at below poverty level on pensions plus Public Assistance Grants.

Item 2 Social Care Allowance

Because of the critical situation in respect to the lack of Nursing Homes and Intermediate Care facilities, many recipients will be forced to make provisions for living outside such institutions. If this allowance were provided it would enable individuals needing help in preparing meals, doing laundry and providing personal care to make arrangements for such care at a slightly increased cost. This would relieve the pressure on Nursing Homes and Intermediate Care Facilities and reserve these facilities for the more seriously afflicted cases.

Item 3 Support from Legally Responsible Relatives

If a legally responsible relative was affected by the flood, the chances of his being required to contribute to his indigent relative would be nil. With the waiver provisions of the Public Assistance regulations, the majority would be relieved of this responsibility because of debts and contracted obligations. The waiver process would be futile because after a complicated procedure, no contributions would be forthcoming.

EVALUATION AND MONITORING FOR 1115 PROJECT NUMBER 11-P-15334/3-01 (INCOME MAINTENANCE)

This plus the waiver of consideration of cash value of insurance would
result in a simplified application process.

EVALUATION PLAN

The contract with Pennsylvania State University to evaluate the United Services Agency has built into it a system of review and evaluation by which the increased impact and cost of services including financial and medical can be documented.

The following will be done under the terms of the contract:

1. (a) A baseline of services will be established - who is receiving service and who is not.
(b) Performance of U.S.A. will be measured against this baseline.
(c) Increase in services will be documented at the end of one year
2. Interviews will be conducted with
 - (a) A selected sample of consumers
 - (b) "Non-consumers"
 - (c) Public Agency Staff
 - (d) Private Agency Staff
 - (e) "Influentials"

Civic Leaders

Labor Representatives

Client groups, Welfare Rights Organization, etcetera

The Management Information System being developed by and with Pennsylvania State University will provide a feed back in respect to what services are being provided. An attempt will then be made to cost out the services and arrive at an average cost for each service provided.

It will then be possible to look at over-all program cost increase in relation to increase in services and reach a decision as to whether or not the increased cost resulted in a realistic worthwhile increase in services.

An initial progress report of the Pennsylvania University Evaluation will be made on June 30, 1973.

Note - When The Pennsylvania State University Document is approved by USA
Project Director, a copy may be made available to S.R.S.

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