



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**

ROY COOPER • Governor

KODY H. KINSLEY • Secretary

JOYCE MASSEY-SMITH • Director
Division of Aging and Adult Services

July 5, 2023

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

SUBJECT: Non-Recurring Temporary Financial Assistance for Facilities Licensed to Accept State-County Special Assistance

I. Background and Introduction

Senate Bill 105, Section 9I.1.(a)(b), Temporary Financial Assistance for Facilities Licensed to Accept State-County Special Assistance (SA), directs the Department of Health and Human Services (DHHS), Division of Social Services, to allocate the sum of forty-eight million dollars (\$48,000,000) in nonrecurring funds from the State Fiscal Recovery Fund.

The Division of Social Services shall expend up to twenty-four million dollars (\$24,000,000) of these allocated funds during the 2021-2022 fiscal year and any remaining funds during the 2022-2023 fiscal year 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 SA during the public health emergency.

For the period commencing July 1, 2021, and ending when the funds allocated under this section are depleted or on the date federal law requires these funds to be fully expended, whichever is earlier, the amount of the monthly payment authorized by this section shall be equal to one hundred twenty-five dollars (\$125.00) per month for each resident of the facility as of the first day of the month who is a recipient of State-County SA.

There is no county match, and counties are not responsible for paying any portion of these monthly payments.

Nothing regarding this section shall be construed as an obligation by the General Assembly to appropriate funds for the purpose of this section or as an entitlement by

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any facility, resident of a facility, or other person to receive financial assistance under this section. Additionally, S.L. 2021-180 Section 4.9.(k) states that "The Funds appropriated in this act from the State Fiscal Recovery Fund shall not revert at the end of each fiscal year of the 2021-2023 fiscal biennium but shall remain available to expend until the date set by applicable federal law or guidance." The date set by applicable federal law is December 31, 2026.

1) Based on the above, and as there are allocated funds for Temporary Facility Payments still remaining, DHHS will continue the above referenced temporary facility payments beyond June 2023. It is projected, based on current funding levels, that the Temporary Facility Payments will continue at the current payment amount through December 2023.

II. How Temporary Non-Recurring Payments Will Be Administered

- A. Facilities will continue to be paid \$125.00 for each SA resident identified by NC FAST as both eligible for SA and residing in the facility July 1, 2023 through January 1, 2024, or until the funds are exhausted, whichever occurs first. The Budget Officer from DHHS will verify available funds and notify DAAS Leadership by December 7, 2023. DAAS will confirm and notify NC FAST by December 12, 2023 of the one-time final payment amount for the remaining funds payment to be issued in January 2024. Please note that due to end of year fiscal processing, the July 2023 Temporary Facility Payment will be issued in the first week of August 2023. The August 2023 Temporary Facility Payment will also be issued in August 2023.
- 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 IV below for information on how to register in NCAS.
- C. Facilities will receive one 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. The facility where the SA recipient resides on the first day of the particular benefit month will be eligible to receive the temporary payment for that month.
- 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 payment on the *first business day after approval*.

III. Registering to Receive Temporary Non-Recurring Payment: Three Steps/ Forms to Complete

The three steps and forms described below are necessary for registration in NCAS and each licensed facility to receive the temporary payment. Please read and follow the steps carefully to complete registration.

Step 1: For new vendors and/or to report vendor information changes, complete the IRS Form Substitute W-9. Note: Your Substitute W-9 form must match identically to how you filed with the Internal Revenue Service (IRS).

The NCAS registration information will come from the **IRS Form Substitute W-9, Request for Taxpayer Identification Number and Certification** at:

https://files.nc.gov/ncarts/docs/State%20of%20North%20Carolina%20Sub%20W-9_Version%209_Final.pdf

If you submitted the IRS Form W-9 for Session Law-2017-57, the Appropriations Act of 2017, effective July 1, 2017, Temporary Financial Assistance for Facilities Licensed to Accept Special Assistance Payments for State Fiscal Years 2017-18 and 2018-19, you do not need to submit a new W-9 for this one-time payment unless there has been changes related to the W-9 information.

Only new vendors need to complete a Substitute W-9 for each facility licensed to accept the SA Temporary Payments regardless of corporate ownership.

It is important to remember to include the license number for each facility on the completed Substitute W-9 prior to submission.

If 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 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.ncdhs.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 payment through 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 Substitute W-9 and Payment Verification Form

The DHHS Controller's Office must receive the printed Substitute W-9 Form and the Payment Verification Form (if direct deposit is requested) by July 31, 2023. If you have not already done so, please send the information to the DHHS Controller's Office, via e-mail DHHS.OOC.SS@dhhs.nc.gov, or by fax 919-715-5847. This information is also included on the Payment Verification Form. The substitute W-9 Form and the Payment Verification Form must be received by the DHHS Controller's Office by July 31, 2023.

IV. Situations That May Arise Regarding Temporary Non-Recurring Payments

There may be instances where a facility does not receive the temporary payment for a resident because the resident moved to the new facility on or after the first of the month 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 an SA eligible resident who lived in the facility on the first of the month, please report the change to the county Department of Social Services (DSS). The temporary non-recurring payment will be issued to the address of the facility in NC FAST on the first of each month.

If the resident left the facility prior to the first of the month and returned to the facility on or after the first of the month, the facility address in NC FAST is the facility to receive the temporary payment. Payment disputes will be the responsibility of the facility administrators.

When a facility receives the temporary payment for an SA recipient who is deceased, returned to a private living setting, or his or her whereabouts are unknown prior to the first of the month, return the temporary payment and the SA payment to the county DSS indicating the SA recipient's name, the amount of the one-time 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

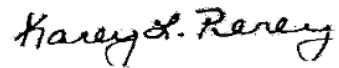
When a SA recipient moves out of the facility, the facility representative must notify DSS within five calendar days of the change for cases to be updated timely by DSS staff.

VI. Conclusion

We hope this information is helpful to facilitate a smooth registration process in NCAS and the receipt of the temporary non-recurring payments to provide aid in response to the COVID-19 crisis for facilities licensed to accept State-County SA for the period of July 1, 2021, through January 1, 2024, or until funds are exhausted, whichever occurs first. **If you have not already done so, please remember to submit your required registration to the DHHS Controller's Office by July 31, 2023 to ensure payment.**

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

Sincerely,

A handwritten signature in black ink that reads "Karey Perez". The signature is written in a cursive, flowing style.

Karey Perez
Adult Services Section Chief

DAAS_AS_11_2023

Cc: DSS County Directors