



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

DAAS ADMINISTRATIVE LETTER NO. 20-09

TO: Area Agency on Aging Directors

FROM: Hank Bowers, Assistant Director

DATE: June 4, 2020

SUBJECT: COVID-19 Pandemic Response, Part III:

- The Coronavirus Aid, Relief, and Economic Security Act (CARES Act) Administrative and Fiscal Overview
- Programmatic Implications
- New ARMS Codes to Capture Disaster Efforts for Programs

I. The Coronavirus Aid, Relief, and Economic Security (CARES) Act Fiscal Overview

Background

Per federal disaster declarations related to the COVID-19 pandemic, the Administration on Community Living (ACL) has awarded funding from the Coronavirus Aid, Relief and Economic Security Act, or CARES Act for:

- Home and Community Based Services (HCBS) under Title III-B of the Older Americans Act (OAA);
- Nutrition Programs under Title III-C of the OAA;
- National Family Caregiver Support Program (FCSP) under Title III-E of the OAA;
- Ombudsman Program under Title VII of the OAA

Funds must be expended on allowable Older Americans Act activities as defined within the Act, as well as in accordance with state and local policies. Funds must be accounted for, tracked, and reported separate from recurring Older Americans Act funding.

Project Period

The project period for CARES Act funds is April 1, 2020 through September 30, 2021. There is no prior approval required to charge expenditures for COVID related activities to the CARES Act funds for pre-award costs incurred from January 20, 2020 forward to the effective date of the project period. (Reference: ACL FAQs based on call with ACL and SUA Directors on April 15, 2020; Issued by ACL on April 21, 2020). Disaster relief funding, including the CARES Act, does not correspond to state fiscal years. Unspent fund balances

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

LOCATION: 693 Palmer Drive, Taylor Hall, Raleigh, NC 27603
MAILING ADDRESS: 2101 Mail Service Center, Raleigh, NC 27699-2101
www.ncdhhs.gov • TEL: 919-855-3400 • FAX: 919-733-0443

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for each region will be used as the new state fiscal year allocation award throughout the duration of the project.

All CARES Act funds must be obligated by September 30, 2021, with final liquidation due by December 30, 2021. Further reporting details remain under development and will be addressed in later guidance.

Distribution of Funds and Local Planning

CARES Act funding is being provided to each of North Carolina's 16 Area Agencies on Aging via the Intrastate Funding Formula (10A NCAC 05C. 0404) for the purpose of responding to the COVID-19 public health emergency.

To expedite these allocations to local providers in a timely and efficient manner, disaster grant funds, including CARES Act funds, are not required to go through the county planning process for the duration of the Major Disaster Declaration (MDD). The Division of Aging and Adult Services (DAAS) strongly encourages that communication about disaster grant funds occur between the Area Agencies on Aging (AAAs), local providers, and their county planning committees/county commissioners.

States, and by extension, AAAs and providers should be recording the number of clients to whom services are provided, the name or category of services provided, the number of units of service provided, and the expenditures related to providing such services. Funds are to be utilized to respond to the COVID-19 emergency by providing OAA services related to the response. Expenditures must be allowable and reasonable. (Fiscal FAQ—COVID-19 Emergency; Issued by ACL on April 8, 2020 by ACL)

Area Agencies on Aging may choose to provide direct services with CARES Act funding. In such instances, the AAA is required to submit the attached waiver request form to DAAS Lead Monitor, Jennifer Powell (Jennifer.a.powell@dhhs.nc.gov) by June 19, 2020.

Program income may be used to expand any OAA service for the duration of the Major Disaster Declaration. Program income must be reported under the grant award number in which expenditures were made. (Source: ACL Fiscal FAQ: Major Disaster Declaration)

Match Requirements

Match is not required for direct service on CARES Act grant funds. However, Area Plan administration match is required at a rate of 25%. This local match is the amount of funds ("match") required toward administration expenditures. The 25% match can be met by Cash or In-Kind sources (Fiscal FAQ—COVID-19 Emergency; Issued by ACL on April 8, 2020 by ACL.) DAAS allocated the 10% administration total allowed to AAAs based on the Intrastate Funding Formula and also provided the associated match requirement for AAA review. AAAs must contact the DAAS Budget Office to accept the allocated AAA Area Plan Administration or have DAAS adjust their allocation.

Transfer of Funds

Under the CARES Act, transfers of up to 100% are approved within Regular OAA, FFCRA, and the CARES Act supplemental grants C-1, Congregate Meal Program and C-2, Home-Delivered Meal Program. Transfers must occur within the same grant grouping; i.e., CARES Act transfers must occur within the CARES Act grants. Transfers within Supportive Services Title III-B and Nutrition Programs Title III-C funding are authorized up to 30%. A waiver can be requested by the SUA to the Assistant Secretary for Aging to exceed the 30% transfer authority limit up to 100%. (Source: ACL Fiscal FAQ-COVID-19 Emergency April 8, 2020)

Under the authority of the Major Disaster Declaration, which all States are operating under currently, Older Americans Act monies are allowed to be bucketed into any Title to meet the needs of older adults. The end date of the Major Disaster Declaration has not been declared.

During the Major Disaster Declaration, a State is approved under Section 310(c) to use any portion of the funds made available under sections of the Act for disaster relief for older individuals. In this regard, flexibility is provided for States – without the need for a separate application, transfer request, or request for a waiver -- to use existing allocations already made to them under the Act for disaster relief. ACL considers disaster relief services for older individuals to be any services during the period covered by the state's Major Disaster Declaration that are provided to eligible older individuals or family caregivers as defined under the OAA (Source: ACL Fiscal FAQ: Major Disaster Declaration). After the Major Disaster Declaration ends, transfer requirements will revert to normal OAA requirements. The AAA should report transfers to DAAS to move funding on the grant award, since funds are issued under separate grant award numbers.

Contracting and Procurement

The CARES Act grant awarded to AAAs will offer flexibility for services provided. CARES Act contracts awarded by Area Agencies on Aging to providers should incorporate the requirements of this administrative letter.

AAA contracts will be awarded to providers in the same timeframe as counties are determining HCCBG services, providers, and allocations for FY 2021. It is an AAA/local decision whether to use separate or combined RFPs to procure FY 2021 HCCBG services and CARES Act services.

AAAs and providers are advised that the bid specifications for each procurement process should detail the projected number of meals transportation trips, or other services as appropriate, to each funding source and project period. Capital purchases such as equipment and vans must be reasonable, justified, and written documentation maintained to track the expense. Traditional federal and state allowable cost principles should be followed.

Expenditures under each grant will have to be tracked and reported separately by using the new ARMS service codes for CARES Act services detailed below.

Consumer Contributions

The requirements of the Older Americans Act for the solicitation and receipt of voluntary contributions from older adults for services provided under the CARES Act funding are not waived. AAAs and local providers may determine the best localized strategies for satisfying this requirement during the COVID-19 pandemic. In addition to existing practices for soliciting contributions (i.e. posters, flyers, provision of envelopes for returning a contribution), the Administration for Community Living has, for example, suggested that providers consider using locked boxes at meal pick-up locations.

II. Program Implications

a. Home and Community Based Services

- To enhance the flexibilities of the funding to best meet the needs of participants, caregivers and providers, and to respond to the COVID-19 pandemic, most of the non-unit CARES codes are intended to capture the aging network's need for personal protective equipment which will allow service providers to reopen or continue to serve older adults. There are also other codes that address other needs that may not fit in this category. It is the intent of the CARES Act to address the needs of the older adults during this emergency.

b. Nutrition Programs

- To enhance flexibility to best meet the needs of participants, meals provided to senior nutrition program participants using CARES Act funding may or may not meet one-third of the recommended daily allowance / dietary reference intake (RDA-DRI) requirements. Emergency meal guidance is provided in DAAS ADMINISTRATIVE LETTER NO. 20-08: COVID-19 Pandemic Response, Part II. An emergency response non-unit nutrition CARES Act code is also available. It is intended to capture service provider's necessities such as personal protective equipment (PPE), food service equipment and other unique items that allow providers to continue delivery of services. Consumable supplies for participants, such as produce boxes, are also allowable. The intent of CARES Act funding is to respond to the COVID-19 emergency by providing OAA services related to the response. (Fiscal FAQ—COVID-19 Emergency; Issued by ACL on April 8, 2020 by ACL).

c. Family Caregiver Support Program

- To enhance flexibility of the funding to best meet the needs of caregivers as the aging network responds to the COVID-19 pandemic, the following guidelines are in place regarding funding for FCSP CARES Act funds:
- The 10% funding cap on older relatives as caregivers ("GRG"/"kinship") is waived (authority—OAA Reauthorization of 2020; this will also apply to OAA2021 recurring funds).
- The 20% funding cap on supplemental services is waived.
- For Category IV and Category V services provided under the CARES Act funding, a written justification from the provider or AAA will be required for caregivers that receive greater than \$3,500 between the two services during the project period. This waiver is intended to enhance flexibility between the services to best meet caregiver needs. Eligibility requirements for receiving Category IV and Category V service have not changed.

d. Ombudsman Program under Title VII

- Program implications will be address in a forthcoming guidance.

III. New ARMS Codes to Capture Disaster Efforts Funded by the CARES Act

a. Home and Community Based Services – Title IIIB Services

In-Home Aide

Code 941—CARES: In Home Aide Non-unit Emergency Response Cost COVID

The code represents an emergency response non-unit In-Home Aide CARES code. It is intended to capture service providers' emergency response costs such as personal protective equipment (PPE), disinfectant supplies, and other unique items. This will allow in home aide providers to continue service to their clients by providing this equipment for their staff. The use of this safety equipment will potentially reduce the risk to clients, staff, and ensure continuity of services during the COVID-19 pandemic. One item is equivalent of one expense.

Code 935—CARES: In Home Aide Level I Home Management - COVID

The code represents In Home-Aide Services intended to provide support to individuals/families requiring assistance with basic home management tasks, such as housekeeping, cooking, shopping, and bill paying. This will allow in home aide providers to continue service to their clients and ensure continuity of services during the COVID-19 pandemic. A unit of service equals one hour.

Code 936—CARES: In Home Aide Level II Personal Care - COVID

The code represents In Home-Aide Services intended to provide support to individuals/families requiring assistance with basic activities of daily living and home management tasks. This will allow in home aide providers to continue service to their clients and ensure continuity of services during the COVID-19 pandemic. A unit of service equals one hour.

Code 937—CARES: In Home Aide Level III Personal Care - COVID

The code represents In Home-Aide Services intended to provide substantial ADL support to clients who require assistance with health/personal care tasks. Provision of these tasks involves extensive "hands on" care and potential assistance with a wide range of health-related conditions. This will allow in home aide providers to continue service to their clients and ensure continuity of services during the COVID-19 pandemic. A unit of service equals one hour.

Code 938—CARES: In Home Aide Respite - COVID

The code represents In-Home Aide Services provided to an individual in his/her own home or in the home of his/her primary caregiver. Respite Care may consist of any level of home management or personal care tasks. The use of this code will ensure continuity of services during the COVID-19 pandemic. A unit of service equals one hour.

Information and Options Counseling

Code 940—CARES: Information and Options Counseling Non-unit Emergency Response Cost COVID

The code represents an emergency response non-unit Information and Options Counseling (I & OC) CARES code. It is intended to capture service providers' emergency response costs such as personal protective equipment (PPE), disinfectant supplies, and other unique items. This will allow I & OC providers to serve clients by providing this equipment for their staff. The use of this safety equipment will potentially reduce the risk to clients, staff, and ensure continuity of services during the COVID-19 pandemic. One item is equivalent of one expense.

Care Management

Code 961—CARES: Care Management Non-unit Emergency Response Cost COVID

The code represents an emergency response non-unit Care Management CARES code. It is intended to capture service providers' emergency response costs such as personal protective equipment (PPE), disinfectant supplies, and other unique items. This will allow Care Management providers to serve clients by providing this equipment for their staff. The use of this safety equipment will potentially reduce the risk to clients, staff, and ensure continuity of services during the COVID-19 pandemic. One item is equivalent of one expense.

Housing and Home Improvement

Code 944—CARES: Housing and Home Improvement Non-unit Emergency Response Cost COVID

The code represents an emergency response non-unit Housing and Home Improvement (H/Hi) code. It is intended to capture service providers' emergency response costs such as personal protective equipment (PPE), disinfectant supplies, and other unique items. This will allow H/Hi providers to serve clients by providing this equipment for their staff and volunteers. The use of this safety equipment will potentially reduce the risk to clients, staff, volunteers, and ensure continuity of services during the COVID-19 pandemic. One item is equivalent of one expense.

Adult Day Care and Adult Day Health

Code 930—CARES: Adult Day Care COVID

This code represents services provided to an adult day care participant at certified adult day care program during the COVID-19 pandemic. A unit of service is defined as (1) day. This unit will include the fixed rate and any allowable administrative costs associated with the provision of services to the participant.

Code 955—CARES: Adult Day Health COVID

This code represents services provided to an adult day health care participant at certified adult day health care program during the COVID-19 pandemic. A unit of service is defined as (1) day. This unit will include the fixed rate and any allowable administrative costs associated with the provision of services to the participant.

Code 931—CARES: Adult Day Care Transportation COVID

This code represents transportation services provided to an adult day care participant to attend a certified adult day care program during the COVID-19 pandemic. A unit of service is defined as (1) one-way trip to the program. This unit is a fixed rate.

Code 956—CARES: Adult Day Health Transportation COVID

This code represents transportation services provided to an adult day health care participant to attend a certified adult day care program during the COVID-19 pandemic. A unit of service is defined as (1) one-way trip to the program. This unit is a fixed rate.

Code 932–CARES: Adult Day Care Non-Unit COVID

This code is to be used for non-unit costs such as PPE-masks, gloves, disinfectants, thermometers, and other equipment charged to CARES Act. This code is used for those adult day care program who need to this equipment to reopen their program and continue to serve their clients. One item is equivalent of one expense.

Code 957–CARES: Adult Day Health Non-Unit COVID

This code is to be used for non-unit costs such as PPE-masks, gloves, disinfectants, thermometers, and other equipment charged to CARES Act. This code is used for those adult day health care program who needs to this equipment to reopen their program and continue to serve their clients. One item is equivalent of one expense.

Code 933–CARES: Adult Day Care Transportation Non-Unit COVID

This code is to be used for non- unit costs such as PPE -masks, gloves, disinfectants, thermometers, and other equipment charged to CARES Act. This code is used for those adult day care program who need to this equipment to provide transportation for clients to their program in order to serve their clients safely. One item is equivalent of one expense.

Code 958–CARES: Adult Day Health Transportation Non-Unit COVID

This code is to be used for non- unit costs such as PPE -masks, gloves, disinfectants, thermometers, and other equipment charged to CARES Act. This code is used for those adult day health care program who need to this equipment to provide transportation for clients to their program in order to serve their clients safely. One item is equivalent of one expense which is one unit in ARMS.

Transportation Program

Code 251—Transportation: COVID

This code allows transportation to home-delivered and congregate nutrition program clients. One unit in ARMS is a one-way meal delivery trip to a client.

Code 253—CARES: Transportation General

This code allows the transport of meals to older adults. One unit in ARMS is a one-way delivery trip to a client.

Code 254—CARES: Transportation Non-Unit Emerg Resp Cost COVID

This code supports miscellaneous expenses associated with COVID-19 intended to capture necessities such as PPE, cleaning products and other items that allow transit providers to continue to provide rides. One item is the equivalent of one expense.

Code 255—CARES: Transportation Other

This code allows the transport of other emergency supplies to older adults. One unit in ARMS is a one-way trip to a client.

Senior Center Operations

Code 171—CARES: Senior Center Operations Non-unit Emerg Resp Costs COVID

This code represents emergency response costs in response to the COVID-19 pandemic. It is intended to capture costs associated with a service provider's purchase of supplies and necessities to allow the continuation of service operations. Consumable supplies for participants are also allowable. One unit in ARMS is equivalent to one item purchased.

b. Nutrition Programs – Title IIIC Services

Code 028—CARES: Home-Delivered Meals

This code represents meals to home-delivered meal clients that may or may not meet one-third of the recommended daily allowance / dietary reference intake (RDA-DRI) requirements using CARES funding. One meal is the equivalent of one unit in ARMS.

Code 188—CARES: Congregate Meals

This code represents meals to congregate nutrition program clients that may or may not meet one-third of the recommend daily allow/dietary reference intake (RDA-DRI) requirements using CARES funding. One meal is the equivalent of one unit in ARMS.

Code 902—CARES: HDM Non-Unit Emerg Resp Cost – COVID

This code represents emergency response costs in response from the COVID-19 pandemic. It is intended to capture service home-delivered meals providers' necessities such as personal protective equipment, food service equipment and other unique items that allow providers to continue service. Consumable supplies for participants are also allowable such as produce boxes. One item is the equivalent of one expense.

Code 903—CARES: Cong Nutr Non-Unit Emerg Resp Cost – COVID

This code represents emergency response costs in response from the COVID-19 pandemic. It is intended to capture service congregate nutrition program providers' necessities such as personal protective equipment, food service equipment and other unique items that allow providers to continue service. Consumable supplies for participants are also allowable such as produce boxes. One item is the equivalent of one expense.

c. Family Caregiver Support Program – Title IIIE Services

Code 871: FC-Information—COVIDCARES

This code will capture outreach and program promotion related to disaster relief/COVID-19 pandemic. Examples of things included in this category will include participation in community resource panels on the pandemic, social media posts about caregiver resources specific to disaster related issues, etc. There is no rate calculation associated with this code in ARMS; programmatically one (1) event/one (1) post with associated audience size is recorded for tracking purposes.

Code 872: FC-Access—COVIDCARES

This code will capture efforts to support caregivers as they navigate resources and accessing services related to the COVID-19 pandemic. Examples of things included in this category are question/answer consultations between FCSP representatives and caregivers; developing care

management and emergency preparedness plans. There is no rate calculation associated with this code in ARMS; programmatically one (1) session/one (1) contact is recorded for tracking purposes.

Code 873: FC-Counseling/Training/Support—COVIDCARES

This code will capture effort to support caregiver's wellbeing and develop coping tools to continue to meet their caregiver needs during the COVID-19 pandemic. Examples of things included in this category are virtual support groups, referrals to mental health professionals, and training classes on issues like social isolation, infection control, and other issues specific to the public health disaster of 2020. There is no rate calculation associated with this code in ARMS; programmatically we are tracking the # of participants and # of sessions offered. Additional tracking will be required on FCSP COVID-CARES Tracking Spreadsheet.

Code 874: FC-Respite—COVIDCARES

This code will capture respite care provided to caregivers during the COVID-19 pandemic. All respite types paid for through CARES Act funding should be coded under this category. Additional tracking will be required on FCSP COVID-CARES Tracking Spreadsheet to identify the type of respite provided. There is no rate calculation associated with this code in ARMS; programmatically we are tracking the # of hours of respite (ex: 4 hours = 4 units; on the FCSP COVID-CARES Tracking Spreadsheet program representatives will indicate type of respite offered and the associated # of hours).

Code 875: FC-Supplemental Service – COVIDCARES

This code will capture disaster related items that allow a caregiver to continue safely caring for the care recipient at home during the COVID-19 pandemic. This category includes consumable supplies, assistive technologies, safety/DME equipment, and emergency response systems. There is no rate calculation associated with this code in ARMS, programmatically we are tracking the # of items provided (ex: 1 case of cleaning supplies and 1 robotic pet = 2 Supplemental Service COVID-CARES units). Additional tracking for this category will be required on the FCSP COVID-CARES Tracking Spreadsheet.

Please contact the associated DAAS Program Consultant if you have questions about the content of this Administrative Letter.

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