Subject: Policy Clarification on Adult Day Care Provisions - Center and Participant Eligibility

To: STATE AGENCY DIRECTORS - Colorado DH, Iowa, Kansas, Missouri DH, Montana DEHS, Nebraska ED, North Dakota, South Dakota, Utah and Wyoming ED

This memorandum further clarifies the policies that were issued in CCFP-123 and CCFP-124 (both dated March 21, 1989) dealing with the eligibility of adult day care centers for institutionalized adults in CCFP.

Center Eligibility

Adult day care centers envisioned for CCFP participation are those which, foremost, provide a community-based group program designed to meet the needs of functionally impaired adults through an individual plan of care. Day care for the functionally impaired must be the primary purpose of eligible adult day care centers. If a State has determined that this purpose is being met through the availability of specified services, a specific ratio of functionally impaired adults need not be present in the enrollment to qualify the center for CCFP participation. For purposes of determining CCFP eligibility, it is sufficient that such a center cares for functionally impaired adults. It is not necessary that the majority of the clients receiving care in the center be functionally impaired.

For purposes of CCFP participation, program legislation defines the term adult day care center as any licensed public agency or private nonprofit organization which provides adult day care services and "...provides for such care and services directly or under arrangements made by the agency whereby the agency or organization maintains professional management responsibility for such services...." This definition does not conflict with Section 226.15(c) of CCFP regulations, which requires that all participating institutions accept final administrative and financial responsibility for their operations under the Program, or with FNS Instruction 792-2, which prohibits an institution from contracting out specific management functions. FNS Instruction 792-2 states that any institution participating in CCFP (which now includes adult day care centers) may not contract out under any circumstance certain functions, including monitoring, corrective action, and preparation of application materials. It may contract out for specific management tasks, such as bookkeeping, data processing, or the services of a nutritionist. However,
as stated in the above quoted legislation, as well as in program regulations, an eligible adult day care center which provides for certain allowable services "under arrangements made by the agency" must do so under the requirement that the "agency or organization maintains professional management responsibility for such services."

Participant Eligibility

As stated in CFP-123, individuals in residential institutions are not eligible for CFP benefits. The temporary or permanent status of the institutionalization, and/or any affiliation between the institution and the adult day care center, is irrelevant. Therefore, individuals who are residing in any institution on a temporary basis for "respite care" or "crisis intervention" are not eligible to receive CFP benefits, although the participant may continue to attend adult day care while in residence in the institution.

Other Federal Funding

The administration of a program which now includes the elderly and the functionally impaired requires knowledge of programs and issues with which FNS staff and State Agency personnel are unfamiliar. Therefore, the Department is developing fact sheets on those programs authorized by the Social Security Act of 1965, as amended, and the Older Americans Act of 1965, as amended, which relate to the participation of adult day care centers in CFP.

If you have any questions on the above policies, please contact us.

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