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Beverly Eaves Perdue, Governor

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November 5, 2012

CACFP 12-14

MEMORANDUM

To: Adult Day Care Institutions Participating in the Child and Adult Care Food Program
Sponsoring Organizations of Adult Day Care Facilities

From: Arnette Cowan, Head
Special Nutrition Programs

Subject: Adult Day Care Center Eligibility Licensing and Approval

The adult component of the Child and Adult Care Food Program (CACFP) was authorized by The Older Americans Act Amendments of 1987 and codified in 7 CFR §226.19a. The purpose of this memorandum is to provide updated guidance relating to the adult day care component of the CACFP. Previous guidance relating to adult day care was issued immediately following the addition of the adult day care component to CACFP by Congress. Since that time, much of the guidance has been incorporated into the CACFP regulations. This guidance is meant to update, clarify, and condense previous guidance addressing center eligibility and licensing/approval. This guidance is intended only for the purpose of administering the adult day care component of CACFP for those centers eligible to participate.

Center Eligibility

Adult day care centers are considered eligible institutions for reimbursement for meals served to persons 60 years of age or older or to chronically impaired disabled persons in a nonresidential group setting (42 USC §1766(o)(1)). For purposes of determining CACFP eligibility, it is sufficient that such a center cares for elderly or functionally impaired adults. It is not necessary that the majority of the clients receiving care in the center be functionally impaired.

The purpose of the adult day care component of CACFP, as stated by Congress in the Conference Report (H. Rept. 100-427) on the Older American Act Amendments of 1987, is to “assist its participants to remain in the community, enabling families and other caregivers to continue caring for an impaired individual at home.” It is clear that Congress intended CACFP benefits to be available to serve individuals attending adult day care while remaining in the community. Therefore, facilities which provide residential care are not eligible to participate in CACFP with respect to those residential clients. This would include, but is not limited to, hospitals, nursing homes, residential facilities for the mentally ill or physically handicapped, convalescent homes, apartment complexes designed only for the functionally impaired that provide meals and full-time care, and hospice programs.

Additionally, sheltered workshops, vocational or substance abuse rehabilitation centers, social centers or other types of centers do not qualify as adult day care centers for purposes of CACFP participation, since they are not operated primarily to provide day care to elderly and disabled adults in order to avoid premature institutionalization.

Licensing/Approval

In order to participate in CACFP, adult day care centers also must be licensed or approved by Federal, State, or local authorities to provide adult day care services (42 USC §1766(o)(2)(ii)). Tribal authorities are considered local authorities for purposes of licensing or approval. "Approval" is granted by a State or local authority when an adult day care center meets written standards or criteria which assure that the individuals are receiving care in a center which has been determined by authorized State or local officials to provide a safe and healthful environment, and therefore, "approval" might vary from State to State.

Operation of a center by a State, Tribal, or local government is tantamount to "approval." However, the center must be operated and funded by the State, Tribal, or local government. This may be confirmed by a written assurance by a State, Tribal, or local official.

Generally, the simple presence of public funding in an adult day care center does not constitute "approval." Receipt of State or Federal funds may constitute "approval" only when standards are established to ensure a safe and healthy environment for participants and funding authorities determine that, in order to receive the funds, these standards must be met. Receipt of Medicaid funds by an adult day care center meets these requirements and constitutes State approval for purposes of CACFP participation.

Those centers receiving public funding are required to implement a financial management system which can show that other public funding is not being used to support CACFP meals. Additionally, adult day care centers purchasing meals from other than clearly commercial vendors must make a determination that the meals they are receiving are not supported by other public funds. Such centers are encouraged to preserve other public funding for services they administer outside the meal service and not allow such funding to interfere with the integrity of their CACFP claims.

If you have questions, please contact your regional consultant.

c: SNP Staff (via email)