

What is a “Non-DAC?”

How does “Non-DAC” status allow some students with intellectual and developmental disabilities (I/DD), who are not eligible for Medicaid, to receive DDD services?

This fact sheet was written for parents, educators, and other professionals who interact with students with IDD.

1. What is the usual process for an individual with IDD to receive DDD services at age 21?

In order to receive supports and services from the New Jersey Division of Developmental Disabilities (DDD) at age 21, students with IDD are required to have Medicaid and be functionally eligible for DDD services. *However, there is an exception to the Medicaid requirement, which is applicable to a small number of individuals with IDD (see the next paragraph).* The recommended process for obtaining Supplemental Security Income (SSI) – and the Medicaid that accompanies it – has been explained in the SSI Fact Sheet from DDD. That fact sheet explains the importance of youth with IDD applying for SSI as soon as possible after their 18th birthday. This process is applicable for the majority of youth with IDD.

2. What is the exception to DDD’s Medicaid requirement?

A relatively small number of school-age youth with IDD are not able to obtain SSI or Medicaid at age 18 because a **parent has retired, become disabled, or died before the student was able to apply for SSI.**

Upon the death, disability or retirement of a parent, the son/daughter with IDD usually starts to receive a monthly Social Security Disability Insurance (SSDI) benefit. The amount of this benefit is determined by the parent’s earnings and the number of years worked. Often, the amount of the SSDI benefit is too high for the student to obtain SSI or Medicaid.

3. What happens if individuals with I/DD are receiving child support income due to the divorce of their parents?

Child support money that is given to the child when parents are divorced is viewed by the Social Security Administration and by NJ Medicaid as the child’s income. If the monthly child support payment is above the threshold for Medicaid eligibility (stated in #4 below), then the child will not be eligible for Medicaid. However, there is a 1/3 exclusion applied to the child support income. For example, if the child receives a monthly child support payment of \$1,000.00, only \$666.00 would count towards income for purposes of Medicaid eligibility.

4. What is the monthly income limit that would allow a student with I/DD to be eligible for NJ Medicaid?

Depending upon the amount of child support income or the SSDI benefit, the son/daughter with IDD may be eligible for Medicaid, even though they are not eligible for SSI. If the individual with IDD has a **monthly income lower than \$1,215/month** (in 2023), they should apply for NJ Medicaid in the category called New Jersey Care Special Medicaid Program, also known as Community Medicaid.

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5. What is the process to allow some individuals with IDD to receive DDD services, if they do not meet the usual income criteria for Medicaid eligibility?

DDD developed the term “Non-DAC” to describe individuals with IDD who are eligible for an exception to the requirement of having Medicaid before they can receive DDD services. The term “Non-DAC” indicates that the individual with IDD receives child support due to divorce or receives SSDI benefits because a parent has retired, become disabled, or passed away. It further indicates that due to the amount of this income, the individual with IDD is not able to receive Medicaid from the County Welfare Agency/Board of Social Services.

The Arc of New Jersey developed a Medicaid Eligibility Problem Form so that families can easily document why their son/daughter is ineligible for Medicaid. DDD has developed a separate troubleshooting form. These two forms are similar, and the family does not need to complete both. When a family completes The Arc of New Jersey’s form, it is usually forwarded to The Arc of New Jersey’s Health Care Advocacy Program. After reviewing the completed form, it can then be forwarded to DDD to request “Non-DAC” status for the student.

The Arc of NJ’s Health Care Advocacy Program has a Medicaid Eligibility form available online at [Health Care Advocacy](#) or it can be requested by emailing cgriffin@arcnj.org

You can also access the Medicaid Eligibility Form by [clicking here](#).

DDD is the only agency that can officially provide a Non-DAC designation. “Non-DACs” are individuals with IDD who receive income above 100% of the Federal Poverty Level (\$1,215/month in 2023) and under 300% Federal Benefit Rate (\$2,742/month in 2023). When seeking approval for Non-DAC status, the person with IDD’s resources (i.e., bank accounts, bonds, stocks, etc.) must be less than \$2,000. If the individual with IDD has resources above \$2,000, then an ABLE account and/or a Special Needs Trust should be considered.

6. What should the family do after receiving a “Non-DAC” designation from DDD?

The family should complete the DDD intake application process. It should be noted that having Non-DAC status does not provide Medicaid. In the future (after being approved for DDD services) the family will receive a Medicaid application from DDD. The family will then be required to apply for Medicaid for the individual with IDD, through the DDD Waiver Supports Program.

Below is a link to the NJ Division of Medical Assistance and Health Services (DMAHS) page where you can access important Medicaid information including the Medicaid Communications related to the Income Eligibility Standards:

<http://www.nj.gov/humanservices/dmahs/info/resources/medicaid/>.

If you have questions on the “Non-DAC” process please contact cgriffin@arcnj.org