

NC DIVISION OF AGING AND ADULT SERVICES CHANGE NOTICE FOR MANUAL – 01-07

DATE: FEBRUARY 20, 2007

Manual: State/County Special Assistance for Adults
Subject: Special Assistance Adult Program Manual Updates
To: County Directors of Social Services
Effective: March 1, 2007

I. BACKGROUND

In the past few months there have been several changes in SA/ACH policy. These changes were addressed in DAAS Administrative letters. In reviewing policy it has been found that some clarifications of terminology and new examples were needed as well. The purpose of this change notice is to incorporate the Administrative letters into the SA Policy Manual and to provide clarification and examples as needed.

New guidelines have also come from SSI regarding some types of income and resources. Several sections of SA policy have been updated and re-issued to incorporate these changes.

A. Basic Adult Care Home Rate Increase

Session Law 2006-66 was ratified on July 10, 2006. The law contains a provision to increase the maximum Adult Care Home Basic facility rate for SA recipients with Ambulation Capacity Code "B" from \$1,118 to \$1,148. There is no change in the personal needs allowance, which is \$46 for all Special Assistance recipients, including the disenfranchised groups.

This change is effective January 1, 2007, and was addressed in DAAS Administrative Letter 06-16. Policy is updated to reflect this rate change.

B. Adult Care Home Special Care Unit (SCU) Rate

Session Law 2005-276 was ratified on August 13, 2005. The law contains a provision to increase the maximum Adult Care Home Basic facility rate for State/County Special Assistance for Adults to \$1,515 for residents of Adult Care Home Special Care Units with a diagnosis of Alzheimer's or related disorders. This change was effective October 1, 2005 and was addressed in DAAS Administrative Letter 05-08. Policy has been added to the State County Special Assistance manual to include instructions on how to determine and verify eligibility for the new rate, as well as how to calculate SA payments for this group of SA/ACH recipients.

C. Social Security and VA Cost of Living Increase Effective January 2007

Division of Aging Administrative Letter No. 06-17 dated November 17, 2006, provided instructions for implementation of the SSA and VA Cost of Living Adjustment (COLA) for January 2007. The new SSI individual FBR is \$623 per month. SA-3210 is now revised to reflect this increase.

D. Buyout of Tobacco Allotments by the FDA

Effective November 2005, the Tobacco Transition Payment Program (TTPP) eliminated the tobacco quota or allotment system, calculating the value of lost quota and providing compensation in the form of cash installment payments to both owners and producers. An initial payment was made to each quota owner and to each quota producer in November 2005.

Beginning January 2006, both tobacco quota owners and tobacco quota producers were given the option to receive annual payments over a ten year period or receive all payments in one lump sum.

Per Social Security guidelines TTPP payments will be treated either as a resource or as income, depending on whether the applicant/recipient is a quota owner or a quota producer. SA-3200, Resources, and SA -3210, Income, have been updated to provide instructions on how to count these payments.

E. Vehicle Policy

SSI policy regarding motor vehicles indicates that SA policy needs to be revised to follow SSI guidelines. The \$4500 exclusion for unlicensed vehicles is no longer applicable. Effective March 1, 2007 exclude a vehicle only if:

1. For the applicant/recipient (a/r) living at home, it is used to transport the a/r and/or a person living with the a/r in the home; or
2. For the a/r living in an ACH facility it is used to transport the a/r.

The vehicle is assumed to provide transportation unless there is evidence to the contrary. If evidence shows that the vehicle is not used for transportation, count the vehicle as a countable resource. If the countable vehicle is transferred, apply a transfer of resource penalty.

F. Other Policy Changes

SSI has eliminated clothing from the definition of income and from the definition of in-kind support and maintenance. Policy is updated to reflect that change.

SSI has also changed the way they view lump sums for retroactive SSA/SSI payments. Effective September 1, SSA/SSI lump sums must be disregarded from countable resources for 9 months from the month of receipt. Policy is updated to reflect this change.

Instructions regarding Jointly Owned property and Undue Hardship have been moved from SA-3200 VI., Reduction of Resources, E., to SA-3200 V., Special Instructions for Resource Exclusions, B. Instructions have been clarified as reflected in SSI policy.

Also included in this change are instructions to access the web-based Systematic Alienage Verification for Entitlements (SAVE) Verification Information System (VIS) to verify the authenticity of alien document and the date of admission.

The Adult Services section of the Division of Aging and Adult Services is now located in Taylor Hall on Dix Campus. This change includes the new Adult Services mailing address.

II. CONTENT OF CHANGE

A. Income

1. SA-3210, Income, is updated to reflect the new SSI individual Full Benefit Rate. References for RSDI and SSI verification now include Online Verification (OLV).
2. Effective March 9, 2005, SSI eliminated clothing from the definition of income and from the definition of in-kind support and maintenance. Clothing is now an excluded source of income for SA as well. SA-3210 is updated to reflect this change.
3. SA-3210 is also updated to include payments from FDA Buyouts of Tobacco Allotments.

B. SA Resources Guidelines

1. SA-3200, Resources, is updated to reflect that the time period for excluding from resources amounts attributable to payments of past-due Social Security and SSI benefits increased from six to nine months.
2. SA-3200 also includes instructions on how to count the annual lump sum payments received by an a/r due to FDA Buyout of Tobacco Allotments.
3. SA-3200 has also been updated to include the new instructions regarding vehicle exclusions.
4. SA-3200 has also been updated. Instructions for excluding jointly owned property due to undue hardship have been enhanced, and moved to SA-3200 V., Special Instructions for Resource Exclusions, B.

C. ACH Basic and ACH SCU Rates

1. SA-3220, Budgeting Procedures is updated to include the basic-facility Basic rate increase from \$1118 to \$1,148 that was effective January 1, 2007.
2. SA-3220 has also been updated to include Special Care Unit rate that was effective October 1, 2005. Instructions on how to handle on-going SA recipients in an ACH Alzheimer's or related disorders SCU have been added have been added to policy, along with the list of examples of the related disorders.
3. SA-3300, Administration of Checks and Payments, is updated to reflect the Adult Care Home Basic Rate increase from \$1,118 to \$1,148 that was effective January 1, 2007. SA-3300 is also updated to reflect the Special Care Unit Adult Care Home Rate increase from \$1,084 to \$1,515.00 that was effective October 1, 2005.
4. SA-3310, Changes in Situation, is updated with procedures to follow when an SA applicant/recipient moves to a licensed SCU unit an Adult Care Home. Procedures are also provided for an SA recipient in an SCU unit moving to an ACH Basic unit in an Adult Care Home.

C. Other Policy changes

1. SA-3300, Administration of Checks and Payments, is updated to reflect the State County Special Assistance contact information and the new mailing address for the Adult Services section.
2. SA-3000, Acronyms and Definitions, has been updated to include new acronyms and definitions.

III. DAAS ADMINISTRATIVE LETTERS OBSOLETE BY THIS POLICY

- A. DAAS Administrative Letter 05-08 is now obsolete.
- B. DAAS Administrative Letter 05-09 is now obsolete.
- C. DAAS Administrative Letter 06-16 is now obsolete.
- D. DAAS Administrative Letter 06-17 is now obsolete.

IV. IMPLEMENTATION OF POLICY

A. Applications

1. No new action is needed regarding the Basic Adult Care Home Rate, as this was addressed in DAAS Administrative Letter 06-16 dated November 17, 2006.
2. No new action is needed regarding the Special Care Unit Adult Care Home Rate, as this was addressed in DAAS Administrative Letter 05-08 dated September 1, 2005.
3. No action is needed regarding the SSA/VA Cola that was effective January 2007, as this increase was addressed in DAAS Administrative Letter 06-17.
4. Apply the change in excluding clothing from countable income to all applications pending on, or taken on or after March 1, 2007.
5. Apply the change in excluding SSA/SSI retroactive lump sums from resource for 9 months to all applications pending or taken on or after March 1, 2007.
6. Apply the new Tobacco Buyout payment criteria to all applications pending or taken on or after March 1, 2007.

B. Ongoing Cases

Apply these changes to all redeterminations in process on, or started on or after March 1, 2007.

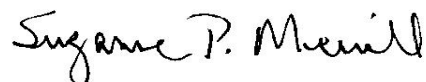
V. MAINTENANCE OF MANUAL

The following manual sections are reissued to reflect the mandated requirements:

- A. [SA-3200 Resources](#)
- B. [SA-3210 Income](#)
- C. [SA-3220 Budgeting Principles](#)
- D. [SA-3000 Acronyms and Definitions](#)
- E. [SA-3300 Administration of Checks and Payments](#)
- F. [SA-3310 Changes In Situation](#)

If you have any questions regarding this information, please contact your Adult Services Program Representative, or Brenda Porter, SA Program Coordinator. at 919-733-3818.

Sincerely,



Suzanne P. Merrill, Chief
Adult Services Section