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**SPECIAL PROGRAMS FOR THE AGING – TITLE VII,  
CHAPTER 2 – LONG TERM CARE OMBUDSMAN SERVICES  
FOR OLDER INDIVIDUALS (STATE GRANTS FOR LONG-  
TERM CARE OMBUDSMAN SERVICES)**

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<b>State Project/Program:</b>	<b>SPECIAL PROGRAMS FOR THE AGING – TITLE VII, CHAPTER 2 – LONG TERM CARE OMBUDSMAN SERVICES FOR OLDER INDIVIDUALS (STATE GRANTS FOR LONG- TERM CARE OMBUDSMAN SERVICES)</b>
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**U. S. DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION ON AGING**

**Federal Authorization:** Older Americans Act of 1965; Title III and Title VII, Chapter 2, Public Law 89-73, as amended; Public Law 90-42, 81 Stat. 106; Public Law 91-69, 83 Stat. 108; Public Law 93-29, 87 Stat. 30; Public Law 93-351, 88 Stat. 357; Public Law 94-135, 89 Stat. 713; Public Law 95-65, 91 Stat. 269; Public Law 95-478; 92 Stat. 1513; Public Law 97-115, 95 Stat. 1595; Public Law 98-459, 98 Stat. 1767; Public Law 100-175, 101 Stat. 926; Section 705, Public Law 100-628; 42 U.S.C. 3022-3030(d); Public Law 102-375; Public Law 114-144, as amended.

**N. C. Department of Health and Human Services  
Division of Aging and Adult Services**

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**N. C. DHHS Confirmation Reports:**

SFY 2019 audit confirmation reports for payments made to Counties, Local Management Entities (LMEs), Managed Care Organizations (MCOs), Boards of Education, Councils of Government, District Health Departments and DHSR Grant Subrecipients will be available by mid-October at the following web address: <https://www.ncdhhs.gov/about/administrative-offices/office-controller/audit-confirmation-reports>. At this site, click on the link entitled “**Audit Confirmation Reports (State Fiscal Year 2018-2019)**”. Additionally, audit confirmation reports for Nongovernmental entities receiving financial assistance from DHHS are found at the same website except select “**Non-Governmental Audit Confirmation Reports (State Fiscal Years 2017-2019)**”.

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The Auditor should not consider the Supplement to be “safe harbor” for identifying audit procedures to apply in a particular engagement, but the Auditor should be prepared to justify departures from the suggested procedures. The Auditor can consider the Supplement a “safe harbor” for identification of compliance requirements to be tested if the Auditor performs reasonable procedures to ensure that the requirements in the Supplement are current. The grantor agency may elect to review audit working papers to determine that audit tests are adequate.

The Division of Aging and Adult Services (DAAS) issues a Notice of Grant Award (NGA) each fiscal year when funds are allocated to the Area Agencies on Aging (AAA). DAAS also revises NGAs during the fiscal year as necessary. Auditors should review the NGAs on file at the AAA

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**to determine actual funding amounts. The last NGA issued for the year shows the total amount of funds by source awarded to the AAA.**

### **GENERAL INTRODUCTION**

The Division of Aging and Adult Services (DAAS) is the State Unit on Aging (SUA) as referenced in the Older Americans Act of 1965 as reauthorized October 17, 2006. The Division administers funding under Titles III, V, and VII of the Older Americans Act as well as a variety of other funds both Federal and State in nature. The largest program or set of programs administered by the Division is the Home and Community Care Block Grant (HCCBG). This block grant is a pooling of resources used to fund services authorized by both the Older Americans Act and the North Carolina General Assembly. This pool is made up of Parts B, C1, C2, and D of Title III and State funds. In addition, the HCCBG is also funded with Social Services Block Grant (SSBG) funds administered by the Division of Social Services via the State's Block Grant Funding Plan which provides for a substantial transfer of SSBG funds to the Division of Aging and Adult Services for the HCCBG. Meal programs are supplemented by United States Administration on Aging Nutrition Services Incentives Program (NSIP) at a rate set by the Division.

The mission of the DAAS and the Area Agencies on Aging (Area Agencies are subunits of the 16 Lead Regional Organizations in North Carolina) is to provide services to the State's elderly (60+) population, enabling those individuals to remain in their homes for as long as possible while at the same time providing care and a safe environment in their later years.

### **I. PROGRAM OBJECTIVES**

The Older Americans Act (federal law) requires that each state establish and maintain a Long-Term Care Ombudsman Program to advocate on behalf of residents in nursing and adult care homes (rest homes). State Law (N. C. Gen. Stat. 143B.181.15 *et. seq.*) spells out how the program functions in North Carolina. The major responsibilities of this program include: receiving and resolving complaints made by or on behalf of residents in long-term care facilities, providing information to the general public on long-term care issues, promoting community involvement with long-term care facilities and residents, working with long-term care providers to resolve issues impacting on the welfare of residents, assisting long-term care providers with staff training (particularly on Residents' Rights), provide training and technical support for community advisory committees, providing training to caregivers, providing information to public agencies, legislators, and others on problems impacting the rights of long term care residents and making recommendations for resolution of issues identified. In addition, the Ombudsman program is required to coordinate with State and local law enforcement agencies and courts of competent jurisdiction.

### **II. PROGRAM PROCEDURES**

Funds are provided to States in accordance with a predefined formula upon submission of a State plan to the Commissioner of Aging in Health and Human Services. States allocate funds to Area Agencies on Aging which provide for Ombudsman services in their respective planning and service areas.

Monitoring of the Ombudsman Program by Area Agencies would include site visits to Long-Term Care Facilities, consultation with other state and local agencies and other appropriate follow-up action required to resolve complaints by, or on behalf of residents in these facilities.

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**III. COMPLIANCE REQUIREMENTS**

In developing the audit procedures for testing the compliance requirements with this Aging grant, Auditors should refer to the matrix to identify which of the 12 compliance requirements (Part 3, Uniform Guidance 2 CFR Part 200) are applicable. In addition to these general requirements, the following compliance requirements also apply.

**B. ALLOWABLE COSTS/COST PRINCIPLES**

All grantees that expend State funds (including federal funds passed through the N. C. Department of Health and Human Services) are required to comply with the cost principles described in the N. C. Administrative Code at 09 NCAC 03M .0201.

**G. MATCHING, LEVEL OF EFFORT, EARMARKING**

Area Agencies on Aging must maintain a level of effort by expending, at a minimum, the amount for Ombudsman activities as was expended in fiscal year 2000. Minimum funding levels designated AAA are:

AAA Regional Designation	2000 Expenditures
A	\$50,443
B	\$59,566
C	\$44,257
D	\$42,184
E	\$36,637
F	\$238,945
G	\$205,678
J	\$131,472
K	\$44,284
L	\$58,299
M	\$58,108
N	\$64,447
O	\$50,204
P	\$62,117
Q	\$58,139
R	\$43,434

State appropriations and civil monetary penalties are combined with Title III-B and Title VII funds to meet the annual allocation for the Long-Term Care Ombudsman program. This allocation requires a 10% match of local resources. The local matching resources may be in the form of cash, in-kind or any combination of cash and in-kind.

There are no earmarking requirements.

**L. REPORTING**

1. Following the completion of mandated regional Ombudsman activities, all activities' results must be documented in the Ombudsman Documentation and Information Reporting System, contemporaneously or as soon as practicable after the events occur, but no later than the end of the designated quarter (October, January, April, and August).

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2. Actual expenditures that support all regional Ombudsman program activities are reported through the Division's Aging Resource Management System and can be found in report series ZGA 060.

**N. SPECIAL TESTS AND PROVISIONS**

Any change to the initial budget/allocation of funds for the Long-Term Care Ombudsman program must have written approval from the DAAS.

Suggested Audit Procedure (For Auditors of AAAs, pass-through agencies)

- Examine any budget amendments and ascertain that all adjustments to original annual allocations for Ombudsman activities within the Area Agency budgets are substantiated with written approval from the DAAS Chief Budget Officer or Director.