



NC DEPARTMENT OF  
**HEALTH AND  
HUMAN SERVICES**

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

**February 18, 2022**

**DEAR COUNTY DIRECTOR OF SOCIAL SERVICES**

**ATTENTION:** SPECIAL ASSISTANCE AND ADULT SERVICES SUPERVISORS,  
PROGRAM ADMINISTRATORS, AND PROGRAM MANAGERS

**SUBJECT:** Special Assistance (SA) Personal Needs Allowance (PNA) Increase and  
Implementation of Total Countable Monthly Income (TCMI) Limits

**REQUIRED ACTION:**  Information Only  Time Sensitive  Immediate

The General Assembly of North Carolina through Session Law 2021-180, Senate Bill 105,  
appropriated the following changes:

- **SECTION 9A.2.(a)** Effective January 1, 2022, the Department of Health and Human Services, Division of Aging and Adult Services, shall increase the personal needs allowance under the State-County Special Assistance program from forty-six dollars (\$46.00) per month, per recipient, to seventy dollars (\$70.00) per month, per recipient.
- **SECTION 9A.2.(b)** Effective January 1, 2022, and notwithstanding the increase in the personal needs allowance authorized by subsection (a) of this section or any other provision of law to the contrary, the following limits are applicable for determining financial eligibility for State-County Special Assistance:
  - (1) The total countable monthly income (TCMI) for individuals residing in adult care home facilities shall not exceed one thousand two hundred twenty-eight dollars (\$1,228) per month.
  - (2) The total countable monthly income (TCMI) for individuals residing in Alzheimer's/Dementia special care units shall not exceed one thousand five hundred sixty-one dollars (\$1,561) per month.

This letter outlines related Special Assistance budgeting changes, the automated process to be executed by NC FAST, and how to handle the mass change update in NC FAST. This change is projected to occur April 2022.

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

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## EFFECT OF PNA INCREASE AND NEW TCMI LIMITS ON SA BUDGETING

- The Personal Needs Allowance (PNA) will be updated from \$46.00 to \$70.00. **This increased PNA amount will be retroactive back to January 1, 2022.**
- The SA Basic Maintenance Amount will be updated from \$1,228.00 to \$1,252.00 based on *SA Basic Rate + PNA = Maintenance Amount*.
- The SA Special Care Unit (SCU) Maintenance Amount will be updated from \$1,561.00 to \$1,585.00 based on *SA SCU Rate + PNA = Maintenance Amount*.
- Upon implementation of the new Total Countable Monthly Income (TCMI) limits of \$1,228 for SA Basic and \$1,561 for SA SCU, **the process of income eligibility determinations for SA will change.**

In the past, income eligibility has been tied directly to the Maintenance Amount and payment calculation, with the TCMI being subtracted from the Maintenance Amount to see if an individual was eligible for payment. **That will no longer be the case.**

Under the new legislation, income eligibility is to be determined by way of an income test, wherein an individual's TCMI must first be determined to be less than or equal to the income limits of \$1,228 for Basic SA or \$1,561 for SCU SA.

- ➔ Individuals whose TCMI exceeds the new TCMI limits fail the income test and will not be eligible to receive SA.
- ➔ For individuals with income less than or equal to those TCMI limits, the process for SA payment calculation will continue and remain the same: *SA Rate + (new) PNA – TCMI = SA Payment*.  
**(See Figure 1 – Flowchart on Attachment A)**
- It is important to remember that all rules from Special Assistance policy regarding how to determine an individual's TCMI still apply. ([See SA-3210 IV](#))
- Income Maintenance Caseworkers should not immediately compare an individual's TCMI to the new Maintenance Amount. They must also remember **not** to deduct the PNA amount when deducting the \$20 general income exclusion to determine TCMI.
- For budget examples to demonstrate the way income eligibility will be determined and how budget calculations will work, see the **Samples - TCMI Income Test and Budgets on Appendix B**.

## CHANGES TO SA POLICY AND SA FORMS

Prior to the implementation of these legislative changes in NC FAST, the Department of Aging and Adult Services (DAAS) will issue a Change Notice outlining all related Special Assistance policy changes and updates. It will also identify changes and updates to SA forms, including the new income test that will be added to the DAAS-8190. **(See Figure 2 - Income Test on Attachment A)**

## MASS CHANGE AUTOMATED OVERVIEW

1. NC FAST will update the system with the new PNA, Maintenance Amounts and TCMI limits with a start date of January 1, 2022. NC FAST will recalculate all SA payments with the updated information, both ongoing and retroactively back to January 1, 2022, as applicable. This will create Underpayment Cases of \$24 per retroactive month for all SA cases with eligibility in any prior months from January 2022 through the month of the mass change.
2. NC FAST will automatically accept the changed decision, create an underpayment case, and auto-approve all underpayment cases created because of the PNA/Maintenance Amount mass change, retroactive effective January 1, 2022. *This applies to all cases Identified in which **do not** have a decision “On Hold”.*

### PROCESS FOR A CASE DECISION “ON HOLD”

A case decision cannot be automatically accepted by NC FAST if the case has a decision “On Hold”. (Any such cases should appear on the “On Hold Cases Report” mentioned below in #4.) These cases will require the following action by the IMC:

- Review the case to determine the reason of “On Hold” status
  - Accept the correct, updated decision
  - Continue processing the decision
  - Approve the resulting underpayment case
3. NC FAST will auto-issue an Adequate DSS-8110 notice on updated Active, Suspended and Pending Closure cases. Notices will display on the PDC Communications tab.

For cases with a decision “On Hold” that require a manual update and approval by the IMC, a *manually* adequate DSS-8110 notice must be sent by the IMC.

4. Two required mass change reports will be provided to the counties via FAST Help:
  - (1) **\$70 PNA Effective 1/1/2022 Processed Cases Report** – Includes all cases where the decision was auto accepted, underpayment case approved, and underpayments auto issued. Caseworkers must work this report to verify the correct underpayment amount was issued on all cases.

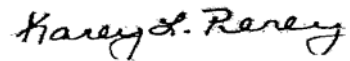
**Note:** Any underpayment case that does not display a correct underpayment amount, the caseworker must resolve the evidence issues on the Income Support Case that caused the incorrect underpayment and collect any resulting overpayments that are created once a correct decision is accepted on the case. *For example: Report shows beneficiary was receiving SA in January through April 2022. The monthly PNA underpayment is \$24. As a result, the IMC expects to see a total case underpayment on the report of \$96. If the report indicates a greater or lesser amount than \$96, examine the case and correct evidence issues.*

- (2) **\$70 PNA Effective 1/1/2022 On Hold Cases Report** – Identifies cases unable to be auto-updated by NC FAST because there was a decision “On Hold”. These cases will require the IMC to review the case, handle the reasons for the “On Hold” status, and accept the correct, updated decision. The IMC will then need to handle and approve the resulting underpayment case to allow the underpayment(s) to issue.

NC FAST will provide notification, further guidance, and reports related to PNA automation. All communication guidance and instructions must be followed timely and accurately to ensure appropriate actions are taken to avoid potential overpayments.

If you have any questions regarding this information, please contact the Special Assistance listserv at [specialassistance@dhhs.nc.gov](mailto:specialassistance@dhhs.nc.gov).

Sincerely,



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

KP/ap/wb/ctw

Attachment: DAAS PNA DCDL Attachments A and B

DAAS\_AS\_04\_2022