CHANGE NOTICE FOR MANUAL

DATE: June 25, 2002

Manual: State/County Special Assistance for Adults

Change No: **02-2002**

To: County Directors of Social Services

Effective: July 1, 2002

I. INTRODUCTION

This change notice transmits the new State/County Special Assistance Eligibility Manual, effective July 1, 2002.

A major effort of the NC FAST (Families Accessing Services through Technology) project is closely examining the policy manuals to see how they can be streamlined and reorganized to make them easier to use. The Special Assistance manual is the second manual reviewed by the NC FAST project and reflects a departmental emphasis on consistent formatting and flow in policy manuals. (The Family and Children's Medicaid manual was the first manual completed by the NC FAST project.)

The input from the staff in the county departments of social services was tremendously important in completing this rewrite. The Division thanks the 33 county staff and their 23 agencies for the commitment of time and effort to make this project successful

II. OVERVIEW OF MANUAL CHANGES

Attached is an overview of the major organizational and policy changes to the manual. This overview summary was distributed to the Economic Services Committee and to the county staff who attended statewide training on the new manual.

The goal of this project was to create an up-to-date policy manual that is easier to use and understand, particularly for the new worker. This was accomplished in several ways:

A. Reorganized Into A Logical Order

The manual is written in an outline format. A preface is added to provide readers with a context and explanation of the program. The sections are reordered and renumbered to place them in the order in which they would apply to a case. This is the format used for the Family and Children's Medicaid Manual and recommended for all future manual rewrites.

Programming changes are in process to incorporate the new section numbers on the automated notices. You will be notified by terminal message when this is complete. You may continue to use automated notices even though the section numbers are not yet updated. However, if you use manual notices, please enter the new manual section numbers.

B. Placed All Information About a Topic in the Same Place and Eliminated Redundancy

To the extent possible, a policy or procedure is stated once. This reduces the number of different places in the manual that the worker has to look to find all he or she needs to know about a particular policy requirement. Sometimes sections were combined or a section eliminated. For example, all definitions and acronyms were moved into one central glossary at the beginning of the manual.

The instructions for Special Assistance for the Certain Disabled (SCD) is now in Appendix C. All information regarding the disenfranchised is now in Appendix D. SA-3100, Eligibility, contains the eligibility requirements for Special Assistance for the Blind.

C. Aligned Policy With Medicaid

Wherever possible, Special Assistance policy was aligned with policy in the Medicaid for the Aged, Blind and Disabled program. However, Special Assistance is an optional state supplement to the federal SSI program and must closely follow SSI's policy rules and regulations.

D. Removed Information Covered By Other Programs

Instructions that are found in other manuals are cross-referenced rather than repeated in the Special Assistance manual. For example, instructions for submitting information to the Disability Determination Section to establish disability are cross-referenced to the Medicaid Manual. When EIS instructions are needed, there is a cross-reference to the EIS User's Manual.

Hyperlinks are inserted in the online manual to allow users to more easily navigate to related policy by simply clicking on the blue hyperlinked text.

E. Created Forms Appendix

Standard DSS and DMA forms referenced throughout the manual are combined into a forms appendix, Appendix A.

F. Policy Updated

The workgroups identified policy issues that needed to be addressed or updated. This information was incorporated into policy. Refer to III. below for specific policy changes.

III. POLICY CHANGES

All sections of the manual have changed to some degree following the principles above, either in format, content or both. However, the manual does contain significant policy changes that are effective with issuance. The following is a summary of the specific policy changes.

A. Courtesy Applications – SA-3110

Courtesy applications are not required. However, counties are strongly encouraged to develop procedures for courtesy applications to ensure that applicants receive benefits in a timely manner. Suggested procedures are added to SA-3110, Application Process.

B. Resources – SA-3200

1. The following resources are now excluded (consistent with Medicaid):

   a. Life estates, heir property, tenancy-in-common property, burial plots or spaces.

   b. Cash value of life insurance when the total face value is less than $10,000 (formerly $1,500).

   c. Tax value of unlicensed vehicles up to a maximum of $4,500, if there is no licensed vehicle.

2. Instructions for treatment of annuities and resulting trusts/legally binding agreement are added.

3. The section on trust funds is expanded and includes new policy regarding treatment of trusts established after January 1, 2000 by individuals using their own assets.

4. Policy regarding income diversionary trusts is changed. Individuals cannot divert certain types of income into a trust to qualify for Special Assistance.

5. The homesite exclusion for a dependent relative is changed to apply only to a spouse, minor child or disabled child of any age.

Refer to the implementation instructions in IV. below to determine how these changes affect existing cases.

C. Income – SA-3210

There are no major policy changes in this section of the Manual. No changes were made in the treatment of income that is in-kind support and maintenance. Contributions for food, shelter, and clothing will continue to be counted the same as they were in the previous policy manual. Changes in policy for in-kind support and maintenance were under consideration while the manual was in draft form. However, due to the potential impact on the State/County Special Assistance budget, this policy will require further study and no changes are being made at this time.

D. Budgeting Principles – SA-3220

New procedures are included for calculating open/shut payments when an applicant enters and leaves a facility in the same month prior to disposition of the application. Special Assistance will pay only for the days the applicant is actually in the facility.

E. Age – SA-3230

Continue to use SOLQ to verify age. However, if age is not available on the SOLQ, accept the applicant's statement unless questionable.

F. Citizenship – SA-3240

Forms I-97 and I-79 are removed from the list of valid forms of citizenship per INS.

G. Residence – SA-3250

The instructions for establishing county of residence are expanded in an effort to alleviate the problems counties face in unusual situations. This includes using the individual's statement of intent as a factor in determining county residence. There is a definition of institutionalization, and instructions state that county of residence is the last private living arrangement prior to entry into any licensed facility, regardless of whether the facility is SA or Medicaid approved.

H. Administration of Checks and Payments – SA-3300

This new section provides instructions for computing overpayments. Overpayments are calculated using a 5/10 rule. This refers to the 5 calendar days to report a change and the 10 workday notice requirement. If a change is not reported timely, the recipient is entitled to receive payment for 5 calendar days and 10 workdays from the date of change. All other payments are considered overpayments.

The 5/10 rule is also used to determine the amount of payment a recipient is entitled to when he goes from an adult care home to private living arrangement, regardless of whether he reports this change timely.

IV. EFFECTIVE DATE: JULY 1, 2002

V. IMPLEMENTATION INSTRUCTIONS

A. Homesite Exclusion

SA-3200 V.A. provides procedures for exclusion of the homesite. The homesite is excluded if there is a dependent relative remaining in the home.

Prior to July 1, 2002, the dependent relative was defined as child (including stepchild or grandchild), parent (including stepparent or grandparent), aunt, uncle, niece or nephew, brother or sister (including step or half siblings), cousins or in-laws. Effective July 1, 2002, the dependent relative is more narrowly defined and includes only the spouse, disabled child or minor child (under age 18, or under age 22 if regularly attending school).

For applications taken on or after July 1, 2002, and applications pending on July 1, 2002, apply the revised homesite exclusion.

For ongoing cases, if the homesite is being excluded on July 1, 2002, for a relative not included in the new policy, continue to exclude that homesite until the earliest of the following dates:

1. The specific relative for whom the homesite is excluded leaves the home on a permanent basis for any reason. Evaluate to see if the homesite meets another exclusion. If it does not, the homesite is a countable resource the month following the month the relative leaves.

2. The recipient's Special Assistance is terminated for any reason (other than administrative error). If the recipient later reapplies, apply the homesite exclusion policy in effect July 1, 2002.

B. Income Diversionary Trusts

Applications: For applications taken on or after July 1, 2002, and applications pending on July 1, 2002, apply the policy in SA-3200 for income diversionary trusts.

Ongoing Cases: At the next redetermination or change in situation, and for redeterminations already in process on July 1, 2002, determine if there is an income diversionary trust. If so, apply the revised policy in SA-3200 regarding income diversionary trusts. If the recipient is no longer eligible under the revised policy, send timely notice to propose termination.

C. Trusts Established After January 1, 2000

Applications: For applications taken on or after July 1, 2002, and applications pending on July 1, 2002, apply the policy in SA-3200 for trusts established on or after January 1, 2000.

Ongoing Cases: At the next redetermination or change in situation, and for redeterminations already in process on July 1, 2002, determine if there is a trust established on or after January 1, 2000. If so, apply the revised policy in SA-3200 regarding trusts established on or after January 1, 2000. If the recipient is no longer eligible under the revised policy, send timely notice to propose termination.

D. For All Other Changes

Applications: For applications pending on July 1, apply the policy in the revised manual for payment months July and later. Apply the policy in effect prior to July 1 for payment months prior to July. Apply the revised policy for all applications taken on or after July 1, 2002.

Ongoing Cases: For redeterminations already in process on July 1, apply the policy in the revised manual for payment months July and later. Apply the policy in effect prior to July 1 for payment months prior to July. For all other ongoing cases, apply the revised policy at the next redetermination or change in situation.

VI. MAINTENANCE OF MANUAL

Paper Manual: Discard the entire Special Assistance Manual and replace with the attached revised manual dated July 1, 2002.

The Special Assistance Manual and a copy of this change notice is now available online at http://info.dhhs.state.nc.us/olm/manuals/dss/afs-20/chg/

If you have any questions regarding this material, please contact your Adult Programs Representative or Jackie Franklin, SA Program Consultant at 919-733-3677.

Sincerely,

John T. Tanner, Chief
Adult and Family Services Section