

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



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

**February 9, 2026**

The District Department of Health Care Finance (DHCF) created this frequently asked questions (FAQ) document to help assisted living facilities (ALFs) understand the benefits available to prospective District residents. It covers two main programs, the District's Optional State Supplemental Payment (OSSP) Program and 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 a program administered by the Social Security Administration (SSA) with the partnership of the District 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 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 including monthly amounts per person, issues 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 directly 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 (CRF) certified by DBH;
2. Assisted Living Facilities (ALF) 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 OSSP payment purposes.*

#### 4. What are the OSSP payment amounts in Calendar Year 2026?

Table 1, below, provides the payment amounts for OSSP and federal SSI benefits for individuals and couples in 2026 – note that payments are adjusted annually for the calendar year and not the fiscal year.

**Table 1: Calendar Year 2026 SSI and OSSP Payment Amounts**

Type	Federal Benefit	OSSP	Combined Payment Amount
<b>Individual</b>			
Adult Foster Care – 50 or fewer beds	\$994	\$681	\$1675
Adult Foster Care – more than 50 beds	\$994	\$791	\$1785
Nursing Facility	\$30	\$79	\$109
<b>Couple</b>			
Adult Foster Care – 50 or fewer beds	\$1491	\$1717	\$3208
Adult Foster Care – more than 50 beds	\$1491	\$1937	\$3428
Nursing Facility	\$60	\$158	\$218

*Note: The state contribution increase is due to the annual increase in the Personal Needs Allowance for beneficiaries. Please see Transmittal 26-02 for more information.*

#### 5. What are the District's requirements for eligibility for OSSP in Calendar Year 2026?

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

- District resident
- Resides in a District licensed Adult Foster Care Home (CRF or ALF) or nursing facility
- 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. Who needs to submit an application to participate in OSSP?

- Individuals living in Adult Foster Care facilities (CRFs or ALFs) must submit an OSSP application or have a representative submit on their behalf to be eligible for benefits.
- Individuals living in nursing facilities with SSI benefits do not need to apply and should receive the benefit automatically.

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

The District and SSA determine eligibility on OSSP applications within 45 days.

#### 8. 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:**

#### **9. Who is eligible for EPD Waiver benefits?**

An individual may be eligible for the District's EPD Waiver program if the individual meets the following qualifications:

- District resident;
- U.S. citizen or qualified resident;
- DC Medicaid eligible with income of less than 300% of SSI;
- No more than \$4,000 in countable assets;
- Requires assistance with activities of daily living (such as dressing, using the bathroom, and grooming)
- 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);
- 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.

#### **10. 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).

#### **11. 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. The qualifying ALF is responsible for ensuring payment from the resident through their lease agreement and **may** enact removal procedures if they are not receiving the payment from the resident. In order to receive Medicaid reimbursement for EPD Waiver assisted living and other services, 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:**

**12. 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 SSA determines an individual incapable of managing their own benefits or the beneficiary selects an entity to manage their benefits, payments are made by SSA directly to that entity.

**13. 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.

**14. 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 to the individual. A facility that seeks to be 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 of managing their own benefits or the beneficiary selects an entity to manage their benefits, payments are made by SSA directly to that entity.

**15. 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).

**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 after 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 updated each year. For residents in Adult Foster Care homes with OSSP, the PNA is \$141 for 2026. See DHCF Transmittal 26-02 for more information.

**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.

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

**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.

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

Each year, the Social Security Administration raises SSI benefits to match inflation. This cost-of-living adjustment (COLA) is based on the Consumer Price Index data from the Bureau of Labor Statistics for you year ending September 30. For the OSSP component of the benefit, the District has historically implemented additional one-time increases to ensure the program's aggregate payment maintenance of effort (MOE) requirements are met, or to compensate for a shortfall in meeting maintenance of effort in the prior year. Starting in Calendar Year 2024, the District exceeded the MOE requirement and will not adjust the OSSP amount in 2026 to fill a shortfall. As of January 2024, the District also updates the OSSP amount each year to accommodate the increase in Personal Needs Allowance, which is tied to annual COLA updates.

**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) 2020. The amounts in excess of the base amounts were determined to make up shortfalls in the District's maintenance of effort spending of the previous year. For example, in the table below for 2024, the shortfall covered is from 2023, added to the base payment in 2024, and paid in a lump sum to 2024 consumers in 2025.

**Table 2: Base and Adjusted District OSSP Payment rates for Individuals and Couples, CY 2020-2024**

	Base Payment Rate	2020	2021	2022	2023	2024
Category						
Individual OSS Code A: Individual in Certified Adult Foster Care Home 50 or fewer residents	\$640.00	\$710.70	\$699.50	\$742.69	\$806.21	\$746.20
Individual OSS Code B: Individual in Certified Adult Foster Care Home 50 or more residents	\$750.00	\$820.70	\$809.75	\$852.69	\$916.21	\$856.20
Couple OSS Code A: Couple in Certified Adult Foster Care Home 50 or fewer residents	\$1,636.00	\$1,777.40	\$1,755.00	\$1,841.37	\$1,968.43	\$1,848.40
Couple OSS Code B: Couple in Certified Adult Foster Care Home 50 or more residents	\$1,856.00	\$1,997.40	\$1,975.00	\$2,061.37	\$2,188.43	\$2,068.40

**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. 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 OSSP 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 after 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 does not, 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).