

**N. C. Division of Aging and Adult Services Administrative Letter No. 13-07  
Adult Services Section**

**Date:** April 24, 2013

**Subject:** Instructions for Special Assistance In-Home Approvals for Individuals with Verified Supported Housing Slots

**Distribution:** County Directors  
Special Assistance Program Managers and Supervisors  
Adult Services Program and Supervisors

**Effective Date:** Upon Receipt

The purpose of this letter is to provide Departments of Social Services (DSS) with information and instructions on the evaluation and approval of Special Assistance In-Home (SA/IH) cases to expedite access to the SA/IH Program for individuals verified to be approved for Supported Housing Slots through the US Department of Justice (DOJ) Settlement with North Carolina.

**I. Background**

Through the [settlement agreement](#) between the State and the DOJ, the State:

*.. agrees to develop and implement effective measures to prevent inappropriate institutionalization and to provide adequate and appropriate public services and supports identified through person centered planning in the most integrated setting appropriate to meet the needs of individuals with SMI [serious mental illness], who are in or at risk of entry to an adult care home.....*

Eligible individuals will receive Supported Housing Slots which provide rental subsidies for community-based supported housing and transition and tenancy support. The transition coordination and care coordination that accompany the Supported Housing Slots will be provided by the Local Management Entity - Managed Care Organizations (LME/MCO.) as needed. The individuals with Supported Housing Slots will also receive ongoing tenancy supports involving at least a monthly face-to-face contact with Quadel, an organization contracting with DHHS to provide specific services to individuals.

A large percentage of the Supported Housing Slots will be provided to individuals currently living in adult care homes (ACH). Others receiving Supported Housing Slots will be individuals who are seeking ACH placement, but can be diverted, and those discharged from state psychiatric hospitals and are homeless.

Supported Housing Slots are offered to individuals who are Medicaid eligible, Special Assistance (SA) eligible in an ACH, would be SA eligible in an ACH though no longer residing in an ACH, or have a gross income equal to or less than 100% of the Federal Poverty Guidelines for a single individual.

## **II. SA/IH Slot Availability and Assignment**

**A DAAS staff member will notify the DSS Adult Services Supervisor in the county of SA/Medicaid eligibility and in the county which the individual is interested in moving in order to verify that a Supported Housing Slot has been assigned by DHHS.**

When an individual is verified to have received a Supported Housing Slot, and the county of private living is known, the individual or his/her LME/MCO transition coordinator requests an SA/IH slot in the county where the individual will be in a private living arrangement **and**:

- A. When DSS has available SA/IH slots:** SA/IH financial eligibility is determined by the Income Maintenance Caseworker (IMC). The DSS will assign a slot to the individual verified to be receiving a Supported Housing Slot.
- B. When DSS does not have all assigned slots filled and yet a waiting list:** DSS will assign an SA/IH slot to the individual verified to be receiving a Supported Housing Slot.
- C. When DSS has active SA/IH cases in all assigned SA/IH slots:** DSS must request an additional SA/IH slot from DAAS and assign the new slot to the individual verified to be receiving a Supported Housing Slot.

Each DSS has an internal process for assigning and requesting additional SA/IH slots. This process does not need to change for these cases. However, assignment for SA/IH slots must be made immediately upon approval of the SA/IH case.

The authorization of additional slots requested by the DSS will not be affected by the number of slots assigned to individuals approved for Supported Housing Slots.

## **III. Case Management Provision and SA/IH**

**Because the Supported Housing Slots require transition and ongoing care coordination and tenancy supports, the Division of Aging and Adult Services (DAAS) is waiving the requirement of the DSS adult services social worker providing the comprehensive assessment, service planning and ongoing case management for SA/IH cases with verified Supported Housing Slots.**

The LME/MCO transition coordinators will determine the initial need for enrollment in the SA/IH Program. The LME/MCO transition coordinator will explore all other resources before recommending a SA/IH payment amount based on the maximum amount for which the individual is eligible to receive.

## **IV. The Role of the Income Maintenance Caseworker (IMC) and the SA/IH Approval Process**

The IMC establishes and approves eligibility for SA/IH for these individuals approved for Supported Housing Slots. The initial contact by the LME/MCO In-reach and Transition Team is made with the DSS for eligibility of SA/Medicaid.

Two forms have been created for communication between the SA IMC and the LME/MCO Transition Coordinator. The SA/IH Case Management Manual, [Appendix E Supplement 1](#) is a form for the SA IMC to communicate with the LME/MCO transition coordinator. [Appendix E, Supplement 2](#), provides a format for the LME/MCO to communicate with the SA IMC.

## **A. For Residents of ACHs**

### **1. Establishing Medicaid Eligibility for Private Living**

Establishing that the individual is eligible for Categorically Needy (CN) Medicaid is the first step in determining eligibility for SA/IH. The DSS will need to gather information relevant to establishing Medicaid CN eligibility in private living from the LME/MCO transition coordinator including details of the planned living arrangement, changes in finances or available resources/assets, county of private living residence, and other pertinent eligibility information.

According to the Settlement, residents of ACHs must be SA eligible in order to be approved for a Supported Housing Slot. The IMC will conduct an Ex-Parte review to determine continued Medicaid CN in a private living arrangement and notify the LME/MCO transition coordinator within five (5) business days regarding the individual's **presumptive** continued eligibility for Medicaid in a Private Living Arrangement. Based on the results of the Medicaid ex-parte review, if the individual is not eligible for CN Medicaid, the individual is not eligible to receive SA/IH.

### **2. Providing Income Information for the Supported Housing Slot Approval**

The IMC plays a key role in providing critical income information to the LME/MCO transition coordinator. The LME/MCO transition coordinator must verify gross income to determine eligibility for the Supported Housing Slot. The Department of Health and Human Services Privacy and Security Office has determined that with the appropriate release of information form, the IMC can release specific information to the LME/MCO transition coordinator for the purpose of authorization of a DOJ Supported Housing Slot. An appropriate release of information is a form that is signed, dated, has an end date no longer than 12 months from the date of signature and is specific in what is to be released.

In addition to the Medicaid eligibility information, IMCs may release the following information regarding income:

- a) The amount of gross income before any deductions or exclusions (for earned income, Medicare premiums, etc. or for any exclusion including the \$20 general income exclusion.)
- b) DSS can only provide the source of the income if it is verified by the DSS IMC through a source other than an electronic data match (Electronic data matches include matches from the Social Security Administration, Veterans' Administration, and the Employment Security Commission.)

### **3. A DAAS staff member will notify the DSS Adult Services Supervisor to verify that a Supported Housing Slot has been assigned by DHHS. The Adult Services Supervisor will notify the SA Supervisor.**

4. It is critical that the LME Case Manager/Transition Coordinator receives all eligibility correspondence. Once it is verified that a Supported Housing Slot has been assigned, and an appropriate release of information is obtained, the IMC will enter the LME/MCO information into the Authorized Representative Screen in the field designated for the "CAP Case Manager name/Pace Agency".

The entry of the LME/MCO name in this field will assure that the LME/MCO providing the care coordination/transition coordination will receive notices regarding any changes in Medicaid or Special Assistance Benefits.

a) Name Field: Enter the LME/MCO name. Up to thirty characters may be keyed for the name field. The LME/MCO name may have to be truncated.  
Example "*Name Field*": *CardinalInnovationsHealthcareS* [30 characters used]:  
For Cardinal Innovations Healthcare Solutions.

b) There are two address fields that can be used.  
(1) In address field 1 use, a legitimate address recognized by the post.  
(2) Address field 2 may be the suite number of the agency.

## 5. Approving the SA IH case

a) The LME/MCO transition coordinator must inform the IMC immediately (within five (5) calendar days) of the individual moving into a private living arrangement. The IMC in the original Special Assistance/Medicaid County of eligibility verifies and documents the change in the case record. SA/IH Case Management Manual Appendix E Supplement 2 can be provided to the LME/MCO for communication of information.

b) When the LME/MCO transition coordinator informs the IMC that the individual is interested in SA/IH, the IMC will:

(1) Determine the amount of the maximum SA payment and will communicate this immediately to the LME/MCO transition coordinator.

(2) Determine if the individual needs an updated FL-2. If the FL-2 is current (will not expire within the next 30 days) and valid, a new FL-2 is not needed. If an FL-2 is needed, the IMC must inform the LME/MCO transition coordinator immediately that a new FL-2 is needed and how what a valid FL-2 is for SA/IH. A valid FL-2 is one that states the individual requires a need for licensed residential level of care (Block #11) and is signed by a licensed physician, physician assistant, or nurse practitioner.

c) The LME/MCO transition coordinator will provide to the IMC in writing on the Appendix E Supplement the amount of the approved payment up to the maximum.

d) The IMC will transfer the case via the 8125 from an Ambulation Code "B" to an Ambulation Code "H". This is allowable only for SA/IH cases verified to be authorized for Supported Housing Slots. This is treated as a change in situation. The IMC will use code '68'-other for change in situation.

- e) The IMC will complete the DSS-8110, Your Benefits Are Changing (Timely) and send to the recipient, authorized representative and LME/MCO transition coordinator. The DSS worker will inform on the notice that the Individual's payment will change from Special Assistance in a residential facility to Special Assistance In-Home. The amount will be included even if the payment amount does not change.
  - f) The 5/10 day rule does not apply as payment will not be terminated.
  - g) The IMC will inform the LME/MCO transition coordinator that the individual may have a contractual agreement to provide a 14-day written notice to the facility when moving out of the facility. When the required notice is given, the individual owes the facility a per-diem amount through the notice period. This amount is the number of days in the month divided by the Special Assistance Rate of \$1,182.
  - h) The IMC will determine the (new) county of SA/IH/Medicaid/SA/IH eligibility. The county of SA/IH/Medicaid eligibility is the county where the individual is physically residing in a private living arrangement.
- 6. When the SA/IH county of eligibility will be different than the current (ACH) county of SA/Medicaid eligibility**
- a) The IMC contacts the new county of Medicaid eligibility verbally and in writing to inform the Program Administrator/Special Assistance Supervisor that the new case is a DOJ Supported Housing Slot and will be eligible for Medicaid and SA/IH. The case can be transferred in EIS if both counties have not implemented NCFAST hard launch.
  - b) The effective date of the county transfer may be no earlier than the second month following completion and mailing of the transfer letter. At a minimum, the first county will continue assistance for one month following the keying of the transfer.
  - c) The IMC will transfer the case in EIS to the new county effective the second month following the month of input.
  - d) If the case has a redetermination due before the effective date of the county transfer (payment review period), the current/original county of eligibility must complete the redetermination prior to transferring the case.
  - e) The IMC in the county of eligibility assigns a SA/IH Slot Number. For further information on the SA/IH Slot assignment see SA IH Slot Availability and Assignment above.
  - f) The first county completes and sends a DMA-5049, Referral to Local Social Security Office, to SSA to report the change of address.

## **B. Individuals in Private Living Diverted from ACH Placement due to the Pre-admission Screening Process**

### **1. Establishing Medicaid Eligibility for Private Living**

- a) Establishing that the individual is eligible for Categorically Needy (CN) Medicaid is the first step in determining eligibility for SA/IH. The DSS will need to gather information relevant to establishing Medicaid CN eligibility in private living from the LME/MCO transition coordinator including details of the planned living arrangement, changes in finances or available resources/assets, county of private living residence, and other pertinent eligibility information.
- b) If the individual is currently receiving Medicaid, the IMC must explore what aid/program category the recipient is currently receiving. If the individual is already receiving Categorically Needy (CN) Medicaid and a redetermination has not been made within the past six (6) months, the IMC will conduct an Ex-Parte review to determine continued CN Medicaid eligibility in a private living arrangement and notify the LME/MCO transition coordinator within five (5) business days regarding the individual's **presumptive** continued eligibility for CN Medicaid in this Private Living Arrangement. Based on the results of the Medicaid ex-parte review, if the individual is no longer eligible for CN Medicaid, the individual is not eligible to receive SA/IH.

NOTE: MQB/Q cases have the same income limit as Categorically Needy (CN) Medicaid (100% FPL), however, the reserve limit is higher. If an individual is currently receiving MQB/Q, the IMC will determine in the ex-parte review if the individual qualifies for presumptive eligibility for CN Medicaid in a Private Living Arrangement based on new resource verification.

**CONTINUE TO FOLLOW STEPS IN A. 2 – 5 ABOVE TO COMPLETE THE PROCESS OF THESE CASES.**

## **C. Individuals with SPMI Being Discharged from a State Psychiatric Hospital and Who are Homeless or have Unstable Housing**

- a) Establishing that the individual is eligible for Categorically Needy (CN) Medicaid is the first step in determining eligibility for SA/IH. The DSS will need to gather information relevant to establishing Medicaid CN eligibility in private living from the LME/MCO transition coordinator including details of the planned living arrangement, changes in finances or available resources/assets, county of private living residence, and other pertinent eligibility information.
- b) If the individual is currently receiving Medicaid, the IMC must explore what aid/program category the recipient is currently receiving. If the individual is already receiving Categorically Needy (CN) Medicaid and a redetermination has not been made within the past six (6) months, the IMC will conduct an Ex-Parte review to determine continued CN Medicaid eligibility in a private living arrangement and notify the LME/MCO transition coordinator within five (5) business days regarding the individual's **presumptive** continued eligibility for CN Medicaid in this Private Living Arrangement. Based on the results of the Medicaid

ex-parte review, if the individual is no longer eligible for CN Medicaid, the individual is not eligible to receive SA/IH.

NOTE: MQB/Q cases have the same income limit as Categorically Needy (CN) Medicaid (100% FPL), however, the reserve limit is higher. If an individual is currently receiving MQB/Q, the IMC will determine in the ex-parte review if the individual qualifies for presumptive eligibility for CN Medicaid in a Private Living Arrangement based on new resource verification.

**CONTINUE TO FOLLOW STEPS IN A. 2 – 5 ABOVE TO COMPLETE THE PROCESS OF THESE CASES.**

We hope this letter clarifies the process for approving SA/IH for individuals in Supported Housing Slots. If you have further questions please contact your APRs through the Adult Services listserv or the SA Team listserv at [specialassistance@dhhs.nc.gov](mailto:specialassistance@dhhs.nc.gov).

Sincerely,

A handwritten signature in black ink that reads "Dennis W. Streets". The signature is written in a cursive style with a large, stylized "S" at the end.

Dennis W. Streets, Director

SPM/cu/abp

Attachments: [AL 13-07 Appendix E Supplement 1](#)  
[AL 13-07 Appendix E Supplement 2](#)