



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor
MANDY COHEN, MD, MPH • Secretary
JOYCE MASSEY-SMITH, MPA
Director, Division of Aging and Adult Services

September 25, 2020

Dear Owners/Operators of Facilities Licensed to Accept Special Assistance Payments

Subject: Monthly Payment for Facilities Licensed to Accept Special Assistance (SA) Payments for the Period of August 1, 2020 through December 30, 2020 for each recipient.
House Bill 1105, a Bill to be entitled an Act to Provide Federal Coronavirus Relief Funds to North Carolinians in Response to the Coronavirus Disease 2019 (COVID-19).

I. Background and Introduction

House Bill 1105, Section 3.3.(30a) directs the Department of Health and Human Services (DHHS), Division of Social Services to implement a monthly payment for facilities licensed to accept State-County Special Assistance. These funds shall be used to provide temporary financial assistance in the form of a monthly payment to these facilities to offset the increased costs of serving residents who are recipients of State-County Special Assistance during the COVID-19 emergency. For the period commencing August 1, 2020, and ending December 30, 2020, the amount of the monthly payment authorized by this subdivision shall be equal to two hundred fifty dollars (\$250.00) per month for each resident of the facility as of the first day of the month who is a recipient of State-County Special Assistance. The DSS shall terminate all monthly payments pursuant to this subdivision on the earlier of December 30, 2020, or when the funds allocated under this subdivision are depleted. Nothing in this subdivision shall be construed as an obligation by the General Assembly to appropriate funds for the purpose of this subdivision or as an entitlement by any facility, resident of a facility, or other person to receive financial assistance under this subdivision. The following definitions apply in this subdivision:

- a. Facility licensed to accept State-County Special Assistance payments. – Any residential care facility that is (i) licensed by the Department of Health and Human Services and (ii) authorized to accept State-County Special Assistance payments from its residents.
- b. State-County Special Assistance – The program authorized by 42 G.S. 108A-40.

The legislation appropriates \$20 million in nonrecurring Federal funds to provide monthly payments of \$250 to facilities licensed to accept SA payments on behalf of each SA resident. There is no County match for the monthly payments.

- In the case of a SA application completed during the period specified above and approved on or before December 1, 2020, the monthly payments will be issued upon approval if eligibility is approved for the period of August 1, 2020 through December 30, 2020.

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF AGING AND ADULT SERVICES

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- In the case of a SA application completed during the period specified above and not approved until after December 1, 2020, the monthly payments will not be issued upon approval as specified in the House Bill.
- In the case of a recipient who transfers from one licensed facility to another during the time period, only the first eligible licensed facility will receive the payments authorized under this section.

The Division of Aging and Adult Services (DAAS) administers the SA Program. DAAS will work with the Division of Social Services to implement the legislation. In addition to the Division of Social Services, DAAS is working closely with the NC Families Accessing Services through Technology Case Management System (NC FAST), the DHHS Controller's Office, and others within DHHS to use existing mechanisms, as required by the legislation, to make the monthly payments to providers for each SA recipient for the period of August 1, 2020 through December 30, 2020.

II. How the Monthly Payment Will Be Administered

A. Facilities will be paid \$250 for each SA resident identified by NC FAST as both eligible for SA and residing in the facility during the period of August 1, 2020 through December 30, 2020 on the *first business day of the month* beginning August 1, 2020 through December 30, 2020. There will be issuance dates scheduled monthly beginning October 31, 2020 through December 30, 2020. The initial issuance date is scheduled for October 31, 2020.

B. Facilities will be paid directly through the North Carolina Accounting System (NCAS) either by an electronic transfer to an operating account or a paper check. See Section III. below for information on how to register in NCAS.

C. Facilities will receive a monthly reimbursement for all SA recipients residing in a facility. A ledger will be provided listing the SA recipients affiliated with each reimbursement. The ledger will be an e-mail or fax if payments are received electronically or included as an insert with the paper check.

D. If an individual has moved into or out of the facility after the first day of each month between the period of August 1, 2020 through December 30, 2020, there will be no adjusted or prorated payment. The facility where the SA recipient resides on the first day of each month, during the period of August 1, 2020 through December 30, 2020, is the basis for determining which facility receives the monthly payments.

E. The legislation does not allow payments for individuals whose applications for SA are pending. Once the application is approved, the facility will receive the monthly payment *beginning* October 2020 for the period of August 1, 2020 – December 30, 2020 if the SA application is approved on or before December 1, 2020.

For example: Mr. B. moves into your facility on November 18, 2020 and applies for SA on November 29, 2020. His application is approved on December 1, 2020 with an effective date of November 18, 2020. The monthly payment would begin December 2020 and *issue on December 30, 2020*. Same example, however, Mr. B. is a SA recipient in the licensed facility on August 1, 2020. The monthly payment would begin August 2020 and the initial issuance would begin on October 31, 2020, with payments for August 1, 2020, September 1, 2020 and October 1, 2020.

III. Registering to Receive the Monthly Payments: Three Steps/Forms to Complete

The three steps and forms described below are necessary for registration in NCAS in order for facilities to receive the monthly payments. Please read and follow the steps carefully in order to assure accurate and timely registration.

Step 1: Complete the IRS Form W-9

The NCAS registration information will come from the **IRS Form W-9, Request for Taxpayer Identification Number and Certification** <https://www.irs.gov/pub/irs-pdf/fw9.pdf> .

If you submitted the IRS Form W-9 for HB 1043, One-Time Payment for Facilities Licensed to Accept Special Assistance (SA) Payments for the Period of March 10, 2020 through July 30, 2020, an Act to Provide Aid to North Carolinians in Response to the Coronavirus Disease 2019 (COVID-19) Crisis, you do not need to submit a new W-9 for this monthly payment unless there has been changes related to the W-9 information and/or you expect changes related to the W-9 to occur prior to December 30, 2020.

Complete a W-9 for EACH FACILITY LICENSED TO ACCEPT THE SA MONTHLY PAYMENT REGARDLESS OF CORPORATE OWNERSHIP. It is important to remember to include the license number for each facility on the completed W-9 prior to submission.

Should you have questions about the completion of the form(s), please contact your tax preparer.

Step 2: Determine Payment Receipt Method

Facilities will be paid either by an electronic transfer or paper check. Facilities must determine the method by which they will be reimbursed.

- Electronic Transfer
 - Complete the Payment Verification Form found at <https://www.ncdhhs.gov/documents/payment-verification-sa-providers>
 - The direct deposit account should be the facility operating account. The facility may **not** use the “collective account” for the SA recipients’ Social Security benefits and SA payments.
- Paper Check
If a provider cannot receive the monthly payments thru electronic transfer, a paper check will be issued. If **no** Payment Verification Form for electronic deposit is submitted with the W-9, the DHHS Controller’s Office will use the information on the W-9 to issue and mail a paper check.

Step 3: Submit W-9 and Payment Verification Form

The DHHS Controller’s Office must receive the printed W-9 Form and the Payment Verification Form (if direct deposit is requested.) Please send the information to the DHHS Controller’s Office: This information is also included on the Payment Verification Form.

- via e-mail DHHS.OOC.SS@dhs.nc.gov or fax to 919-715-5847.

The deadline for submitting the required information is October 2, 2020.

IV. Situations That May Arise Regarding One-Time Payment

There may be instances where a facility does not receive the monthly payments for a resident because the resident moved to the new facility on or after August 1, 2020 and the move was not reported in time for the change to be made in NC FAST. If a facility does not receive a payment for a SA eligible resident who lived in the facility on the first day of the month beginning August 1, 2020 through December 30, 2020, due to this situation, please report the change to the county Department of Social Services (DSS). The monthly payments will be issued to the address currently displaying in the client’s living arrangement in NC FAST on the first day of each month beginning August 1, 2020 through December 30, 2020.

Note: The SA case **must be active (not pending)** for the period of August 1, 2020 through December 30, 2020 to receive the monthly payment(s). Any SA application that remains pending during this period and approved on or after December 2, 2020 will not receive a payment.

If the resident left the facility prior to the first day of the month beginning August 1, 2020 through December 30, 2020, and returned to the facility on or after the first day of the month beginning August 1, 2020 through December 30, 2020, the facility address in NC FAST is the facility to receive the monthly payments during the period of August 1, 2020 through December 30, 2020. Contact to the facility for the dates specified above will be the responsibility of the facility administrators for payment disputes.

When a facility receives the monthly payments for an SA recipient who is deceased, returned to a private living setting, or his or her whereabouts are unknown prior to the first day of the month beginning August 1, 2020 through December 30, 2020, return the monthly payment and the SA payment to the county DSS indicating the SA recipient's name, the amount of the payment, and the amount of the SA payment. This is the same process that is followed to return SA payments.

V. Notification When a Resident Moves In or Out of the Facility

When a SA recipient moves out of the facility, as always, the facility representative must notify DSS so that the change can be made in the SA case via NC FAST. Changes should be reported to the county DSS caseworker as soon as the change occurs. As a reminder, all changes must be reported no later than 5 calendar days from the date of change.

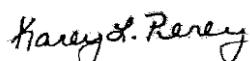
VI. Conclusion

We hope this information is helpful in order to facilitate a smooth registration process in NCAS and the receipt of the monthly payments to provide aid in response to the COVID-19 pandemic for facilities licensed to accept State-County SA for the period of August 1, 2020 through December 30, 2020.

Please remember to submit your required registration to the DHHS Controller's Office by October 2, 2020.

If you have questions about the information in this letter, with the exception of the completion of the W-9 Form, please submit them to the Division of Aging and Adult Services listserv at tempfacpay@dhhs.nc.gov.

Sincerely,



Karey Perez
Adult Services Section Chief
Division of Aging and Adult Services

KP/abp

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cc: County Departments of Social Services
Division of Health Service Regulations