

DMA ADMINISTRATIVE LETTER NO. 16-01, Addendum 3, Termination of NC Health Choice Freeze

DATE: OCTOBER 1, 2001

**Subject: Termination of the NC Health Choice
Enrollment Freeze**

**Distribution: County Directors of Social Services
Medicaid Income Maintenance Directors
NCHC/F&C Medicaid Supervisors
NCHC/F&C Medicaid Caseworkers**

I. CONTENT

The NC General Assembly approved additional funding for the NC Health Choice program. This additional funding will allow us to extend coverage to up to 82,000 children. Presently, we have approximately 51,000 children receiving NC Health Choice. As a result of the additional funding, the enrollment freeze that was implemented effective January 1, 2001, is lifted.

The purpose of this letter is to advise you of the elimination of the NC Health Choice waiting list.

On Friday night, October 5th, all remaining children on the NC Health Choice waiting list will be reactivated in EIS. On Monday, October 8th, the state will mail the letter titled "Notice of Reactivation" to the families. Counties will be notified via terminal message of the number of children reactivated statewide. The report titled DHREJ NCHC APPLICATIONS REACTIVATED listing each reactivated application by county will be available in NCXPTR and also mailed to each county.

II. IMPLEMENTATION

A. Applications Pending as of October 8, 2001

Effective October 8th, any NC Health Choice for Children application still pending must be approved, if eligible for assistance. If a pending MIC-N application is found ineligible for assistance, but is eligible for NCHC,

authorize for NCHC. Authorization for NC Health Choice begins with the month of application even if the date of application is prior to October 1st.

The application denial code C4 is no longer a valid reason for denying a NC Health Choice for Children application. EIS modifications will prevent the use of this code.

Continue processing NC Health Choice applications taken on or after October 8th, in accordance with policy in MA 3225 and EIS 4300.

B. Re-enrollments Pending as of October 8, 2001

Effective October 8th, evaluate MIC-N cases determined ineligible for Medicaid for NC Health Choice. If eligible for NC Health Choice, terminate the Medicaid case following timely notice. Enter a DSS-8124 into EIS for NC Health Choice and complete a DSS-8125 to authorize assistance.

When terminating the Medicaid case, do not use termination codes 1E and 6E. These codes are no longer appropriate for terminating Medicaid.

Continue processing NC Health Choice re-enrollments following policy in MA 3225 and EIS 4300.

Enter a DSS-8124 to register an application if the NC Health Choice re-enrollment form lists a child(ren) who is not included on an active case. The date of application is the date the form is received. Refer to policy in MA 3310 III.G. MA 3225 and EIS 4300 for procedures to follow when processing the application. Authorization begins with the month of application if eligible for NC Health Choice.

C. Applications Reactivated on October 5, 2001

Continue to follow instructions contained in DMA Administrative Letter 16-01 Addendum 2 regarding procedures for processing children who are reactivated from the waiting list. Authorization for the October reactivated applications can not begin any earlier than **October 1, 2001**. Reactivated applications still pending from August and September can not be authorized any earlier than the month of reactivation.

Exception: If the Notice of Reactivation lists a child(ren) that was not included on the original application, mail or give the family a DMA-5063 to apply for the other child(ren). Inform the family that they must apply for this child(ren).

When the DMA-5063 for the additional child(ren) is returned, process the application following policy in MA 3225, and EIS 4300. The application, if eligible for NCHC, should be processed as an add-on application.

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

Nina M. Yeager
Director

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