

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

Division of Aging and Adult Services Budget Overview

Joint House and Senate Appropriations
Committees on Health and Human Services
March 17, 2021

Objectives

- Provide a high-level overview of DHHS Division of Aging and Adult Services (DAAS)
- Review significant actions related to federal and State COVID-19 response
- Review DAAS budget summary and base budget data
- Provide detailed overview of key DAAS services and programs



DAAS Overview

NC aging and adult services are primarily administered at the regional and local levels, and some services vary by county.

State Level

Division of Aging and Adult Services (DAAS) provides oversight, guidance, and technical assistance to 16 Area Agencies on Aging and 100 county departments of social services

Regional Level

Area Agencies on Aging develop service and resource systems through advocacy, program and resource development, information brokerage, and funds administration quality assurance

County Level

County boards of commissioners determine local priorities and supplement funding

County departments of social services administer some services

Source: <https://www.ncdhhs.gov/divisions/daas>.



High-Level DAAS Services

Home and Community Based Services

Services provided through the Home and Community Care Block Grant (HCCBG)

Caregiver Support

Range of services to support family caregivers, including individual counseling, respite care, and other services

Key Rental Assistance Program

Rental assistance for eligible low-income disabled individuals in partnership with NC Housing Finance Agency

Long-Term Care Ombudsman Program

Assistance for residents of long-term care facilities in exercising their rights and resolving grievances

State-County Special Assistance

Cash supplements to low-income individuals to help pay for room and board in residential facilities or services at home

Adult Protective Services

Services to identify and prevent the abuse, neglect, and exploitation of disabled adults

Note: This list includes core State-level DAAS services and is not a comprehensive list of all services.

Source: <https://www.ncdhhs.gov/divisions/daas>.



Federal and State COVID-19 Response

Service Area	Initiative	Funded By	Amount
State-County Special Assistance	One-time payment of \$1,325 per eligible resident to licensed facilities	CRF	\$25.0M*
	Monthly payment of \$250 per eligible resident to licensed facilities between August 1 and December 30, 2020	CRF	\$20.0M*
Shelter and Housing (Emergency Solutions Grant Program)	Assistance related to shelter, rapid re-housing, street outreach, prevention, and administrative costs	CARES Act	\$54.4M
	Assistance related to shelter, rapid re-housing, street outreach, and prevention	CRF	\$8.1M

*NC DHHS allocated an additional \$300,000 to complete Special Assistance payments for a total of \$45.3M.



Federal and State COVID-19 Response

Service Area	Initiative	Funded By	Amount
Senior Nutrition	Congregate and home-delivered meals	Multiple federal COVID-19 relief bills*	\$27.4M
Other Supportive Services	Support for family caregivers, vulnerable older Americans, Aging and Disability Resource Centers, and other supportive services	CARES Act	\$11.5M
Adult Protective Services	Adult Protective Services	CRRSAA	\$2.8M**
Ombudsman Program	Long-Term Care Ombudsman Program	CRRSAA	\$123,870**

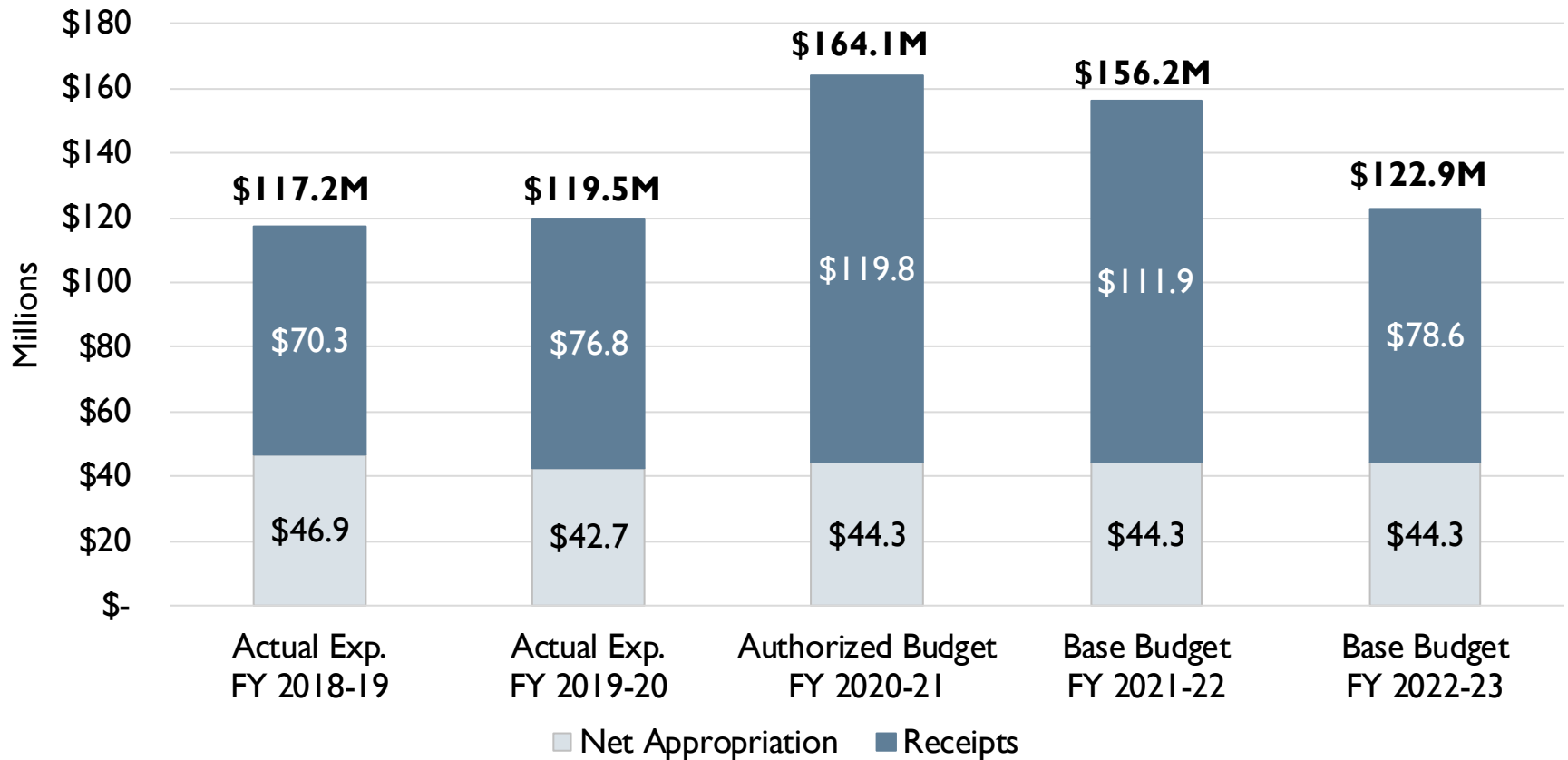
*Families First Coronavirus Response Act (FFCRA), CARES Act, and Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA).

**NC DHHS application submitted. Figures are estimates from FFIS COVID-19 State-by-State Allocations.



Five-Year Budget Summary

DAAS Five-Year Budget Summary



Note: Figures may not add to total due to rounding.

Sources: DAAS June 2019 BD701, DAAS Worksheet I, Biennium 2021-23.



Fiscal Biennium 2021-23

The proposed FY 2021-22 and FY 2022-23 Net Appropriation is the same as the Net Appropriation for the FY 2020-21 Authorized Budget.

DAAS Fiscal Biennium 2021-23 Base Budget

(\$ Millions)	Actual FY 19-20	Authorized FY 20-21	Change from FY 20-21	Base FY 21-22	Change from FY 20-21	Base FY 22-23
Total Requirements	\$119.5	\$164.1	(\$7.9)	\$156.2	(\$41.2)	\$122.9
Receipts	\$76.8	\$119.8	(\$7.9)	\$111.9	(\$41.2)	\$78.6
Net Appropriation	\$42.7	\$44.3	\$0.0	\$44.3	\$0.0	\$44.3
FTE Employees	77.0	77.0	0.0	77.0	0.0	77.0

Note: Figures may not add to total due to rounding.

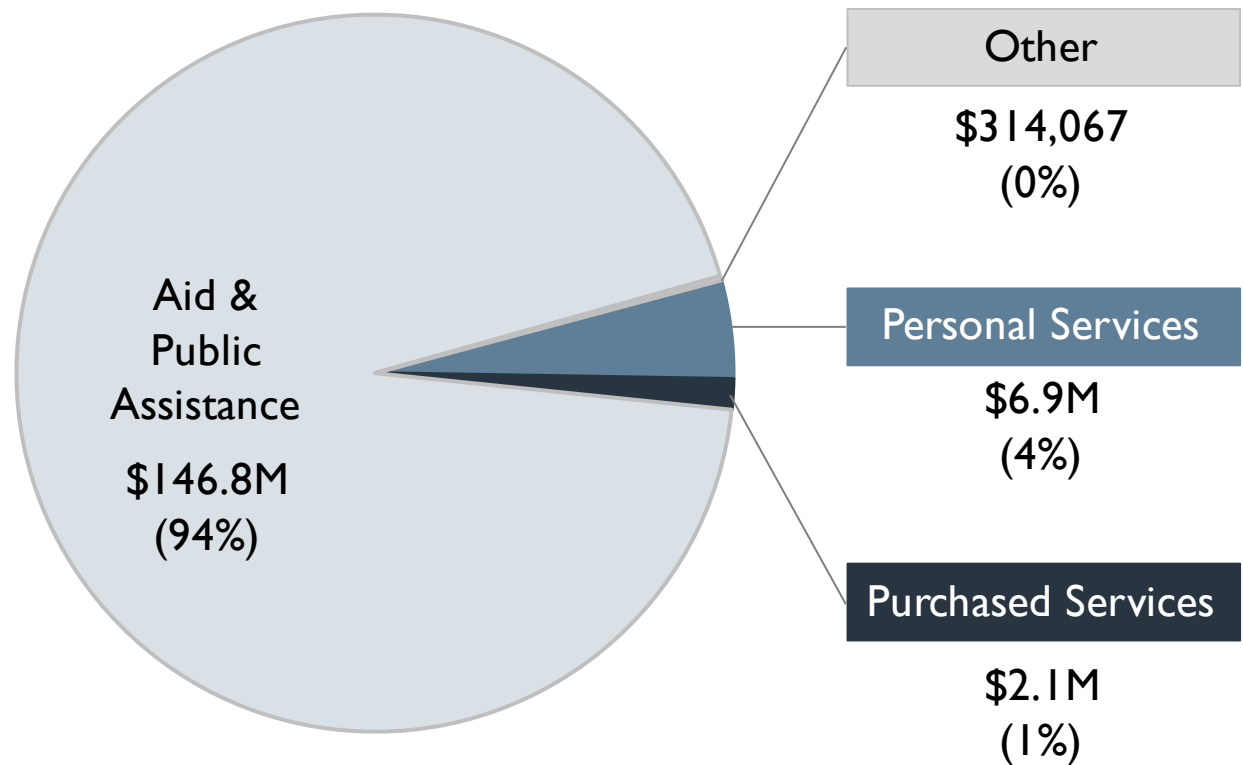
Source: DAAS Worksheet I, Biennium 2021-23.



Base Budget Requirements

DAAS FY 2021-22 Base Budget Requirements

Total Requirements: \$156.2M



Note: Figures may not add to total due to rounding.

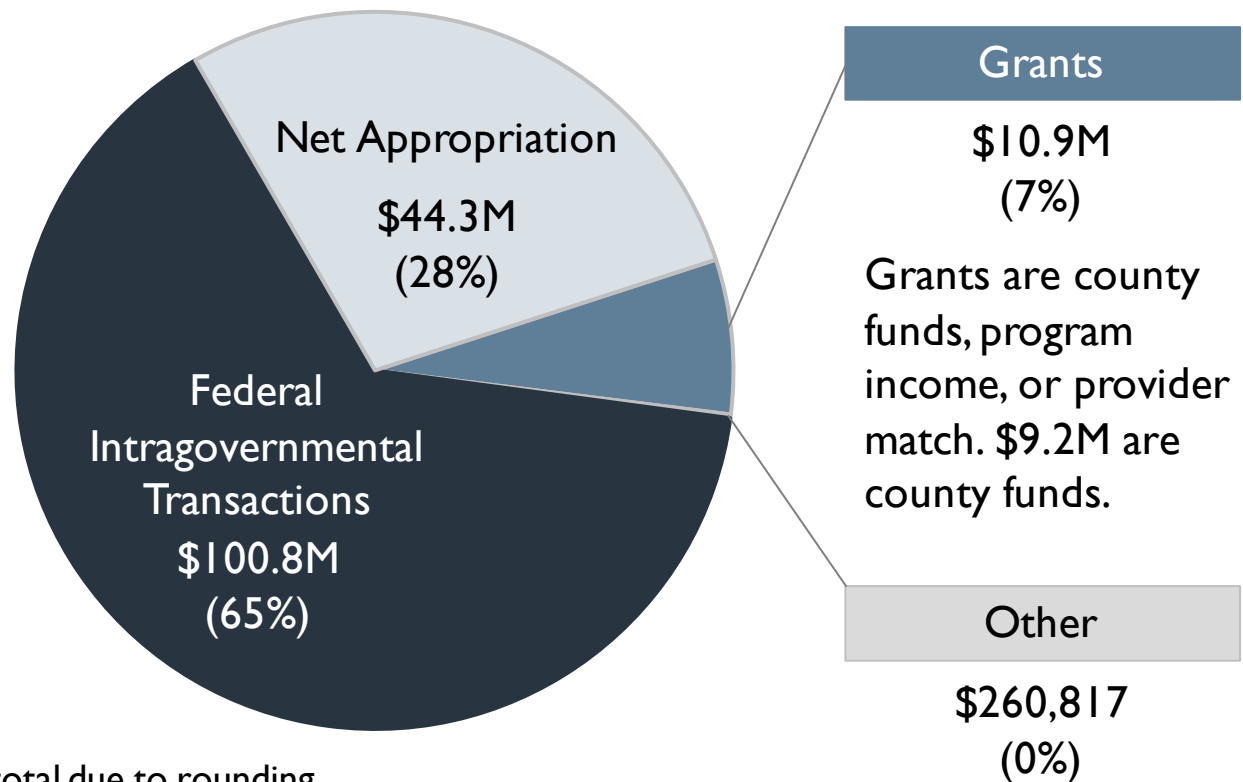
Source: DAAS Worksheet I, Biennium 2021-23.



Base Budget Funding Sources

DAAS FY 2021-22 Base Budget Funding Sources

Total Funding Sources: \$156.2M



Note: Figures may not add to total due to rounding.

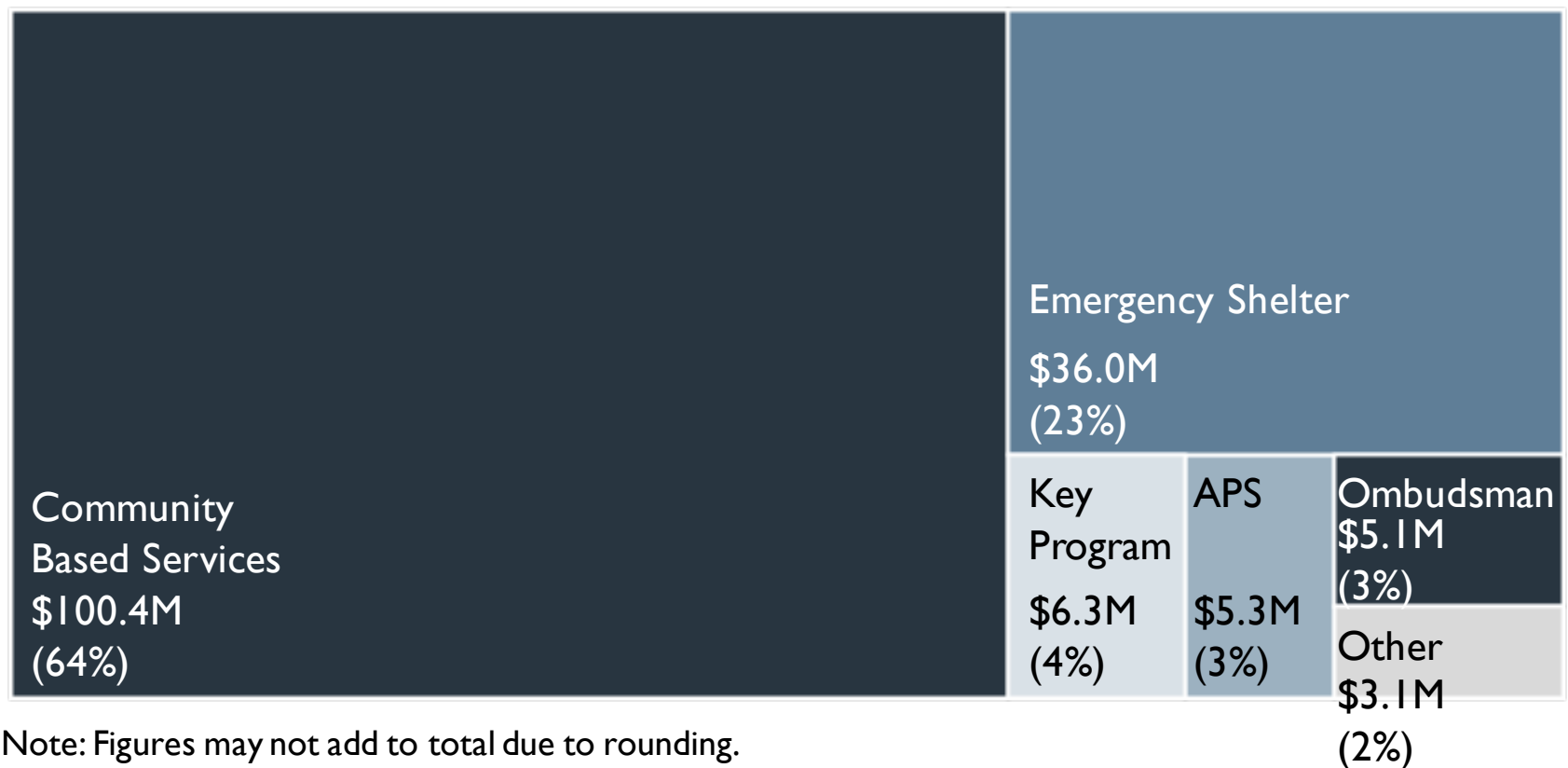
Source: DAAS Worksheet I, Biennium 2021-23.



Base Budget Requirements by Service

DAAS FY 2021-22 Base Budget Requirements by Service

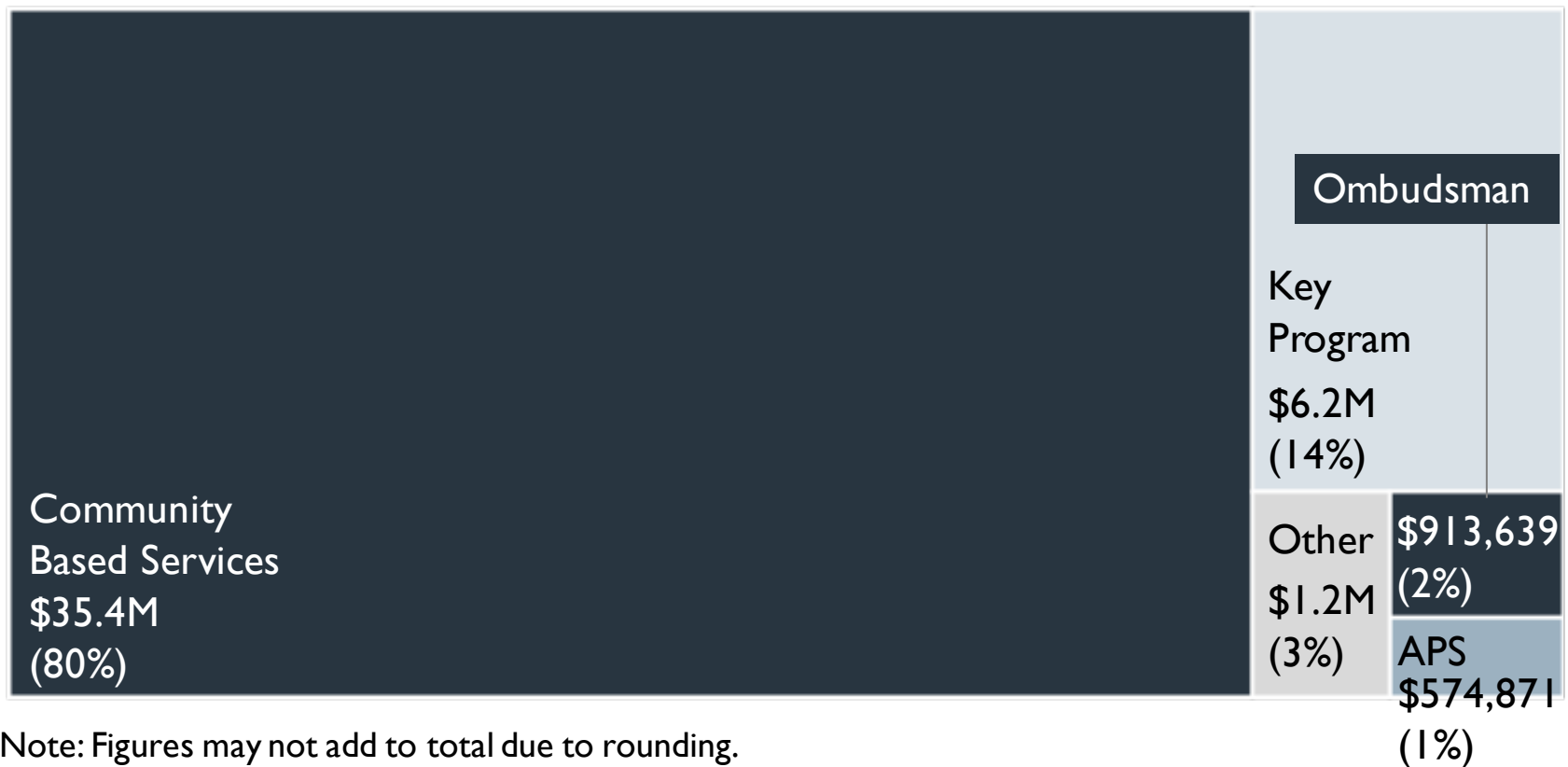
Total Requirements: \$156.2M



Base Budget Requirements by Service

DAAS FY 2021-22 Base Budget Net Appropriation by Service

Total Net Appropriation: \$44.3M



Home and Community Care Services through HCCBG

Overview

- Established by the NCGA in 1992
- Designed to improve the planning, management, and coordination of in-home and community-based services for older adults
- Boards of County Commissioners determine services to be provided, establish the funding level for each service, and identify community service providers for each service

Primary Funding Sources

Federal (Older Americans Act and Social Services Block Grant)

County (Required to provide 10% of HCCBG Funds)

Net Appropriation

Eligibility

- Individuals 60+ years of age and their unpaid primary caregivers
- Generally based on functional needs of the individual

Source: HCCBG Procedures Manual for Service Providers, Sections 1 and 2; NC DHHS DAAS HCCBG Funding and Expenditure History, SFY 09-21.



HCCBG Services

Congregate Nutrition

Housing and Home
Improvement

Institutional Respite
Care

Home Delivered Meals

Information and Case
Assistance

Health Screening

Adult Day Care

In-Home Aide
(Levels I-IV)

Health Promotion and
Disease Prevention

Adult Day Health Care

Senior Companion

Mental Health
Counseling

Care Management

Transportation

Senior Center
Operations

Skilled Home (Health)
Care

Group Respite

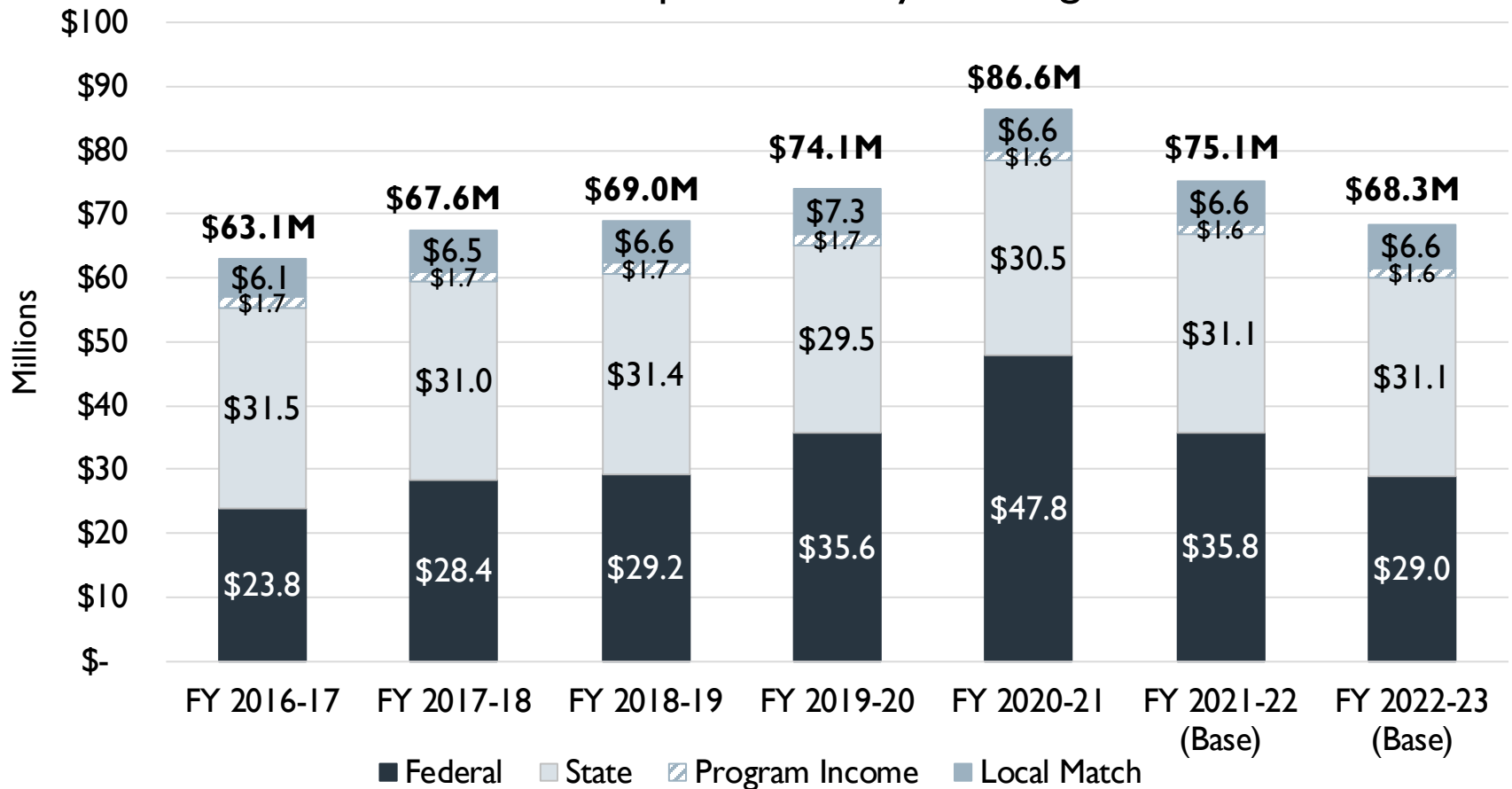
Volunteer Program
Development

Source: HCCBG Procedures Manual for Service Providers, Section I.



HCCBG Budget

HCCBG Total Requirements by Funding Source

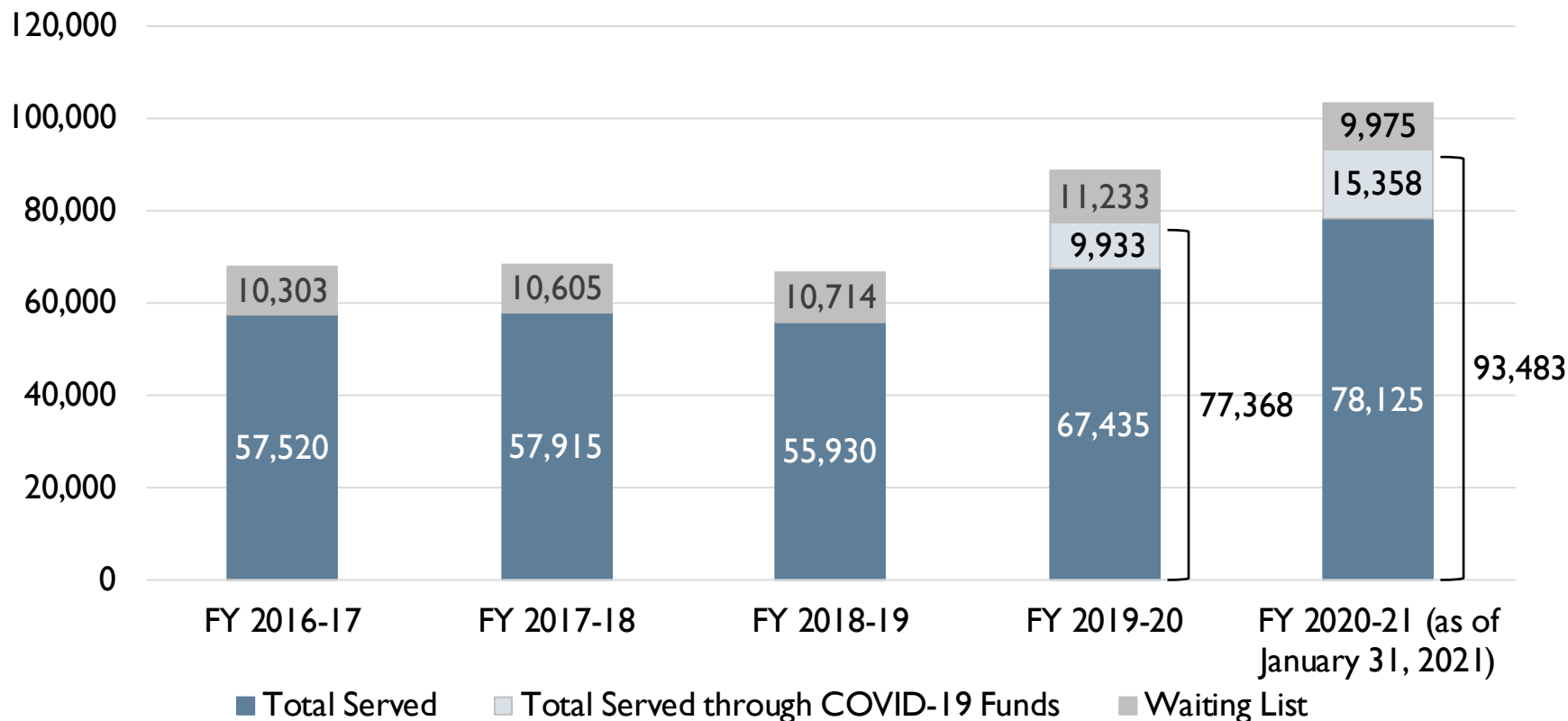


Source: NC DHHS DAAS HCCBG Funding and Expenditure History, SFY 09-21.



Clients Served through HCCBG

HCCBG Clients and Waitlist by Fiscal Year



Note: The client counts in this graph are unduplicated within each service type, but when added across service types, there can be duplication of clients across services.

Source: NC DHHS DAAS Aging Waiting List and Cost Data, 02-22-2021.



State-County Special Assistance

Overview

- Provides a cash supplement to low-income individuals who are in a residential facility (Special Assistance) or who are at risk of entering a residential facility (Special Assistance In-Home)
- Budget is split between DSS and DAAS (administration), and funding for payments is split between State (50%) and county (50%)

Budget

DSS and DAAS Budget	Authorized 2020-21	Base 2021-22	Base 2022-23
Total Requirements	\$143.1M	\$123.1M	\$123.1M
Receipts	\$85.4M	\$65.4M	\$65.4M
Net Appropriation	\$57.7M	\$57.7M	\$57.7M

General Eligibility

Low-income individuals who are 65+ or disabled and in need of Adult Care Home level of care

Note: Figures may not add to total due to rounding.

Sources: DSS and DAAS Worksheet Is, Biennium 2021-23, <https://www.ncdhhs.gov/divisions/daas>.



Special Assistance Program Comparison

Special Assistance (SA) Basic

- Cash supplement to help pay for room and board in residential facilities
- Higher rate for recipients in a Special Care Unit (SCU) for Alzheimer's or a related disorder
- Recipients automatically eligible for Medicaid
- Income \leq maximum supplement rate

Source: <https://www.ncdhhs.gov/divisions/daas>.

Special Assistance In-Home (SA-IH)

- Cash supplement to individuals who are at risk of entering a residential facility but desire to continue living at home
- One maximum rate for all recipients (payment based on need)
- Recipients must first qualify for Medicaid
- Income \leq 100% Federal Poverty Level



Special Assistance Rates

Monthly Special Assistance Rates Per Client (including Temporary Facility Payments)

FY	SA Rate (Basic)	SA Rate (SCU)	Personal Needs Allowance	Temporary Facility Payment*
2016-17	\$1,182	\$1,515	\$46	
2017-18	\$1,182	\$1,515	\$46	\$34
2018-19	\$1,182	\$1,515	\$46	\$34
2019-20	\$1,182	\$1,515	\$46	\$1,325 (Mar 10-Jul 30)**
2020-21	\$1,182	\$1,515	\$46	\$1,325 (Mar 10-Jul 30)** \$250 (Aug-Dec) \$344 (Dec)

*Temporary facility payments enacted by the General Assembly. These temporary payments are not tied to recipient eligibility based on income.

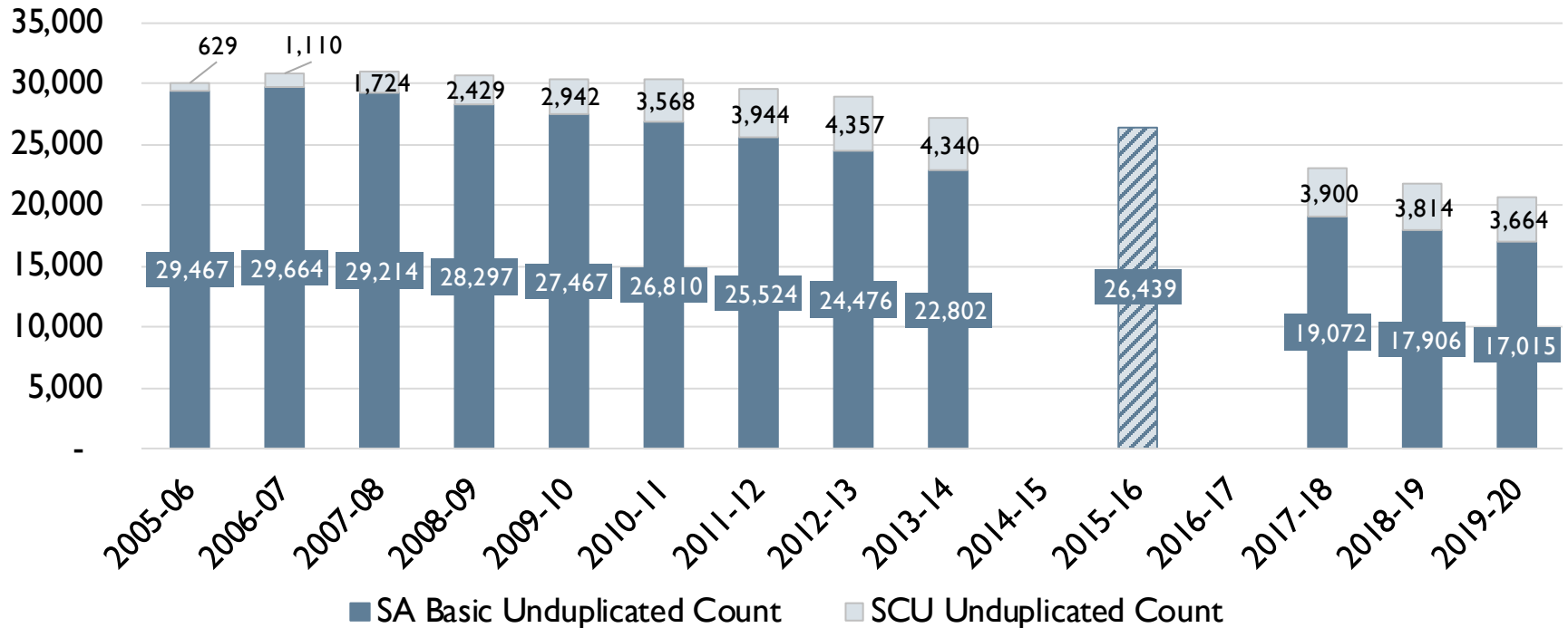
**One-time payment. FY 2019-20 and FY 2020-21 temporary facility payments funded via CRF.

Sources: NC DHHS Plan for Long-Term Solution for Adequate Reimbursement to Facilities Serving Recipients of State-County Special Assistance, April 1, 2017; S.L. 2017-257; S.L. 2020-4; S.L. 2020-97.



Trends in SA Recipients

SA Basic and SA SCU Unduplicated Counts by Fiscal Year

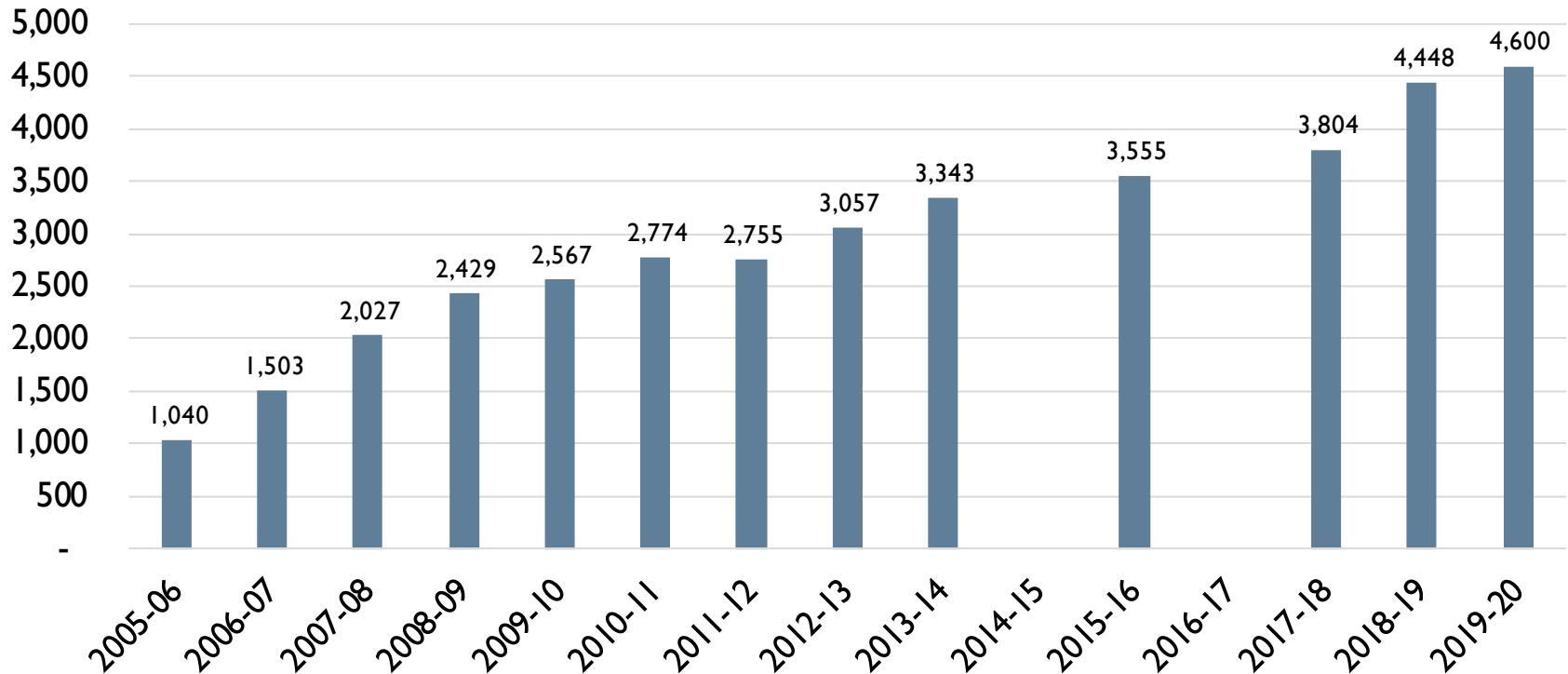


Note: The Level of Care in the attached counts represent the first Level of Care for each individual encountered when querying the data for the FY. Full data not available for FY 2014-15 and FY 2016-17. Data for FY 2015-16 is the combined Basic and SCU count.

Sources: NC DHHS Plan for Long-Term Solution for Adequate Reimbursement to Facilities Serving Recipients of State-County Special Assistance, April 1, 2017; Data provided by DAAS on March 10, 2021.

Trends in SA-IH Recipients

SA-IH Unduplicated Count by Fiscal Year



Note: The Level of Care in the attached counts represent the first Level of Care for each individual encountered when querying the data for the FY. Full data not available for FY 2014-15 and FY 2016-17.

Sources: NC DHHS Plan for Long-Term Solution for Adequate Reimbursement to Facilities Serving Recipients of State-County Special Assistance, April 1, 2017; Data provided by DAAS on March 10, 2021.



Key Rental Assistance Program

Overview

- Rental assistance program for low-income, disabled individuals in partnership with NC Housing Finance Agency
- Participants pay no more than 25-30% of income toward rent (assistance pays difference between rent and payment standard)
- As of February 24, 2021, there were 2,261 Key subsidy participants

Budget

	Authorized 2020-21	Base 2021-22	Base 2022-23
Total Requirements	\$6.3M	\$6.3M	\$6.3M
Receipts	\$0.0M	\$0.0M	\$0.0M
Net Appropriation	\$6.2M	\$6.2M	\$6.2M

Eligibility

Disabled individuals with gross income below 50% of area median income and minimum gross income of \$300/month

Note: Figures may not add to total due to rounding.

Source: DAAS Worksheet I, Biennium 2021-23



Takeaways

- The federal and State COVID-19 response largely focused on shelter and housing (Emergency Solutions Grant Program), senior nutrition, and State-County Special Assistance payments to facilities
- The proposed FY 2021-22 and FY 2022-23 Net Appropriation for the Base Budget is the same as the Net Appropriation for the FY 2020-21 Authorized Budget
- The DAAS Net Appropriation largely supports Community-Based Services (including HCCBG services), State-County Special Assistance, and the Key Rental Assistance Program



Questions?

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