

# State and County Special Assistance

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# SA Eligibility Qualifications

- Individuals with low income are potentially eligible if they are age 65 or older, between the ages of 18 and 65 and disabled according to Social Security disability standards, or (if under age 18) are a child who is legally blind and living in a specialized community residential center.

All applicants must:

- Need residential facility level of care as verified by a health care provider but can also desire to continue living in their own home (SA in home program);
- Be a U.S. citizen or qualified alien
- Meet income and asset eligibility requirements
- Be a resident of NC
- Meet all other Special Assistance eligibility requirements



# Financial Eligibility Requirements

- SA eligibility is determined by the local Department of Social Services (DSS). In the process of determining eligibility, there are certain income deductions for earned and unearned income and assets that may be excluded.
- Typical examples of countable income include wages, Social Security (SS) and Supplemental Security Income (SSI), and Veteran's Administration (VA) income.

# How much does SA pay?

- The maximum Special Assistance payment an eligible individual can receive is tied to the maximum rate adult care homes can charge Special Assistance recipients for room and board. The maximum rate (set by the North Carolina General Assembly) that adult care homes can charge an SA recipient for room and board is currently \$1,359 per month for basic SA and \$1743 per month for Special Care Unit (SCU) SA.
- A personal needs allowance of \$70 is added to the maximum rate to allow an individual some spending money for clothing and other essentials each month. This total is called the “maintenance amount” and is \$1429 for a regular adult care home bed and \$1813 for a SCU care.
- The maintenance amount is used for eligibility determination.

# How much does SA pay?

- For example, John is 70 years old and due to his current physical and medical condition, he and his family and physician determine he needs to be cared for in an adult care home. John's monthly income is \$1200 from SS.
- For basic SA, John's \$1200 is subtracted from the \$1429 maintenance amount for a difference of \$229 dollars which will be paid by a combination of state and county dollars. Since John is allowed to keep \$70/month for personal needs, the remaining \$1359/month (\$1130 from John and \$229 by the state/county) will be paid to the adult care home for room and board.
- Since John is eligible for SA, he is also now eligible for Medicaid, which can be used to pay for personal care services to assist John to make sure he receives his medications, receives help with his activities of daily living such as bathing, dressing, mouth care, feeding and ambulation.

# Problems with the current SA Program

- The primary problem with the current SA program has to do with eligibility.
- As noted previously, the maintenance or eligibility rate for basic SA is currently \$1429 per month and \$1813 per month for SCU.
- Effective January, 2022, the SA rate (for both adult care home and in-home) is now increased every year per the same amount as the Social Security Annual Cost of Living Adjustment (COLA); however, from 2008 – 2022, the SA eligibility rate remained flat with no increases from the legislature.

# Problems with the current SA Program

- As SA remained flat, SS, SSI and VA gave its recipients a number of COLAs from 2008 – 2022. As these COLAs were issued, many more individuals needing adult care home level of care, particularly SS recipients were pushed over the SA eligibility limit.
- If an individual's countable income is even \$1 over the SA eligibility rate of \$1429 for basic SA or over the \$1813 per month for SCU SA, they are deprived from receiving any SA room and board payment and are also not eligible for Medicaid with the exception being for folks receiving SSI, which are already eligible for Medicaid. This also applies for individuals applying for in-home SA benefits.
- For example, the estimated average monthly SS retirement benefit for December 2024 was \$1,834, which means the average SS recipient would not be eligible to receive any SA or Medicaid benefits for adult care home care.

# Problems with the current SA Program

- As further evidence that SA eligibility and payments are behind the curve so to speak, every two years as required by NC General Statute § 131D-4.2 , the NC DHHS requires all adult care homes that accept SA residents to file audited cost reports so DHHS can report the actual costs of providing room and board care to SA residents.
- Furthermore, the law requires the DHHS report to *"...be used to adjust the adult care home rate at least every two years, an adjustment that is in addition to the annual standard adjustment for inflation as determined by the Office of State Budget and Management. Rates for family care homes shall be based on market rate data."*



# Problems with the current SA Program

- Unfortunately, since 2008, DHHS has not recommended to the General Assembly to adjust the SA rate based on adult care home cost reports.
- According to the last DHHS report issued August 29, 2024:  
*"Recommendations for proposed rate adjustments from the cost modeling study are as follows:*
  - *Adult Care Homes (non SCU) \$1,780 per month,*
  - *SCU Adult Care Homes \$2,067 per month."*

# Problems with the current SA Program

- The current SA basic rate of \$1429 per month is in stark contrast to the DHHS recommended rate adjustment of \$1780 per month (-\$350).
- By the same measure, the current SCU rate of \$1813 per month also falls short of the DHHS recommended rate adjustment of \$2067 per month (-254).
- Not only does the low SA rates deprive North Carolinians of needed care, but adult care home providers with high percentages of SA residents in their homes find it hard to provide room and board and other services due to the increased cost of food, supplies, staffing and other items affected by inflation over the years.
- In addition, those individuals receiving in-home SA may also find it difficult to pay rent, utilities, food and other items with the current SA rates.

# The Ask – the SA Program needs to be rebased

- By rebasing the SA program rate and therefore, eligibility rate, perhaps over a two-year period, more North Carolinians would have access needed adult care home care and Medicaid services, including SCU or memory care. For example:
  - For SFY25/26, increase the basic SA rate by one half of the difference of \$350 per month or \$175 which would increase the current basic SA rate from \$1429 to \$1604. for SFY26/27, increase the basic SA rate an additional \$175 to \$1779.
  - For SFY25/26, increase the SCU SA rate by one half of the difference of \$254 per month or \$127 which would increase the current SCU SA rate from \$1813 to \$1940. for SFY26/27, increase the SCU SA rate an additional \$127 to \$2067.
- After the rebase has occurred, going forward, since SA will continue to be increased based on the annual SS COLA, the SA rate should better reflect the cost of providing care and services to residents.

# Questions/comments?

