

**FISCAL RESEARCH DIVISION**  
A Staff Agency of the North Carolina General Assembly

# **Division of Aging and Adult Services**

**Joint House and Senate Appropriations Committees on  
Health and Human Services**

**March 21, 2019**

**Jessica T. Meed**

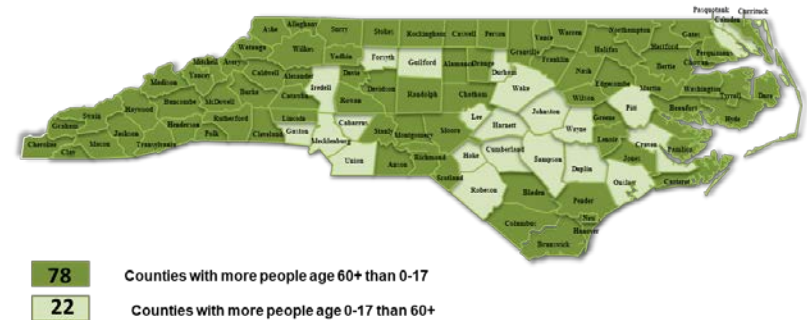
# Topics

- Background
- Overview
- Budget
- Significant Legislative Actions
- Programs and Services
- Questions



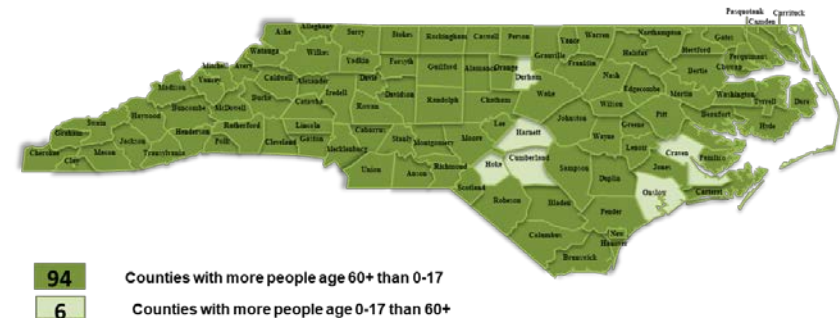
# Background

- Over the next two decades, the 65 and over population is projected to increase from 1.6 to 2.6 million.
- Projections also anticipate a 111% growth in the population of individuals 85 and over.



Source: NC State Office of State Budget and Management/ facts-figures. Certified county estimates and projections, 2017, 2037

NORTH CAROLINA DIVISION OF AGING AND ADULT SERVICES JAN, 2018



Source: NC State Office of State Budget and Management/ facts-figures. Certified county estimates and projections, 2017, 2037

NORTH CAROLINA DIVISION OF AGING AND ADULT SERVICES JAN, 2018

DHHS State Aging Profile



FISCAL RESEARCH DIVISION

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# Division of Aging and Adult Services (DAAS)

- Provides/supervises services for the elderly and for disabled adults.
- Programs:
  - Home and Community Care Block Grant (HCCBG)
  - Long Term Care (LTC) Ombudsman Program
  - State/County Special Assistance
  - Adult Protective Services and Guardianship
  - Targeted & Key Rental Assistance
  - Caregiver Support



# Division of Aging and Adult Services (DAAS)

- Supported by federal, State, and county funds.
- Some programs budgets are split between Division of Aging and Adult Services and Division of Social Services.
- County boards of social services and commissioners responsible for delivery of many services.



# Recommended DAAS Base Budget

## 14411-DHHS - Aging and Adult Services

	2017-18	2018-19	2018-19	2017-18	2017-18	2018-19	2018-19
<b>PERSONAL SERVICES</b>	\$5,452,529	\$6,547,041	\$6,486,433	\$0	\$6,486,433	\$0	\$6,486,433
<b>PURCHASED SERVICES</b>	\$2,007,718	\$1,953,564	\$1,953,290	\$0	\$1,953,290	\$0	\$1,953,290
<b>SUPPLIES</b>	\$30,491	\$34,234	\$35,212	\$0	\$35,212	\$0	\$35,212
<b>PROPERTY, PLANT &amp; EQUIPMENT</b>	\$34,120	\$55,383	\$53,042	\$0	\$53,042	\$0	\$53,042
<b>OTHER EXPENSES &amp; ADJUSTMENTS</b>	\$167,800	\$58,235	\$163,178	\$0	\$163,178	\$0	\$163,178
<b>AID &amp; PUBLIC ASSISTANCE</b>	\$101,733,369	\$101,794,474	\$108,632,369	(\$2,207,432)	\$106,424,937	(\$2,207,432)	\$106,424,937
<b>RESERVES</b>	(\$1)	\$89,369	\$61,985	(\$6,005)	\$55,980	(\$6,005)	\$55,980
<b>INTRAGOVERNMENTAL TRANSACTIONS</b>	\$778,902	\$150,812	\$150,812	\$0	\$150,812	\$0	\$150,812
<b>Total Requirements</b>	<b>\$110,204,927</b>	<b>\$110,683,112</b>	<b>\$117,536,321</b>	<b>(\$2,213,437)</b>	<b>\$115,322,884</b>	<b>(\$2,213,437)</b>	<b>\$115,322,884</b>
<b>Receipts</b>							
<b>GRANTS</b>	\$9,805,095	\$10,048,725	\$10,446,872	(\$107,728)	\$10,339,144	(\$107,728)	\$10,339,144
<b>SALES, SERVICE, &amp; RENTALS</b>	\$0	\$100	\$100	\$0	\$100	\$0	\$100
<b>FEES, LICENSES, &amp; FINES</b>	\$26,657	\$45,000	\$40,000	\$0	\$40,000	\$0	\$40,000
<b>CONTRIBUTIONS &amp; DONATIONS</b>	\$85,600	\$90,000	\$90,000	\$0	\$90,000	\$0	\$90,000
<b>MISCELLANEOUS</b>	\$150,582	\$44,929	\$150,072	\$0	\$150,072	\$0	\$150,072
<b>INTRAGOVERNMENTAL TRANSACTIONS</b>	\$382,857	\$0	\$0	\$0	\$0	\$0	\$0
<b>INTRAGOVERNMENTAL TRANSACTIONS (Federal)</b>	\$53,428,002	\$53,282,205	\$59,668,120	\$0	\$59,668,120	\$0	\$59,668,120
<b>Total Receipts</b>	<b>\$63,878,793</b>	<b>\$63,510,959</b>	<b>\$70,395,164</b>	<b>(\$107,728)</b>	<b>\$70,287,436</b>	<b>(\$107,728)</b>	<b>\$70,287,436</b>
<b>Net Appropriation</b>	<b>\$46,326,134</b>	<b>\$47,172,153</b>	<b>\$47,141,157</b>	<b>(\$2,105,709)</b>	<b>\$45,035,448</b>	<b>(\$2,105,709)</b>	<b>\$45,035,448</b>

## FTE

Acct Code	Account Title	Actual 2017-18	Certified 2018-19	Authorized 2018-19	Incr/Decr 2017-18	Total 2017-18	Incr/Decr 2018-19	Total 2018-19
531211	SPA-REG SALARIES-APPRO	15.700	15.700	15.700	0.000	15.700	0.000	15.700
531212	SPA-REG SALARIES-RECPT	11.300	12.300	12.300	0.000	12.300	0.000	12.300
531213	SPA-REG SALARIES-UNDESIG	47.000	47.000	47.000	0.000	47.000	0.000	47.000
531222	SPA TIME LIMITED SAL-REC	2.000	2.000	2.000	0.000	2.000	0.000	2.000
531223	SPA TIME LIMITED SAL-UNDE	0.000	0.000	0.000	0.000	0.000	0.000	0.000
<b>Total FTE</b>		<b>76.000</b>	<b>77.000</b>	<b>77.000</b>	<b>0.000</b>	<b>77.000</b>	<b>0.000</b>	<b>77.000</b>



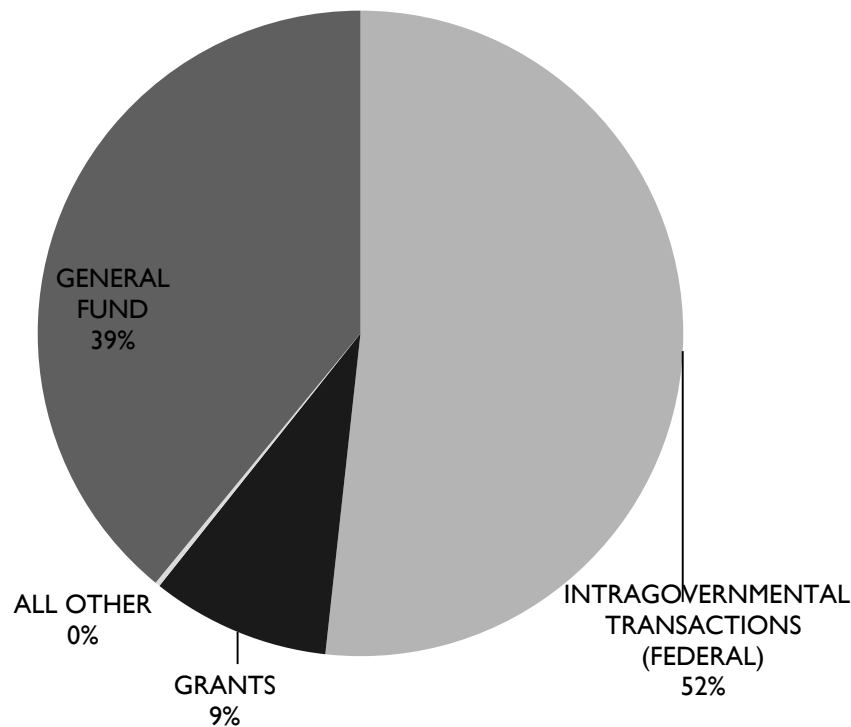
# Increase/Decrease Detail

	FY 2019-20	FY 2020-21
<b>NR Items Removed</b>		
State Retirement Contributions	(\$6,005)	(\$6,005)
Home and Community Care Block Grant	(\$969,549)	(\$969,549)
Direct Appropriations	(\$1,130,155)	(\$1,130,155)
<b>Total</b>	<b>(\$2,105,709)</b>	<b>(\$2,105,709)</b>

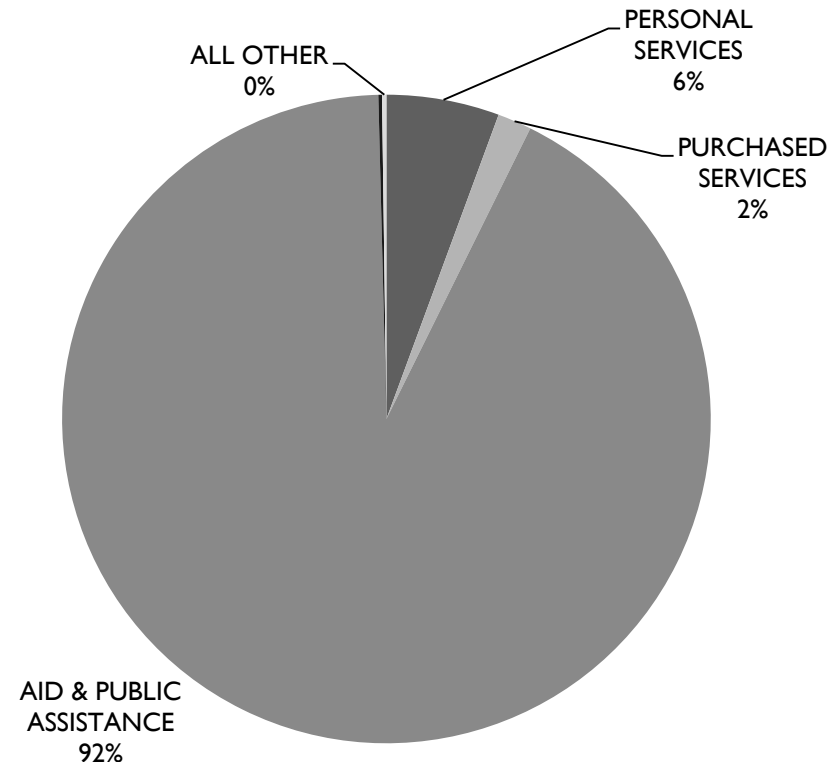


# DAAS FY 2019-21 Base Budget Expenditures and Funding Sources

## Funding Sources



## Expenditures





# 2017-2018 Significant Budget Actions

## S.L. 2017-57, Appropriations Act of 2017

	FY 2017-18		FY 2018-19	
Home and Community Care Block Grant	\$969,549	NR	\$969,549	NR
Guardianship Contract – Budgets \$605,101 of Social Services Block Grant and provides a 15% increase in rate paid to providers of corporate guardianship services.				



# 2018-2019 Significant Budget Actions

## S.L. 2018-5: Appropriations Act of 2018

	FY 2018-19	
Home and Community Care Block Grant (HCCBG) - Congregate Nutrition Expansion	\$166,667	R
HCCBG Expansion – Community Based Services and Supports	\$944,444	R
Adult Protective Services and Guardianship - Social Work Planner/ Evaluator	\$81,758	R

Funding listed above is budgeted from federal block grant funds and a 10% local match for HCCBG items.



# Significant Legislative Actions

## S.L. 2017-57: Appropriations Act of 2017,

Sec. 11D.1, State-County Special Assistance, Sets the FY 2017-19 biennial State-County Special Assistance rates for adult care home residents at \$1,182 per month per resident and at \$1,515 per month per resident for special care units.

Sec. 11D.1A, Authorizes the Secretary of DHHS to waive the 15% cap on the number of Special Assistance in-home payments.

Sec. 11D.3, Recommendation to appoint a Subcommittee on Aging.



# Significant Legislative Actions

S.L. 2018-5: Appropriations Act of 2018,  
Sec. 11D.1, Plan for Allowing the Eastern Band of Cherokee  
Indians to Assume Responsibility for Administering the  
Home and Community Care Block Grant.



# Programs and Services



# Area Agencies on Aging

- Area Agencies on Aging (AAAs) are offices established through the Older Americans Act that facilitate and support programs addressing the needs of older adults in a defined geographic region.
- North Carolina has 16 AAAs located within regional Councils of Government.
- Function in five basic areas:
  - Advocacy,
  - Planning,
  - Program and resource development,
  - Information brokerage,
  - Funds administration quality assurance.
- AAAs contract with and monitor nearly 350 HCCBG community service providers.

Source: DHHS, Aging in North Carolina, Presentation to the Joint Legislative Committee on Health and Human Services – Aging Subcommittee, November 17, 2017



# Home and Community Care Block Grant

- General Assembly established Home and Community Care Block Grant (HCCBG) in 1992.
- Combines federal Older Americans Act, federal Social Services Block Grant, and State Appropriations.
- Counties receive an allocation based on an intrastate funding formula. Counties are required to provide 10% of HCCBG funds.
- Locally controlled, Boards of County Commissioners:
  - Determine services to be provided.
  - Establish funding level for each service.
  - Identify community service providers for each service.

Source: Home and Community Care Block Grant Procedures Manual for Community Service Providers



# Home and Community Care Block Grant: Available Services

- Congregate Nutrition
- Home Delivered Meals
- Information and Options Counseling
- Transportation
- Care Management
- Skilled Home (Health) Care
- Overnight Respite
- Adult Day Care
- Adult Day Health Care
- Housing and Home Improvement
- Health Screening
- Mental Health Counseling
- Health Promotion/Disease Prevention
- Senior Center Operations
- Senior Companion
- Institutional Respite Care
- Group Respite
- Volunteer Program Development
- In-Home Aide (levels I-IV)





# Home and Community Care Block Grant: Eligibility

- Individuals eligible for HCCBG services include persons 60 years of age and older.
- Unpaid primary caregivers may also be eligible for some services.
- Generally eligibility is based on the functional needs of the individual (ADL and IADL).
  - ADL– Activities of Daily Living refer to such self-care activities as eating, bathing, dressing, toileting, ambulating, and transferring into or out of a chair or bed.
  - IADL – Instrumental Activities of Daily Living include such tasks as preparing meals, shopping, managing medications, paying bills, using a telephone, doing housework, etc.

Source: <https://www.ncdhhs.gov/daas-monitoring-service-standards>



# Home and Community Care Block Grant

	FY 2012-13	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17	FY 2017-18	FY 2018-19
<b>Total Served</b>	62,835	61,406	59,558	59,729	57,520	57,915	57,915
<b>Waiting List</b>	7,109	7,653	9,148	9,675	10,303	10,605	10,605
<b>Requirements</b>	\$63,906,275	\$61,757,384	\$62,385,593	\$63,389,725	\$63,065,595	\$64,000,806	\$69,230,359
<b>Federal</b>	\$23,919,280	\$25,623,522	\$23,840,595	\$23,946,092	\$23,800,852	\$24,623,508	\$29,353,400
<b>Local Match</b>	\$6,097,020	\$5,713,876	\$6,114,841	\$6,128,381	\$6,077,346	\$6,140,086	\$6,639,747
<b>Program Income</b>	\$2,146,075	\$1,857,400	\$ 1,683,236	\$1,745,000	\$1,704,856	\$1,745,992	\$1,745,992
<b>General Fund</b>	\$31,744,430	\$31,597,827	\$ 30,405,454	\$31,482,541	\$31,482,541	\$31,491,220	\$31,491,220

- Between FY 2016-17 and FY 2017-18, almost 400 more individuals were served through the HCCBG, however the wait list also increased by over 300.
- Top 4 Services: In-Home Aide, Home Delivered Meals, Congregate Nutrition, and Transportation.

Source: Division of Aging and Adult Services. Note: waitlists are point in time estimate.



# Caregiver Support

- NC's Alzheimer's Strategic Plan.
- Project C.A.R.E. (Caregiver Alternative to Running on Empty) -state funded, dementia specific support program for individuals who directly care for loved ones with Alzheimer's disease or related dementias.
- Family Caregiver Support:
  - A caregiver providing care for an older adult age 60 or older or providing care for a person with Alzheimer's disease or related brain disorder.
  - A caregiver (who is not the birth or adoptive parent), age 55 or older, raising a related child age 18 and under or an adult with a disability.



# Key Rental Assistance Program

- In coordination with the North Carolina Housing Finance Administration.
- Individuals must be disabled and have income below 50% of area median income with a minimum gross income of \$300/month.
- Participants pay no more than 25-30% of income toward rent; Key assistance pays difference between that amount and the payment standard.

## **FY 2019-21 Base Budget**

Requirements	\$6,976,189
Receipts	<u>\$74,607</u>
General Fund	\$6,901,582

DHHS, JOINT LEGISLATIVE COMMITTEE ON HEALTH AND HUMAN SERVICES –AGING SUBCOMMITTEE | NOV. 17, 2017; FY 2018-19 BD-307



# Long Term Care Ombudsman

- Long Term Care (LTC) Ombudsmen assist residents of long term care facilities in exercising their rights and attempt to resolve grievances between residents, families, and facilities.
- LTC Ombudsman Program for FY 2018:
  - Number of complaints: 4,350
  - % of complaints handled to complainants satisfaction: 61%
  - Consultations to individuals: 5,785
  - Consultations to facilities: 2,747
  - Training sessions to LTC staff: 313

## **FY 2019-21 Base Budget**

Requirements      \$4,188,308

Receipts            \$2,765,749

General Fund      \$1,089,195

DAAS;<https://files.nc.gov/ncdhhs/2017-Ombudsman-AnnualReport.PDF>



# Special Assistance (SA)

## *Total budget for program FY 2018-19 Certified Budget:*

- *\$0.7 million for administration in Division of Aging and Adult Services.*
- *\$129.2 million in Division of Social Services.*
- Serves low-income adults who need or are at risk of needing a residential facility.
- Two programs administered by local governments:
  - Special Assistance (SA).
  - Special Assistance In-Home Program for Adults (SA/IH).
- Funding split 50/50 between state and county.

### **FY 2019-21 Base Budget**

Requirements	\$730,200
Receipts	<u>\$404,507</u>
General Fund	\$325,693



# SA: Comparing the Programs

## Special Assistance (SA)

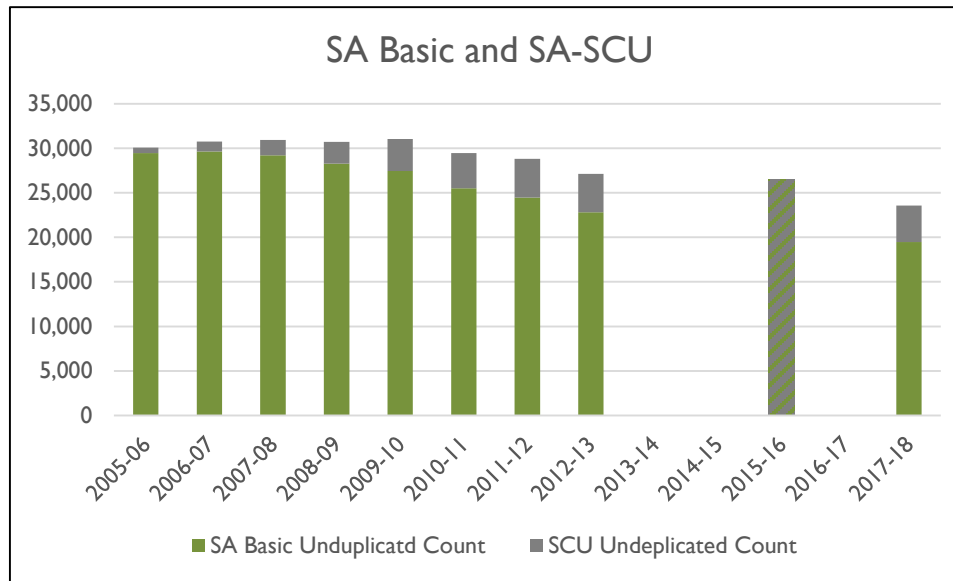
- Cash supplement to help pay for room and board in residential facilities.
- Higher rate for recipients in special care units (SCU) for Alzheimer/dementia.
- Federally authorized - State entitlement (Optional State Supplement).
- Recipients automatically Medicaid eligible.
- Income  $\leq$  maximum supplement rate.

## Special Assistance In-Home (SA/IH)

- Cash supplement to individuals at risk of entering a residential facility.
- One rate for all recipients.
- State and county funded.
- Must first qualify for Medicaid.
- Income  $\leq$  100% Federal Poverty Level.



# SA: Trends in Number of Recipients



- Decrease in total number of Adult Care Facility residents receiving SA.
- Increase in the number of SCU.
- Correlates with:
  - Increase focus on community-based services.
  - Decrease in eligibility thresholds relative to inflation.

\* Note 1: All cases converted to NC FAST 12/14 and one-third back to Legacy System until 3/15 - reliable numbers unavailable.

\*\*Note 2: Combined Basic and SCU (used available NC FAST reports).

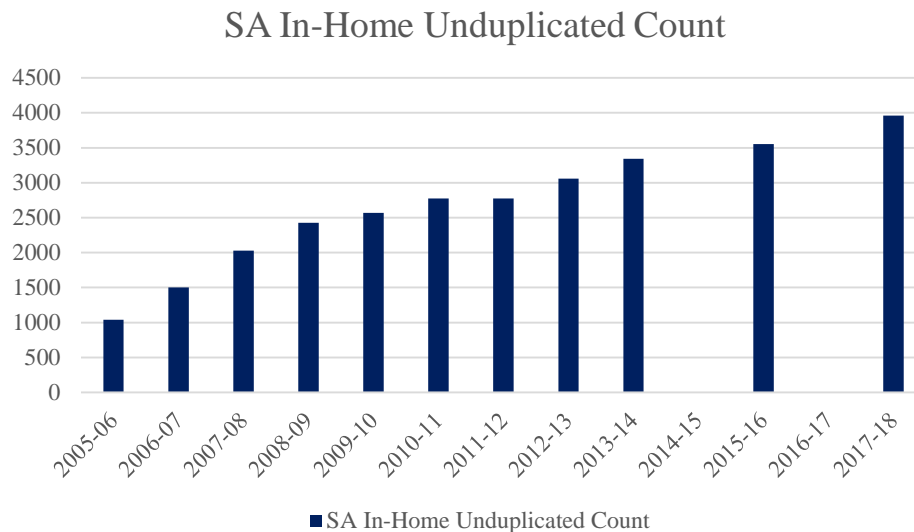
\*\*\*Note 3: The source for data was the monthly NC FAST "SA\_and\_SA-IH\_Case\_Summary\_Details" report. Data is not available for parts of FY 2017.

North Carolina Department of Health and Human Services, *Plan for Long-Term Solution for Adequate Reimbursement to Facilities Serving Recipients of State-County Special Assistance (NCDHHS 2017)*, 15; DHHS communications





# SA/IH: Trends in Number of Recipients



- Increase in number of recipients of SA/IH.
- Correlates with:
  - Preference for community-based services.
  - Expansion of SA/IH Program.

\* Note 1: All cases converted to NC FAST 12/14 and one-third back to Legacy System until 3/15 - reliable numbers unavailable.

\*\*Note 2: Combined Basic and SCU (used available NC FAST reports).

\*\*\*Note 3: The source for data was the monthly NC FAST "SA\_and\_SA-IH\_Case\_Summary\_Details" report. Data is not available for parts of FY 2017.

North Carolina Department of Health and Human Services, *Plan for Long-Term Solution for Adequate Reimbursement to Facilities Serving Recipients of State-County Special Assistance (NCDHHS 2017)*, 15



# Adult Protective Services and Guardianship

*Total budget for program in FY 2018-19 Certified Budget:*

- **\$5.2 million in Division of Aging and Adult Services**
- **\$39.1 million in Division of Social Services**
- Adult Protective Services: Receives and evaluates reports to determine whether disabled adults are in need of protective services.
- Guardianship Services: Provided to individuals who are alleged to be incompetent or adjudicated incompetent by the court.
- SL 2018-5 adds 1 state FTE to support work of county staff.

## **FY 2019-21 Base Budget**

Requirements      \$5,204,573

Receipts            \$4,660,359

General Fund      \$544,214

<https://www.ncdhhs.gov/assistance/adult-services/adult-protective-services>  
<https://www.ncdhhs.gov/assistance/guardianship/guardianship-alternatives-to-guardianship>



# Questions

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