

Attachment C—New Mexico’s Intrastate Funding Formula (IFF)/Funds Distribution Plan

Introduction

The New Mexico Aging and Long-Term Services Department (ALTSD) allocates Title III and State General Revenue Funds appropriated for distribution to the five Area Agencies on Aging on a formula basis in accordance with the Older Americans Act and its regulations. Section 1321.37(a) of the Older Americans Act regulations further requires the Department to "review and update its formula as often as a new State plan is submitted for approval." New Mexico’s new State Plan has been developed for FFY 2026 through FFY 2029. After thoughtful discussion, careful consideration, AAA input and a thorough review of the current intrastate funding formula, a revised formula was presented to the ALTSD Secretary of the Department for approval. The recommended revision was accepted.

Funding Formula Definitions

- **Federal Award** means allocation for Title III services.
- **Minority** means the race data defined by the U.S. Census Bureau.
- **Population** means the total senior population defined by the U.S. Census Bureau and population by weighted factors.
- **Poverty threshold** means the income cutoff, which determines an individual's poverty status as defined by the U.S. Census Bureau.
- **PSA** means a Planning and Service Area, which is designated by the New Mexico ALTSD as authorized in the New Mexico Department on Aging and Elder Services Older Americans Act In 1973.
- **Rural area** means a geographic location not within a Metropolitan or Urban area as defined by the State of New Mexico.
- **Weighted Factor** determined by factor percentage.

A descriptive statement of the formula’s assumptions and goals, and the application of the definitions of greatest economic need and greatest social need, including addressing the populations identified pursuant to 45 CFR § 1321.27(d)(1).

Formula Goals and Assumptions

The goals that will be addressed by the revised intrastate funding formula (IFF) follow:

Purpose: To develop a formula consistent with the purpose and requirements of the OAA and its regulations.

- To provide resources across the state for home and community-based services for older adults and adults with disabilities over the age of 60.
- To target resources in areas of the State with higher concentrations of older adults and adults with disabilities in greatest economic and social need, with special emphasis on low-income minority older adults residing in rural areas of the state.

- To create and implement a formula that distributes resources solely on the population characteristics of each planning and service area and reflects changes in characteristics among the PSAs by incorporating updated data.
- To develop a formula that is easily understood.

In developing the IFF, the Department determined the factors of the formula and the effects of the distribution of funds on the service delivery system across the State. Factors in the development of the formula were:

- The weights assigned to the formula factors should represent the emphasis and priority placed on the specific characteristics of adults over the age of 60.
- Funding formula factors must be derived from data, which is quantifiable by PSA, based on data from the U.S. Census Bureau.
- Older adults are currently receiving services based on existing historical patterns of service delivery. The effect on older adults presently receiving Title III services should be considered when developing and implementing a formula.
- The low revenue generating potential of rural areas and the high proportion of elderly in rural areas, including low-income elderly, necessitates a greater dependence on the Title III service system to meet the service needs of rural elderly. The revised funding formula reflects and considers these factors.
- Consideration of the NM Tribes and Pueblos applying for Title III funding during the AAAs RFP process.
- The revised funding formula reflects and considers these factors. It is the combination of federal, state, regional, and local targeting efforts that will implement this fundamental mandate of the Older Americans Act.

The revised IFF will provide AAAs with necessary resources and additional funding to support increased service cost and implement additional targeted strategies at the regional level by focusing on the greater concentration of older adults residing in rural areas of NM, minority older adults, and older adults in greatest economic and social need.

It is the combination of federal, state, regional, and local targeted efforts that will implement this fundamental mandate of the Older Americans Act. The Department will progressively apply the IFF to the state general funds over the years of the state plan.

- A list of the data used by PSA.
- New Mexico Population Data Summary by PSA

New Mexico Aging & Long-Term Services Department

Updated IFF¹

PSA	Population	60+ (includes PSA 6)	60+ Rural	60+ Below Poverty (65+)	60+ Minorities	Number of Counties
1	672,508	163,620	1,032	15,103	72,446	1
2	757,080	201,665	29,345	18,562	102,008	13
3	302,780	65,882	61,060	6,219	26,207	11
4	380,976	95,374	43,199	9,825	44,971	8
5	40,906	*	*	*	*	*
6	79,827	*	18,084	*	18,084	21
Total	2,234,077	526,541	152,720	49,709	263,716	54

*PSA 5 and 6 older adult population totals are captured in the county totals. PSA 5 is Navajo Nation (receives Title III through the Tri-State agreement), PSA 6 IAAA (only State funds).

New Mexico Population Data Percentage by PSA

PSA →	1	2	3	4	5	6	Total
Population	30.10%	33.89%	13.55%	17.05%	1.83%	3.57%	100.00%
60+ (60%)	31.07%	38.30%	12.51%	18.11%	0.00%	0.00%	100.00%
60+ Rural (17%)	0.68%	19.21%	39.98%	28.29%	0.00%	11.84%	100.00%
60+ Below Poverty (13%)	30.38%	37.34%	12.51%	19.77%	0.00%	0.00%	100.00%
60+ Minorities (10%)	27.47%	38.68%	9.94%	17.05%	0.00%	6.86%	100.00%
Number of Counties	1	13	11	8	0	21	54

Updated IFF

PSA	New Mexico Counties and Tribal Lands
PSA 1	Bernalillo
PSA 2	San Juan, McKinley, Cibola, Rio Arriba, Los Alamos, Sandoval, Valencia, Santa Fe, Taos, Torrance, Colfax, Mora, San Miguel
PSA 3	Union, Harding, Quay, Guadalupe, DeBaca, Curry, Lincoln, Chaves, Roosevelt, Eddy, Lea
PSA 4	Catron, Grant, Hidalgo, Socorro, Sierra, Luna, Doña Ana, Otero
PSA 5	New Mexico portion of the Navajo Nation
PSA 6	Mescalero Apache Nation, Jicarilla Apache Nation; Acoma, Cochiti, Isleta, Jemez, Laguna, Nambe, Ohkay Owingeh, San Felipe, San Ildefonso, Sandia, Santa Ana, Santa Clara, Santo Domingo, Picuris, Pojoaque, Taos, Tesuque, Zia, Zuni Pueblos

¹ <https://www.census.gov/quickfacts/fact/table/NM/PST045223>

SOURCE: US Census 2022 estimates

Population	Acronym (Population %)	Weighted Amounts
60+	A	60%
60+<POVERTY	B	10%
60+ RURAL	C	17%
60+MINORITY	D	13%

XA + XB + XC + XD = Total Amount of Allocation

Description	Acronym for Formula
Federal Award	FF
Weighted Amounts	W
Funding per factor Population	F
Population	A, B, C, D
Allocation Per Population	X

Award Calculation	$FF * W = F$
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Funding per factor population	
60+	$F * A = X(A)$
60+<POVERTY	$F * B = X(B)$
60+ RURAL	$F * C = X(C)$
60+MINORITY	$F * D = X(D)$

Take funding per factor population and add all together to get the total allocation:	
Total Amount of Allocation	$X(A) + X(B) + X(C) + X(D) = \text{Total Allocation}$
This Intrastate funding formula will be applied to each Title III service allocation.	

- A descriptive statement of each factor (i.e. 60+ living alone – number of people who are 60 and older that live alone) and weight/percentage used for each factor (i.e. 60+ living alone = 5%).

Funding Formula Factors and Weights

In order for a particular factor to be included in the intrastate funding formula, it must be:

- Derived from data which is quantifiable by PSA;
- Based on data which is derived from the U.S. Census Bureau; and contain the following factors:
 - The state's population 60 years of age and older in the PSAs as an indicator of need in general (60+ population).
 - The number of the state's population 60 years of age and older at or below the poverty threshold in the PSAs as an indicator of greatest economic need (60+ Poverty).
 - As an indicator of greatest social need, the number of the state's elderly in the PSAs who are most in need and likely food insecure.
 - The number of the state's population 60 years of age and older residing in rural areas of the PSAs.
 - The number of the state's population 60 years of age and older and who are minority.

The funding formula factors, and their weights are as follows:

Population 60+ (POP)	60%
Population 60+ in Rural Jurisdictions (RUR)	17%
Population 60+ Minority (MIN)	10%
Population 60+ Below Poverty (POV)	13%

Allocations of funds by PSA based on the IFF segmented by Part of Title III (e.g., chart of PSA X, IIIB supportive Services, \$900,000).

Application of the Intrastate Funding Formula

The intrastate funding formula is: A=60% (Population-60+) B=13 % (Population POV-60+) C=17% (Population RUR-60+) D=10% (Population MIN-60+)

$FF * W = F$

$F * A = X(A), F * B = X(B), F * C = X(C), F * D = X(D)$

$X(A) + X(B) + X(C) + X(D) = \text{Total Allocation}$

The data used in the Intrastate Funding Formula reflects the most current and up-to-date information from the U.S. Census Bureau, including mid-census estimates when available.

New Mexico's Other Funding Formula Provisions

For any state general funds received that have no prescribed formula stated in the appropriation, the Department has the authority to determine the methodology to be used to distribute those funds.

Whenever the SUA determines that any amount allotted to an AAA for a fiscal year under this formula will not be used by an AAA for carrying out the purposes for which the allotment was made, the Department may make such allotment available for one or more PSA(s) to the extent allowable under this funding formula. Funds will be reallocated to those AAAs, which request and demonstrate the need for additional funds in accordance with procedures developed by the Department. Any reallocated amount made available to an AAA shall remain available only until the end of that fiscal year.

The allotment to the AAA may be reduced the following fiscal year by the amount of any disallowance if the AAA has expended funds allocated under this part:

- For purposes which an audit report determines to be questionable costs which are deemed disallowed by the Department.
- For purposes which an audit report determines to be unallowable.
- For purposes that are otherwise determined to be unallowable according to cost principles contained in applicable OMB Circulars or the approved grant/contract award.

This reduction will occur in the Fiscal Year following the identification of the disallowance.

An Area Agency on Aging is required to expend the OAA, and Department approved minimum percentage of their direct Title III-B provide service allocation on access services (20%), in-home services (8%), and legal services 6%) in the Fiscal Year determined by the financial closeout report. If no waiver of the requirement has been granted by the Department for that Fiscal Year, the Area Agency on Aging must, for the next fiscal year following the submission of their report, expend the minimum percentage in the reported year. If the Area Agency on Aging does not expend the required expenditure amount, it may be withheld from the Area Agency on Aging during the Fiscal Year following the Fiscal Year in which the shortage is determined.

- States must provide the source of the data used to run in the IFF. States must use the "best available data." In most cases, the best available data is the most current US Census. A State also may use more recent US Census estimates from the American Community Survey; other more recent data of equivalent quality available in the State also may be considered.

A base administration amount of 10% is distributed to each PSA for Title III B, C-1, C-2, and E. Remaining distribution amount for Title III B, C-1, C-2, D, and E is calculated using the IFF at 25.33% for PSA1, 34.80% for PSA2, 16.84% for PSA 3, 19.86% for PSA4, and 3.16% for PSA6.

A numerical/mathematical statement of the formula is required for Parts B, C-1, C-2, D and E. Definitions of the terms used in the numerical/mathematical statement are required.



New Mexico Aging & Long-Term Services Department

Michelle Lujan Grisham, Governor
 Emily Kaltenbach, Cabinet Secretary
 Antoinette Vigil, Deputy Cabinet Secretary
 Angelina Flores-Montoya, Deputy Cabinet Secretary

	B- Supportive Services	C1 - Congregate Meals	C2 - Home Delivered Meals	D - Preventive Health	E - National Family Caregiver Support	Total
GRANT #	2201NMOASS-03	2201NMOACM-03	2201NMOAHD-03	2201NMOAPH-03	2201NMOAFC-03	
CFDA #	93.044	93.045	93.045	93.043	93.052	
Total "New" Funds Available (Using FFY23)	\$ 2,613,433.00	\$ 3,425,435.00	\$ 2,333,476.00	\$ 169,011.00	\$ 1,295,901.00	\$ 9,837,256.00
One-time funding prior year rollover	\$ -	\$ 285,238.64	\$ 108,511.45	\$ 64,885.31	\$ 341,364.60	\$ 800,000.00
Less State Unit on Aging - Administration	\$ -	\$ (367,500.00)	\$ (247,500.00)		\$ (135,000.00)	\$ (750,000.00)
Less State Unit on Aging - Ombudsman	\$ (670,000.00)					\$ (670,000.00)
Funds Available for AAAs	\$ 1,943,433.00	\$ 3,343,173.64	\$ 2,194,487.45	\$ 233,896.31	\$ 1,502,265.60	\$ 9,217,256.00
10% Base (Distributed Equally Between PS Aa, is Divided by 4)	\$ 194,343.30	\$ 334,317.36	\$ 219,448.74	\$ 23,389.63	\$ 150,226.56	\$ 921,725.59
Remaining balance after 10% base	\$ 1,749,089.70	\$ 3,008,856.28	\$ 1,975,038.71	\$ 210,506.68	\$ 1,352,039.04	\$ 8,295,530.41
PSA 1						
10% Base (1.4)	\$ 48,585.83	\$ 83,579.34	\$ 54,862.18	\$ 5,847.40	\$ 37,556.64	\$ 230,431.39
24.86%	\$ 434,823.68	\$ 748,001.67	\$ 490,994.62	\$ 52,331.98	\$ 336,116.91	\$ 2,062,268.86
Total	\$ 483,409.51	\$ 831,581.01	\$ 545,856.80	\$ 58,179.38	\$ 373,673.55	\$ 2,292,700.25
10% Admin Program	\$ 48,340.95	\$ 83,158.10	\$ 54,585.68	\$ -	\$ 37,367.36	\$ 223,452.09
Total	\$ 483,409.51	\$ 831,581.01	\$ 545,856.80	\$ 58,179.38	\$ 373,673.55	\$ 2,292,700.25
PSA 2						
10% Base (1.4)	\$ 48,585.83	\$ 83,579.34	\$ 54,862.19	\$ 5,847.40	\$ 37,556.64	\$ 230,431.40
36.32%	\$ 635,269.38	\$ 1,092,816.60	\$ 717,334.06	\$ 76,456.03	\$ 491,060.58	\$ 3,012,936.64
Total	\$ 683,855.21	\$ 1,176,395.94	\$ 772,196.25	\$ 82,303.43	\$ 528,617.22	\$ 3,243,368.04
10% Admin Program	\$ 68,385.51	\$ 117,639.59	\$ 77,219.62	\$ -	\$ 52,861.72	\$ 316,106.45
Total	\$ 683,855.21	\$ 1,176,395.94	\$ 772,196.25	\$ 82,303.43	\$ 528,617.22	\$ 3,243,368.04
PSA 3						
10% Base (1.4)	\$ 48,585.83	\$ 83,579.34	\$ 54,862.19	\$ 5,847.40	\$ 37,556.64	\$ 230,431.40
18.01%	\$ 315,011.05	\$ 541,895.02	\$ 355,704.47	\$ 37,912.25	\$ 243,502.23	\$ 1,494,025.03
Total	\$ 363,596.88	\$ 625,474.36	\$ 410,566.66	\$ 43,759.65	\$ 281,058.87	\$ 1,724,456.43
10% Admin Program	\$ 36,359.69	\$ 62,547.44	\$ 41,056.67	\$ -	\$ 28,105.89	\$ 168,069.68
Total	\$ 363,596.88	\$ 625,474.36	\$ 410,566.66	\$ 43,759.65	\$ 281,058.87	\$ 1,724,456.43
PSA 4						
10% Base (1.4)	\$ 48,585.83	\$ 83,579.34	\$ 54,862.19	\$ 5,847.40	\$ 37,556.64	\$ 230,431.40
20.81%	\$ 369,985.57	\$ 626,142.99	\$ 411,005.56	\$ 43,806.44	\$ 281,359.32	\$ 1,726,299.88
Total	\$ 412,571.40	\$ 709,722.33	\$ 465,867.75	\$ 49,653.84	\$ 318,915.96	\$ 1,956,731.28
10% Admin Program	\$ 41,257.14	\$ 70,972.23	\$ 46,586.77	\$ -	\$ 31,891.60	\$ 190,707.74
Total	\$ 412,571.40	\$ 709,722.33	\$ 465,867.75	\$ 49,653.84	\$ 318,915.96	\$ 1,956,731.28
Federal Funds Available for AAAs	\$ 1,943,433.00	\$ 3,343,173.64	\$ 2,194,487.45	\$ 233,896.30	\$ 1,502,265.60	\$ 9,217,256.00

- A separate descriptive and numerical/mathematical statement may be provided for Title III Part D – Evidence Based Disease Prevention and Health Promotion Services, to target the medically underserved and which there are a large number of older individuals who have the greatest economic need for such services, per Section 362 of the OAA. If a separate

formula is used for Part D, a separate descriptive and numerical/mathematical statement is required.

- Funding Source and Allocation Methodologies OAA Title III D is 100 percent federally funded. The intrastate distribution of funds made available by OAA Title III D is based on the following formula:
 - 50 percent weight - Share of population age 60 and older with income below poverty in the PSA.
 - 50 percent weight - Share of people age 65 and older living in “Medically Underserved Areas,” plus the number of people age 65 and older who live in areas defined as having “Medically Underserved Populations” in the PSA.
- A statement explaining how Nutrition Services Incentive Program (NSIP) funds are distributed.

NSIP: Fund Distribution based on prior year deliverables.

PSA 1	PSA 2	PSA 3	PSA 4	Total
\$252,195.22	\$993,018.66	\$412,294.14	\$594,234.98	\$2,251,743.00

*PSA 6 will be included in the state fiscal year 2027 distribution.

