

**GOVERNMENT OF THE DISTRICT OF COLUMBIA**  
**Department of Health Care Finance**



## **Optional State Supplemental Payment (OSSP) Program FAQ for Assisted Living Facilities (ALF)**

**February 23, 2023**

The District Department of Health Care Finance (DHCF) created this frequently asked questions (FAQ) document in response to questions from a number of interested assisted living facilities regarding the benefits available to prospective District residents who may participate in the District's Optional State Supplemental Payment (OSSP) Program or the Medicaid Elderly and Persons with Disabilities (EPD) Waiver. More information on both of these programs is available and updated periodically on the District's DHCF website at:

- Optional State Supplemental Payment Program: <https://dhcf.dc.gov/service/optional-state-supplemental-payment-program>
- Elderly and Persons with Disabilities Waiver: <https://dhcf.dc.gov/page/epd-waiver-services>

### **OSSP Overview:**

#### **1. What is the OSSP program?**

The Optional State Supplemental Payment Program (OSSP) is an optional program the District provides that is administered by the Social Security Administration to offer assistance with living expenses for low-income District residents who qualify for Supplemental Security Income (SSI) benefits. The program provides a monthly supplemental payment to eligible individuals who reside in an Adult Foster Care Home, including Certified Residential Facilities (CRFs) and Assisted Living Facilities (ALFs), or a nursing facility. Individuals must be eligible to receive SSI payments or meet the SSI disability standard to qualify for OSSP payments. This program is managed and monitored by the Department of Health Care Finance (DHCF), Department of Behavioral Health (DBH) and the Social Security Administration (SSA) in collaboration with other public and private agencies.

#### **2. What is DHCF's role in managing this program?**

DHCF is the District agency charged with making payments on behalf of District residents to the Social Security Administration to support the OSSP program. The District contracts with SSA annually on the total amount of payments and monthly per person amounts, makes monthly payments to SSA and reconciles any outstanding payments at the end of the year to ensure the District has met its annual payment target. SSA makes payments that aggregate the OSSP payment and SSI payments and pays those out to individuals or their representative payee.

#### **3. Which types of entities are qualified to receive payments for individuals eligible for OSSP?**

In the District, the following entities are eligible to receive payments if they are providing services to an individual eligible for the OSSP program and appropriately designated by the individual: 1. Certified Residential Facilities certified by DBH; 2. Assisted Living Facilities licensed and certified by DC Health; 3.

Nursing Facilities licensed and certified by DC Health. Note: CRFs and ALFs are considered “Adult Foster Care” for OSP payment purposes.

#### 4. What are the OSSP payment amounts in Calendar Year 2023?

Table 1, below, provides the payment amounts for OSSP and federal SSI benefits for individuals and couples in 2023 – note that payments are adjusted annually for the calendar year and not the fiscal year.

**Table 1: Calendar Year 2023 SSI and OSSP Payment Amounts**

| Type                                  | Federal Benefit | OSSP   | Combined Payment Amount |
|---------------------------------------|-----------------|--------|-------------------------|
| <b>Individual</b>                     |                 |        |                         |
| Adult Foster Care – 50 or fewer beds  | \$914           | \$640  | \$1554                  |
| Adult Foster Care – more than 50 beds | \$914           | \$750  | \$1664                  |
| Nursing Facility*                     | \$30            | \$70   | \$100                   |
| <b>Couple</b>                         |                 |        |                         |
| Adult Foster Care – 50 or fewer beds  | \$1371          | \$1636 | \$3007                  |
| Adult Foster Care – more than 50 beds | \$1371          | \$1856 | \$3227                  |
| Nursing Facility*                     | \$60            | \$140  | \$200                   |

\*Nursing Facility rates were increased on February 1, 2023 from \$40 to \$70 for individuals and from \$80 to \$140 for couples. Please see Transmittal 23-13 for more information.

#### OSSP Eligibility:

##### 5. What are the District’s requirements for eligibility for OSSP in Calendar Year 2023?

An individual may be eligible for OSSP benefits under Medicaid if the individual:

- is a District resident
- resides in a District licensed Adult Foster Care Home (certified residential facility or assisted living facility) or nursing facility
- is eligible for Supplemental Security Income (SSI) or meets SSI eligibility standards
- meets the SSI resource eligibility requirements of \$2,000 for an individual or \$3,000 for a couple

##### 6. How long does it take for an individual’s application for OSSP to be processed for eligibility?

The District determines eligibility on OSSP applications within 45 days.

##### 7. How does the OSSP annual renewal process work?

In accordance with 29 DCMR 9514.5, the SSA conducts renewals and redeterminations consistent with SSA’s requirements for beneficiaries’ continued receipt of SSI and OSSP payments from SSA. Once SSA has renewed eligibility, the District deems these individuals Medicaid-eligible and their eligibility for Medicaid coverage is renewed automatically as long as their eligibility for SSI benefits continues.

#### EPD Waiver Eligibility and Payments for Assisted Living Facilities:

##### 8. Who is eligible for EPD Waiver benefits?

An individual may be eligible for the District’s EPD Waiver program if the individual:

- is a District of Columbia resident;
- is a U.S. citizen or qualified resident;

- is DC Medicaid eligible with income of less than 300% of SSI;
- has no more than \$4,000 in countable assets;
- requires assistance with activities of daily living (such as dressing, using the bathroom, and grooming)
- is elderly (65 years of age or older), or 18 to 64 years of age and diagnosed by a physician as having a physical disability;
- meets a nursing home level of care (LOC);
- is Medicaid eligible and maintains Medicaid eligibility; and
- chooses home and community-based services rather than institutional care. Institutional care would include services provided through the District's nursing home and specialty hospital programs.

**9. What payments are available for EPD waiver beneficiaries living in assisted living facilities?**

The current per diem Medicaid reimbursement rate for assisted living services provided to EPD Waiver beneficiaries (procedure code T2031) can be found in the fee schedule found at [www.dc-medicaid.com](http://www.dc-medicaid.com).

**10. How are OSSP and other benefits paid to EPD Waiver ALFs?**

OSSP payments are made to qualifying ALFs for eligible EPD Waiver beneficiaries in the same manner as other eligible Medicaid beneficiaries – payments are made by SSA either directly to the individual or to a representative payee per the individual's direction to SSA. In order to receive Medicaid reimbursement for EPD Waiver assisted living and other services, EPD waiver assisted living services shall include personal care and supportive services that are furnished to beneficiaries who reside in a homelike, non-institutional setting that includes twenty-four (24) hour on-site response capability to meet any scheduled or unpredictable needs of the beneficiary and to provide supervision, safety, and security. The Medicaid reimbursement rate payable for EPD Waiver beneficiaries' assisted living services is an all-inclusive rate for all services provided as set forth in 29 DCMR 4238. Medicaid reimbursement will not be made for 24-hour skilled care costs associated with facility maintenance, upkeep and improvement, and room and board. Covered services are in accordance with 29 DCMR 4238. DHCF will reimburse waiver-enrolled providers of Medicaid assisted living services through claims filed and adjudicated in its Medicaid Management Information System (MMIS) according to the aforementioned fee schedule.

**Payment of SSI/OSSP to/from Facility:**

**11. What is a "representative payee" and what is their role for SSI/OSSP payments?**

Under Social Security guidance (POMS GN 0052.001(B)), "a representative payee (payee) is a third party who manages the Social Security benefits of a beneficiary who is incapable of managing or directing the management of their own benefits. The Social Security Administration (SSA) decides whether to certify payments through a payee to ensure the physical, mental, and emotional well-being of the beneficiary in a manner that both preserves dignity and protects basic rights." The payee is typically an entity charged with acting in the best interests of the beneficiary and should be an entity that has no conflict of interest regarding managing payments on the beneficiary's behalf. Once the SSA determines an individual incapable to manage their own benefits or the beneficiary selects an entity to manage their benefits, payments are made by SSA directly to that entity.

**12. Does the District allow SSI payments to automatically be paid directly to a qualifying facility?**

All SSI payments are made directly to the beneficiary or their designated representative payee.

**13. Can OSSP benefits be paid directly to an assisted living facility (ALF) if the facility is named the beneficiary's designated payee?**

The representative payee is typically an entity charged with acting in the best interests of the beneficiary and should be an entity that has no conflict of interest regarding managing payments on the beneficiary's behalf. If an individual selects an ALF to be their representative payee and the SSA approves the designation, SSI/OSSP benefits would be paid directly to the ALF and the ALF would be responsible to pay the monthly personal needs allowance of \$100 to the individual. A facility that seeks to be designated a representative payee must complete a form and be approved by SSA under POMS GN 00502.107.<sup>1</sup> If the SSA determines an individual incapable to manage their own benefits or the beneficiary selects an entity to manage their benefits, payments are made by SSA directly to that entity.

**14. Are SSI and OSSP payments processed and made as a single payment from DHCF?**

SSI and OSSP payments are distributed as a single payment by the Social Security Administration (SSA).

**15. Can a properly licensed and approved facility be designated by the tenant as the direct payee of the SSI/OSSP funds?**

A representative payee is typically an entity charged with acting in the best interests of the beneficiary that has no conflict of interest regarding managing payments on the beneficiary's behalf. The payee must be designated by the individual or an entity legally entitled to designate on the individual's behalf. If a properly licensed and approved facility is designated as the representative payee and SSA approves the request as noted in Question 13 above, the facility may receive the SSI/OSSP benefit on behalf of a beneficiary.

**16. Would a Personal Needs Allowance (PNA) be distributed to the tenant from the facility? If so, how much is the PNA and does it change year over year?**

If an ALF is the approved representative payee for a beneficiary, the ALF will receive the full payment and will be responsible for distributing the PNA to the individual. The PNA is \$100.00. While this amount has not typically changed over time, it is subject to federal requirements and may change in future.

**17. If a licensed and approved facility cannot be a direct recipient of the SSI/OSSP payment, is it acceptable that tenant payments are paid to a tenant account held by the facility, for example a bank Resident Fund Management Service or similar type of institution where the facility opens an account in each tenant's name which is set up to receive direct deposits of the SSI/OSSP amounts?**

As a courtesy the facility may set up a tenant account as an option to the residents. It is not mandatory. If the tenant does not have an authorized representative payee and are considered self-pay, then the OSSP will be sent directly to the tenant. The tenant will be responsible for making payments to the facility.

**18. Are SSI/OSSP payments made automatically each month once a tenant has been qualified?**

SSI/OSSP payments are distributed each month to the beneficiary or their authorized representative payee.

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<sup>1</sup> See <https://secure.ssa.gov/poms.nsf/lnx/0200502107>

**OSSP Payment Adjustments:****19. How is the District's OSSP benefit (including both the SSI and OSSP payment) adjusted annually?**

For SSI benefits, each year, the federal benefit increases based on a cost-of-living adjustment determined by the Social Security Administration based on data from the Bureau of Labor Statistics using the Consumer Price Index for the annual period ending September 30. For the OSSP component of the benefit, the District has implemented additional one-time increases to the benefit to ensure the program's aggregate payment Maintenance of Effort requirements are met, or to compensate for a shortfall in meeting maintenance of effort in the prior year. Apart from these annual Maintenance of Effort adjustments, the District has not historically increased payments, either individually or on the aggregate level.

**20. Is historical data available from DHCF to show how the individual benefit has been adjusted over time?**

Table 2, below, documents changes in the OSSP payment amount since calendar year (CY) 2016. The amounts in excess of the base amounts were determined to make up shortfalls in the District's maintenance of effort spending.

**Table 2: Base and Adjusted District OSSP Payment rates for Individuals and Couples, CY 2017-2022**

| Category   | Base Payment Rate | Annual Payments with Increases |            |            |            |            |            |
|--|-------------------|--------------------------------|------------|------------|------------|------------|------------|
|  |                   | 2017                           | 2018       | 2019       | 2020       | 2021       | 2022       |
| Individual OSS Code A:<br>Individual in Certified Adult Foster Care Home 50 or fewer residents | \$640.00          | \$661.15                       | \$673.30   | \$683.67   | \$710.70   | \$699.50   | \$742.69   |
| Individual OSS Code B:<br>Individual in Certified Adult Foster Care Home 50 or more residents  | \$750.00          | \$771.15                       | \$783.30   | \$793.67   | \$820.70   | \$809.75   | \$852.69   |
| Couple OSS Code A:<br>Couple in Certified Adult Foster Care Home 50 or fewer residents         | \$1,636.00        | \$1,678.30                     | \$1,702.60 | \$1,723.35 | \$1,777.40 | \$1,755.00 | \$1,841.37 |
| Couple OSS Code B:<br>Couple in Certified Adult Foster Care Home 50 or more residents          | \$1,856.00        | \$1,898.30                     | \$1,922.60 | \$1,943.35 | \$1,997.40 | \$1,975.00 | \$2,061.37 |

**OSSP Funding Questions:****21. How is money allocated to the District's OSSP fund?**

Funding for the District's Optional State Supplement Payment program is appropriated by the Council of the District of Columbia to the Department of Health Care Finance as part of the annual budget.

**22. Is this a federal match program? If so, how much is funded by the federal government and how much by the District?**

No, this is not a matching program. The District must spend at least \$4,521,566.56 each year to meet federal Maintenance of Effort requirements.

**23. How often are funds allocated? Annually?**

Typically, yes. The funds are allocated annually as part of the District's budget.

**24. In the case of a Federal Government shutdown does DHCF continue to make monthly OSP payments?**

Please note the District makes monthly payments to the Social Security Administration for the total amount to be disbursed to beneficiaries. The Social Security Administration makes payments to beneficiaries that combine the District funds we provide and federal funding for this program. The District continues to make monthly OSSP payments to the Social Security Administration during federal government shutdowns.

**25. By what process are individual monthly benefits determined?**

Under federal maintenance of effort requirements, each state offering an OSSP program must pass along annual SSI cost of living adjustments. States can opt to determine the amount using either a "payment level" model, which guarantees the benefit amount year over year, or a "total expenditure" model, which provides that states must "maintain expenditures for supplementary payments in the current calendar year at least equal expenditures in the preceding calendar year. If expenditures are less in the current year (shortfall), the State must increase expenditures in the next calendar year by an amount at least equal to the shortfall."<sup>2</sup> The District has opted for the "total expenditure" model to maintain OSSP program expenditures. Under this option, the District determines its annual required payment amount each year based on the District's annual maintenance of effort base payment amount and any shortfall payments required from the prior year. The monthly benefit is determined by calculating the District's shortfall payment rate per individual (total amount of shortfall payment required divided by the projected total number of eligible individuals) and adding that amount to the District's monthly base payment rate per individual. At the end of each year, the SSA calculates the total amount spent by the District and determines whether the District has met its annual required payment under the maintenance of effort. If the District has not, the SSA will determine the shortfall amount and the District will apply this new payment to the next calendar year's monthly benefit. In this way, the District's monthly benefit rate can and does fluctuate annually.

**26. Can the District provide data for the past ten years showing the total aggregate funding amount and number of participants so that we can see how the annual amount per-participant amount has varied over time?**

The District does not have this information at this time.

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<sup>2</sup> See 2022 Annual Report of the SSI Program, H. Glossary, 'Passalong,' at <https://www.ssa.gov/oact/ssir/SSI11/Glossary.html> (downloaded 2/23/23).