

DMA ADMINISTRATIVE LETTER NO. 16-01, Addendum 1, Waiting List and Poverty Levels

DATE: MARCH 27, 2001

**Subject: Waiting List & Increased Poverty Based
Income Limits Letter**

**Distribution: County Director of Social Services
NCHC/F&C Medicaid Supervisors
NCHC/F&C Medicaid Caseworkers**

I. BACKGROUND

DMA Administrative Letter Number 16-01 implemented an enrollment freeze in the NC Health Choice for Children program effective January 1, 2001. The purpose of this addendum is to alert counties to a letter being mailed to families with children on the waiting list and to provide instructions to counties on applications received as a result of this letter. These applications will primarily be applications for Medicaid.

II. NOTICE TO FAMILIES WITH CHILDREN ON THE NCHC WAITING LIST

On March 30, 2001, a notice ([attachment 1](#)) will be mailed to families with children on the waiting list. The notice serves two purposes. One is to provide families with information regarding the waiting list. The other is to inform families about the increase in poverty level based income limits for Medicaid.

Families are reminded that they can continue to enroll in Medicaid and that if the family income is below the new limits or has dropped to below the new limits, their children may be able to get help with medical insurance immediately. Families are also instructed to apply with their local county department of social services if their income has dropped and/or is below the new poverty limits.

Included with the notice is an insert ([attachment 2](#)) from Prevent Blindness North Carolina. The insert provides information to families so their children can get help with eye exams and glasses while the children are on the waiting list.

III. IMPLEMENTATION

Families with children on the waiting list may apply for Medicaid because they believe their income now falls below the poverty level.

A. Applications taken through 4/30/01:

Applications taken as a result of this notice may be mailed in or taken at the local department of social services. These applications are to be entered into EIS following current policy. The applications are not administrative and will be included in the county's report card.

1. If the family provides verification of income with the application:
 - a. Process the application using the income provided.
 - b. If the children are now Medicaid eligible, approve the application in the appropriate Medicaid aid/program category.
 - c. If the children are not Medicaid eligible, evaluate for NC Health Choice for Children.
 - (1) If the children are eligible for NCHC, deny using the "C4" denial code. If the freeze is lifted, instructions for dispositioning applications for children who appear more than once on the waiting list will be provided.
 - (2) If the children are ineligible for NCHC, deny using the appropriate denial code.
2. If the family does not provide verification of income and you are aware the family previously applied and was denied NCHC due to the freeze:
 - a. Do not ask the family to provide income verification.
 - b. Use the income from the original NC Health Choice application unless the family indicates there has been a change in income. See III.A.3 below if the client reports a change in income.
 - c. If the children are now Medicaid eligible, approve the application in the appropriate Medicaid aid/program category.
 - d. If the children are not Medicaid eligible, evaluate for NC Health Choice for Children. Follow III.A.1.c. above.
3. If the family indicates there was a change in income:

- a. If the client provides a statement of income sufficient to determine eligibility and the income is below the Medicaid income limit, accept the client's statement following current policy.
- b. If the client does not provide a statement of income sufficient to determine eligibility or the income exceeds the Medicaid limit:
 - (1) Research other agency records to see if verification of the changed income has already been provided to the agency. If the agency has already verified the changed income, use that income.
 - (2) If the changed income is not available in the agency, request the changed income from the family following current policy. Deny the application if the requested information is not provided following current policy.
- c. If the children are now Medicaid eligible, approve the application in the appropriate Medicaid aid/program category.
- d. If the children are not Medicaid eligible, evaluate for NC Health Choice for Children. Follow III.A.1.c. above.

B. Applications Taken After 4/30/01

This policy applies only to applications taken through April 30, 2001. Process applications taken after April 30 following current policy.

C. Request for Retroactive Medicaid

If the DMA-5063 includes a request for retroactive Medicaid, process following current policy.

If you have any questions regarding this information, please contact your Medicaid Program Representative.

Paul R. Perruzzi
Director

(This material was researched and written by Renee Boston, Policy Consultant, Medicaid Eligibility Unit.)