

# **DMA ADMINISTRATIVE LETTER NO. 21-01, Reinstatement of Work First Terminations**

**DATE:           JANUARY 23, 2001**

**Subject:        Reinstatement of Work First,  
Transitional Medicaid, and Benefit Diversion  
Terminations**

**Distribution:   County Directors of Social Services  
Medicaid Supervisors and Caseworkers  
Work First Supervisors and Caseworkers**

## **I.    BACKGROUND**

Despite enormous progress in expanding Medicaid and NC Health Choice for Children to eligible families, some individuals continue to lose Medicaid when their Work First, Transitional Medicaid, or Benefit Diversion terminates. This may happen when the family is not evaluated for ongoing Medicaid prior to termination. In these situations EIS automatically terminates Medicaid with Work First, Transitional Medicaid, or Benefit Diversion.

Continuing Medicaid for eligible families is a top priority at the federal and state level. On April 7, 2000, the Health Care Financing Administration (HCFA) issued instructions to all States to address this problem aggressively. HCFA mandates States identify Work First, Benefit Diversion and Transitional Medicaid cases that have been terminated since the implementation of welfare reform. States must reinstate eligibility in order to evaluate for ongoing Medicaid.

In addition, the U.S. Department of Agriculture has asked that associated food stamp cases that terminated when Work First terminated be considered for food stamps during the Medicaid review process. Medicaid IMCs will refer the casehead to apply for food stamps if the casehead indicates that the household no longer receives food stamps.

DMA has identified Work First, Benefit Diversion and Transitional Medicaid terminations that must be reviewed. The purpose of this letter is to provide step-by-step instructions to reinstate Medicaid for families/individuals who were terminated from Work First, Benefit Diversion or Transitional Medicaid.

DMA realizes that in many instances these cases were correctly evaluated for ongoing Medicaid eligibility. However, since there is no way to identify these cases in EIS, all identified cases must be reopened and ongoing eligibility evaluated. This letter provides instructions on reopening identified cases and determining ongoing eligibility.

EIS will be reprogrammed to prevent these terminations. Until programming changes occur, terminated cases will continue to have to be reopened and reviewed.

## **II. WORK FIRST, BENEFIT DIVERSION AND TRANSITIONAL MEDICAID TERMINATION LIST**

### **A. Identification of Cases**

The State identified Work First, Benefit Diversion and Transitional Medicaid terminations from:

- January 31, 1997 through August 31, 2000, and
- Which were terminated for any reason code except no longer lives in NC (74/13) or individual(s) deceased (66), and
- Were not currently authorized for Work First, Medicaid or NC Health Choice at the time the file was produced, and
- Were not authorized for Work First, Medicaid or NC Health Choice for any month beginning with the 2<sup>nd</sup> month after termination.

### **B. Reports**

You will receive two copies of four separate reports. Reports for Groups 1, 2, and 3 are also available in XPTR.

**Group 1 (Automated Reinstatements)** The report name is WORK FIRST TERMINATIONS REOPENED BY EIS. The XPTR selection name is DHREJ WORK FIRST TERMS REOPENED. The State will automatically reinstate individuals in this group for 4 months. The certification period will be February through May 2001. This group includes individuals terminated from May 31, 2000, to August 31, 2000. The current EIS address will be used when these cases are automatically reopened.

**Group 2 (Current Food Stamp Address)** The report name is COUNTY REOPENS WITH CURRENT FOOD STAMP ADDRESS. The XPTR selection name is DHREJ WF TERMS COUNTY REOPENED. Cases

terminated April 30, 2000, or earlier will be compared with food stamp records. If there is a match with an active food stamp case or with a food stamp case terminated May 31, 2000, or later, the food stamp address will be reported to you and you will reinstate the terminated case according to instructions in this letter.

**Group 3 (Confirm Address)** The report name is NO CURRENT ADDRESS – COUNTY MUST RESEARCH. The XPTR selection name is DHREJ WF TERMS RESEARCH ADDRESS. Individuals in this group were terminated April 30, 2000, or earlier and have no current food stamp address. Search your records for a current address for these cases. If there is a current address, reinstate the case. If there is no current address, mail a letter to the last known address.

**Group 4 (Cases With Individuals In Multiple Groups)** The report reads, “The SAS System”, on the top left hand corner of the report. The cases listed in this report contain individuals who appear on two or more reports listed above. These individuals (from the same case) are found in different groups (1, 2, or 3). The purpose of the report is to identify these cases for you. This report includes the case ID, the individuals, and the group where each individual is found.

### III. COUNTY RESPONSIBILITY

Each county is responsible for following the instructions in this letter for each individual listed on his report. There may be instances in which the individuals may have moved to another county.

#### A. Group 4 Report (CASES WITH INDIVIDUALS IN MULTIPLE GROUPS)

The report, CASES WITH INDIVIDUALS IN MULTIPLE GROUPS, lists cases with individuals listed in more than one report. Review this report prior to mailing the re-enrollment packet with the DMA-5063R.

1. If the report shows a case with individuals in Group 1 and any of the other two groups or both groups, the county does not need to mail a DMA-5063R. The State has mailed a DMA-5063R. Evaluate ongoing eligibility for all the individuals in that case who appear on the reports. See V. below for instructions for individuals in Group 1. Authorize individuals in Group 2 and 3 in the same 4 month certification period as individuals in Group 1.
2. If the report lists a case with individuals in Groups 2 and 3, use the address from the Group 2 report to mail the DMA-5063R. Evaluate ongoing eligibility for all the individuals listed on the reports. See VI. below for instructions on individuals in Group 2. The county will need

to authorize individuals in Group 2 and 3 in the same 4 month certification period.

## **B. Individuals Who Have Moved To Another County**

All of the following situations require the counties to cooperate with one another. Counties will need to contact other counties to help them obtain information and perhaps to send them records. Please expeditiously respond to these requests.

1. Because individuals may have moved after the Work First case terminated you may discover individuals on your reports who may have moved to another county. The county on whose report the individual appears is responsible for reopening and evaluating that individual for ongoing Medicaid. If eligible for ongoing Medicaid, once the review is completed and ongoing eligibility authorized, transfer the individual to the correct county.
2. It is possible that individuals who were in the same case but who are on different reports due to different termination dates may also be reported to different counties. If the individual appears on your report, you are responsible for reopening the case and completing the review following the instructions in this letter. Transfer the case to the correct county only after authorizing ongoing Medicaid.
3. A case may have terminated in one county prior to May 2000, but have a current food stamp case in a second county. In this instance, the case will appear on the second county's Group 2 report. The second county is responsible for reopening the case and conducting the review of the case.

## **IV. GROUP 1 - INDIVIDUALS AUTOMATICALLY REOPENED AND RE-ENROLLMENT FORMS MAILED TO THEM (WORK FIRST TERMINATIONS REOPENED BY EIS)**

- A. The State will automatically reopen individuals terminated from May 31, 2000 through August 31, 2000. On February 2, 2001, these cases will be reopened as MAF-C. The Medicaid authorization will be from February 1 through May 31, 2001. Cards will be generated and mailed for each individual in a case. Automated notices will be generated informing the individual/family that their Medicaid has been reinstated because they may not have been evaluated for Medicaid when their Work First terminated. The individual/family will also be advised that they will receive notification by mail to complete a redetermination for continued eligibility.

Some individuals may already have been authorized for Medicaid or Health Choice and they will not be included in the reopened case. This means some reopened cases may not consist of all individuals in the case at the time of termination.

For example: A parent and two children were in a case when terminated. One child currently receives Medicaid. The reopened case will consist of the parent and the other child.

If a child is the only person in the reopened case, the child will be listed as the casehead and will be mailed the re-enrollment form.

- B. Within a week of reopening, the State will mail a re-enrollment packet to the oldest individual terminated from the case. The re-enrollment packet will include the DMA-5063R, Rights and Responsibilities insert, and a cover letter. The re-enrollment form (DMA-5063R) will indicate the worker as "EIS" and the district as "EIS" in the upper right hand corner. Alert staff that the mail-in re-enrollments that indicate the worker as "EIS" are "Work First Reopens".

**Note:** The re-enrollment packet will not include the Special Health Care Needs form (DMA-5069). Refer to Administrative Letter 09-01. Follow procedures in the letter for mail-in re-enrollments.

- C. The cover letter will explain why the case has been reopened. It will also tell the individual that the redetermination form DMA-5063R must be completed and mailed back to the county by 03-31-01 for the family to be evaluated for on-going Medicaid benefits. (See [attachment 1](#)). The envelope must be postmarked no later than March 31, 2001.

## V. GROUP 1 CASES – REVIEW INSTRUCTIONS

### A. Identifying Cases Automatically Reopened by EIS

1. Each county will receive two paper copies of the report, WORK FIRST TERMINATIONS REOPENED BY EIS. The report is available on XPTR as DHREJ WORK FIRST TERMS REOPENED. Use the paper report as a control for cases that need review.
  - a. The report includes the county case number, a "new" and "old" case ID number, individual name, individual ID number, other individual's names and individual ID numbers in the case. Each individual's social security number is displayed. The report has a "1" down the right side for each case.
  - b. The report gives the total number of cases and individuals reinstated in the county at the end of the report.

2. The reopened cases have application number "4444444" to identify them as a new case. The application date will be February 2, 2001, the date EIS reopens the case.
3. The reopened cases will have "EIS" as the district number and the worker number.

## **B. Reviewing Cases Automatically Reopened**

1. The report above lists the cases that the state will mail the re-enrollment forms to be reviewed for ongoing eligibility. These individuals were reopened automatically in EIS.
2. When the completed re-enrollment form is received from the individual, review the eligibility of each individual on the report to determine ongoing Medicaid eligibility. Follow instructions in MA-3310 to process a mail-in re-enrollment. Refer to VIII. below for redetermining ongoing Medicaid eligibility.
  - a. If ineligible for Medicaid, evaluate for NC Health Choice. Refer to MA-3225 and Administrative Letter 16-01.
  - b. If ineligibility can be established prior to May 31, terminate the individual after sending a timely notice. Ensure you send a timely notice giving the appropriate reason for termination for each individual.

If a timely notice is not sent in time to terminate benefits effective May 31, 2001, benefits must continue one month at a time until a timely notice is sent and the notice period has expired.
  - c. If eligible, enter ongoing authorization as soon as possible but no later than the pull deadline in May 2001. Begin certification with the ongoing processing month. Enter a certification period appropriate for the aid program/category.
3. If you do not receive the completed re-enrollment form by 04-06-01 (this allows mail time for envelopes postmarked March 31):
  - a. Send a manual timely notice (DSS-8110) to inform the individual that benefits will terminate 04-30-01 unless requested information is returned. Request the necessary information in writing or by telephone.

- b. The individual does not need to receive the full four months if ineligibility can be established anytime prior to the end of the 4 months.
4. If you receive a completed re-enrollment form before the end of the 10 day timely notice, rescind the termination and proceed with the review. Send the appropriate notice when the redetermination is completed.
5. Refer to DMA Adm. Letter 09-01 for procedures to complete the DMA-5069 Special Health Care Needs form at re-enrollment.
6. If you get returned mail because the individual/family is no longer at that address, follow procedures in VII.A.2. to locate a current address.
7. All reopened cases are to be re-evaluated, including cases that were originally evaluated when first terminated.

**VI. GROUP 2 - CASES WITH CURRENT FOOD STAMP ADDRESS (COUNTY REOPENS WITH CURRENT FOOD STAMP ADDRESS)**

**A. Report of Cases With a Current Food Stamp Address**

1. Each county will receive two copies of a report of cases terminated April 30, 2000, or earlier with a current food stamp address. The report is entitled COUNTY REOPENS WITH CURRENT FOOD STAMP ADDRESS. The report is available on XPTR as DHREJ WF TERMS COUNTY REOPENED.
  - a. The report lists the case in the county which has the active food stamp case. Some individuals may have been terminated in a different county from the one in which the active food stamp record is located. Refer to section III. for county responsibility.
  - b. The report lists individuals in alphabetical order by oldest recipient in the case. From left to right the report lists the case ID number, social security number, individual's name (the oldest individual listed first), individual ID number, EIS county case number in the county in which terminated, and the information above for each additional member of the case. Each case shows a current food stamp address. A '1' appears at the far right of the report beside each case. The report will give the total number of cases and individuals at the end of the report.
  - c. The report lists the oldest individual in a case first. If a child is the oldest person in the case, the child is listed first.

2. Reopen these cases in EIS no later than March 15, 2001.

### **B. Reinstate Ongoing Medicaid**

1. For cases with a current food stamp address, reinstate ongoing Medicaid for the case/individual. **Do not determine eligibility before authorization.**
  - a. Check to see if the case ID on the report is active. If so, do not use this case ID; register a new application.
  - b. If the case ID is terminated, you may use this case ID for the reopen. Complete a reapplication.
  - c. The application is administrative. Key "Y" for administrative on the DSS-8124. These applications do not count under the Alexander court order.
  - d. Include each individual who was in the case at the time of termination and who is listed on the report. The report does not include individuals authorized for Medicaid/NCHC benefits in the month the file was generated. If an individual is now active for Medicaid/NCHC benefits, do not include him.
  - e. If a child aged out at 19 at termination and is now older than 20, enter this child as an adult on the DSS-8125. The Family Status code for entering a child through age 20 is "C". If the individual is 21 or older, the Family Status code is "P". There may be more than one "P" in a case.
  - f. The date of application is the day the application is entered in EIS.
2. Enter a DSS-8125 to approve the case no later than March 15, 2001.
  - a. The Medicaid aid program/category is MAF-C.
  - b. The Medicaid Effective Date is:  
  
February 1, 2001, if the DSS-8125 is entered no later than February 15.  
  
March 1, 2001, if the DSS 8125 is entered after February 15, and no later than March 15 2001.
  - c. The reinstatement period is 4 months beginning with the effective date of authorization (Medicaid Effective Date).



- d. B5 is the disposition code. The notice states:

“Medicaid has been reinstated because you/your family may not have been evaluated for Medicaid when Work First benefits terminated. You will be notified by mail to complete a redetermination for continued eligibility”.

- e. For Managed Care, use exempt code 9900045 for all counties except Mecklenburg. For Mecklenburg County, refer to Administrative Letter 18-98.

When entering information on the HMO screen, use PF5 to enter 9099510 exempt number for the individuals on the case when you reopen the case. If the family is determined eligible ongoing, use PF3 to assign the 9099500 exempt code number when you complete the review.

3. It is recommended that you use a unique district number in order to identify these cases. One suggestion is "WFF."
4. Do not complete a IV-D referral at the time of reinstatement. If ongoing eligibility is established at redetermination and a referral to Child Support is appropriate, complete the IV-D referral at that time.
5. Once the case has been reinstated, follow instructions in VIII., below to complete a redetermination. Within a week after reinstatement, mail the DMA-5063R, Rights and Responsibilities, the cover letter ([attachment 2](#)), and the DMA-5069.
6. If the DMA-5063R is not returned by the 5<sup>th</sup> workday after the 2<sup>nd</sup> month of the certification period, send a timely notice to terminate assistance at the end of the 3<sup>rd</sup> month. This allows mail time for envelopes postmarked no later than the last day of the 2<sup>nd</sup> month. .
7. If the individual contacts you and says he does not want Medicaid, reopen his case and ask him to send his request in writing. Send a timely notice proposing termination.
8. If you get returned mail because the individual/family is no longer at that address, follow procedures in VII.A.2. to locate a current address.

## **VII. GROUP 3 REPORT OF CASES WITHOUT CURRENT FOOD STAMP ADDRESS (NO CURRENT ADDRESS – COUNTY MUST RESEARCH)**

### **A. Research Records For a Current Address**

1. You will receive a report of individuals terminated April 30, 2000 or earlier and who did not have a current food stamps address. The paper report is titled, NO CURRENT ADDRESS – COUNTY MUST RESEARCH. The report is available on XPTR as DHREJ WF TERMS RESEACH ADDRESS.
  - a. The report lists cases in alphabetical order by the oldest individual. The report lists from left to right the case ID, social security number, individual name, individual ID and county case number. The same information is listed for each additional member of the case. The report shows a number '1' at the far right of the report for each case listed. The report gives a total number of cases and individuals at the end of the report. The address listed is the address on the terminated EIS record.
  - b. The oldest person in the case is listed first. This can be a child.
  - c. When the report was generated, the individuals were not authorized for Medicaid/NCHC benefits. However, they could have been reopened after the report was generated. Be sure to verify that individuals are not active. If an individual is active, document it on the report and take no further action.
2. Attempt to locate a current address for the individual/family.
  - a. A current address is defined as one that is:
    - Part of an active record in another program (such as Food stamps, services or IV-D records).
    - Part of an inactive record in another program which had active benefits or eligibility or benefits occurred within the past 6 months. Any activity in the case in the previous 6 months, except for mail returned as undeliverable, is sufficient to consider the address current.
    - From any source in the agency, if no older than 6 months. This includes Food Stamp denials. Check other available records such as ACTS, Service Records, Child Care, ESC, SDX, EPICS, etc.
    - From any source outside the agency if no older than 6 months.
  - b. Check all agency records, both paper and computer records. The worker must use the attached checklist to locate a current address for the client (See [attachment 4](#)). File the checklist in the record to document attempts to locate the individual. If the county wishes to

develop its own checklist, it must contain at the minimum the information on this checklist.

- c. If during the search it is discovered that the individual has moved out of state or is dead, do not reinstate the individual.
  - d. If the most recent address is not current, attempt to locate a telephone number to contact the family to request a current address.
  - e. If you locate a current address, reinstate Medicaid. Refer to VI.B. above and VII.B.3. below to determine Medicaid Effective Date.
3. If no current address is found in records, follow procedures in B. below.

#### **B. Send Contact Letter To The Last Known Address**

1. If no current address is found (current is defined as 6 months or less), mail the attached letter (See [attachment 3](#)) to the last known address found in the search described in VII. A.2. above, no later than April 15, 2001. The letter:
  - a. Explains that the individual/family may not have been evaluated for Medicaid when Work First, Transitional Medicaid and Benefit Diversion benefits terminated.
  - b. Requests the individual contact you within 60 days of the date of the letter.
2. If the individual does not contact the agency within 30 days of the first letter, send a second letter. Mark the top "Second Notice" in red letters. The deadline date for responding is the same as the deadline in the first letter, 60 days from the date of the first letter.
3. If an individual contacts the agency, confirm the current address and which individuals in the report remain in the home. If other individuals on the report are no longer in the home, attempt to confirm an address for them as well.

Authorize Medicaid for the individuals with a confirmed address within 2 weeks of the contact. Follow instructions in VI.B., above. **Do not determine eligibility before authorization.**

The Medicaid Effective Date is:

February 1, 2001, if the DSS-8125 is entered no later than February 15.

March 1, 2001, if the DSS 8125 is entered after February 15, and no later than March 15,

April 1, 2001, if the DSS-8125 is entered after March 15, and no later than April 15.

4. If the letter is returned to the agency and has a forwarding address, re-mail the letter to the new address. Change the date of response to allow 60 days from the date the second letter is sent.
5. If the caretaker contacts the agency after the 60 day deadline,
  - a. Confirm a current address and who remains in the home from the original case.
  - b. Within 2 weeks of contact reinstate Medicaid for 4 months. Follow VI.B. in determining the 4 months of eligibility. For example, client contacts the county on May 1. The IMC enters the DSS-8124 and the DSS-8125 on May 14. The 4 month certification period is May through August. **Do not determine eligibility before authorization.**
6. B5 is the disposition code. The notice states:

“Medicaid has been reinstated because you/your family may not have been evaluated for Medicaid when Work First benefits terminated. You will be notified by mail to complete a redetermination for continued eligibility”.
7. For Managed, Care use exempt code 9900045 for all counties except Mecklenburg. For Mecklenburg County, refer to Administrative Letter 18-98.

When entering information on the HMO screen, use PF5 to enter 9099510 exempt number for the individuals on the case when you reopen the case. If the family is determined eligible ongoing, use PF3 to assign the 9099500 exempt code number when you complete the review.
8. It is recommended that you use a unique district number in order to identify these cases. One suggestion is "WFF."

9. Do not complete a IV-D referral at the time of reinstatement. If ongoing eligibility is established at redetermination and a referral to IV-D is appropriate, complete a IV-D referral at that time.
10. Once the case has been reinstated, follow instructions in VIII., below to complete a redetermination. Within a week after reinstatement, mail the DMA- 5063R, Rights and Responsibilities, the cover letter (see [attachment 2.](#)) and the DMA-5069.
11. If the DMA-5063R is not returned by the end of the 5<sup>th</sup> workday after the 2<sup>nd</sup> month of the certification period, send a timely notice to terminate assistance at the end of the 3<sup>rd</sup> month. This allows mail time for envelopes postmarked no later than the last day of the 2<sup>nd</sup> month.
12. If the individual contacts you and says he does not want Medicaid, reopen his case and ask him to send his request in writing. Send timely notice proposing termination.

## **VIII. REDETERMINE ONGOING MEDICAID ELIGIBILITY**

Once the individual/family is reinstated, a complete redetermination is required to continue eligibility beyond the 4 month certification period.

Note: If a case record is not available because of flood damage, purging or other reasons, the county must build a record. The county cannot deny/terminate ongoing eligibility in these instances because the record doesn't contain birth certificates, etc. The county will need to get this information.

### **A. Extended (12 Month Earned Income Disregard) and Transitional Medicaid**

The regulations for Extended Medicaid became effective 11-01-99. Do not apply these rules to cases terminated prior to 11-30-99.

1. For any termination effective 11-30-99 or later that is included in Groups 1, 2, or 3, determine from the case record if the case should have been authorized for 12 months (extended Medicaid) due to increased earnings. Also, determine if any months remain for 12 months of Transitional Medicaid. Do not wait to determine if the individual is currently employed.
2. If the case should have been authorized for extended Medicaid, authorize the case for the remainder of the 12 month period.

Example: A Work First case was terminated July 31, 2000 due to an increase in earned income. You reopen the case for February through May 2001. You determine the case should have been authorized as MAF-C for 12 months Extended Medicaid from August 1, 2000 through July 31, 2001. Extend the certification period through July 31. Enter special review code of "E" to identify it as an Earned Income Disregard case. The special review date is July 2001.

When the DMA-5063R is returned and it indicates that the individual is no longer working, take appropriate action and determine eligibility. Follow instructions below.

3. At the end of the 12 months, transfer the case to Transitional Medicaid.
4. If the 12 months extended Medicaid have already passed, transfer the reopened MAF-C case to Transitional Medicaid effective the ongoing month. An adequate notice can be used. Begin the 12 months effective with the ongoing month.

Example: Case terminated 11-30-99 due to increased earnings. The family should have received Extended Medicaid from 12-01-99 through 11-30-00. Transitional Medicaid should have begun 12-01-00 through 11-30-01.

The IMC reopens the case in February for 4 months. The IMC determines the case is eligible for Transitional Medicaid. Transfer to AAF payment type 5 for 12 months beginning March 1.

5. When Transitional Medicaid ends, evaluate individual/family member for Medicaid in another program/category.
6. If the case was in Transitional Medicaid when it was terminated, do not reopen as Transitional Medicaid. Determine ongoing eligibility.

## **B. Application**

If the DMA-5063R is returned and a new person is listed on the form, this is an application. Evaluate for eligibility and take appropriate action.

## **C. Request For Information**

Only request information necessary to determine eligibility for the appropriate aid program/category.

1. Use all information available through any on-line query (ESC, etc.).
2. Do not require any information that has already been provided and is not subject to change such as date of birth or social security number.
3. If income verification is found in agency records and is within the time frame for the program in which it was verified, use that income.

**D. Evaluate Under All Aid Programs/Categories**

1. Evaluate Medicaid first under MAF-C. Use current rules and policies to determine ongoing eligibility. If the case/individual does not remain eligible under MAF-C, evaluate each individual under all other Medicaid aid program/categories:
  - a. MIC and NC Health Choice for individuals under age 19.

**Note:** The NCHC program was frozen as of 01-01-01. DMA Administrative Letter 16-01 has been sent to counties with information about the freeze. If the Medicaid case is eligible for NCHC, follow instructions as outlined in the Administrative Letter to put the individual on the waiting list.
  - b. MPW for anyone listed as pregnant in Question #11 on the DMA-5063R. If pregnancy verification is not in the record, send the client a DMA-8146 to request the verification. Allow 2 weeks for recipient to provide verification. If no verification is received, send a timely notice to terminate the individual or the case.
  - c. MAF-N when the individual is age 19-20.
  - d. MAF-M when the income exceeds the categorically needy income limits. The old, current, and predicted expenses need to be documented.
  - e. MAD for anyone listed on the DMA-5063R who receives Social Security Disability. Verify through TPQY, SOLQ or a DMA-4037 in the case record verifying that disability has been previously established.
  - f. MAA for anyone listed on the DMA-5063R who is age 65 or older.
2. Continuous 12 month eligibility for children under 19 does not apply at the end of the reinstatement period because they were reinstated without a determination of eligibility.

3. If the caretaker has an increase in earnings due to new employment, increase in hours or increase in the rate of pay, and the increase renders the case ineligible during the four month reinstatement, evaluate for Job Bonus and Extended Medicaid for Working Families.

All reopened cases are to be re-evaluated following current policy. This includes individuals that were originally evaluated when they were first terminated.

#### **E. Potential Food Stamp Eligibility**

If during the review process the individual contacts the IMC, the IMC will ask the individual if the household receives food stamps.

1. If the answer is yes, no further action is necessary.
2. If the answer is no, inform the individual that he may apply for food stamp benefits at any time.

#### **F. Outcomes of Evaluation**

1. If all individuals are eligible as MAF-C, authorize eligibility effective the ongoing month.

Example: Case is authorized MAF-C from February to May. The county receives the DMA-5063R on March 15 and determines that all individuals are eligible under MAF-C. The IMC will complete a DSS-8125 for review. The Medicaid effective date is April 1. The certification period begins April 1.

2. If all Individuals are eligible for ongoing benefits in another aid/program category, authorize in the new aid/program category effective for the ongoing processing month. Use the certification period appropriate for the program/category. If all the family members are eligible, send an adequate notice.

**Note:** EIS will allow a reapplication into MIC against the active MAC-C case.

3. If some individuals are eligible and some are not, send a manual timely notice if individuals are ineligible. When the timely notice expires, delete the ineligible individuals and authorize the eligible individuals with adequate notice.



**Note:** If individual/family has an ongoing deductible do not put in deductible status until after the timely notice period has expired. Extend eligibility one month at a time if the timely notice period does not expire prior to the end of the 4 month reinstatement.

4. If the individual/family calls and does not want benefits, send a timely notice proposing termination. Ask the individual to send his request in writing. Refer to MA-3350 III.D. Terminate the case/individual at the end of the timely notice period or when a written request for termination is received.
5. Individual/family is ineligible for Medicaid
  - a. If the client calls and reports information which clearly indicates he is ineligible in any aid program/category (MIC, Health Choice, MPW, MAF, MAABD), terminate Medicaid with timely notice. Do not wait until the end of the reinstatement period to issue timely notice.
  - b. If no one in the case is eligible for ongoing Medicaid, send a timely notice to terminate Medicaid.
  - c. Continue authorization only until expiration of timely notice period. This may be prior to the end of the fourth month of authorization.
  - d. Do not terminate individuals/families for failure to provide information available to the agency.

**Note:** If individual/family has an ongoing deductible do not put in deductible status until after the timely notice period has expired. Extend eligibility one at a time if the timely notice period does not expire prior to the end of the 4 month reinstatement.

6. Failure to Respond to Request for Information

If the DMA-5063R is returned incomplete send a timely notice (DSS-8110) to inform the individual that benefits will terminate unless requested information is returned. List the needed information on the on the DSS-8110.

## **G. Redetermination Not Completed Timely**

If for any reason a decision cannot be made and timely notice sent before the end of the reinstatement period, follow EIS instructions to authorize the case or individual for an additional month in order to allow for notice requirements.

#### **H. Retroactive Eligibility**

If the individual requests retroactive Medicaid for any of the 3 months prior to the month of reinstatement, follow policy in MA-3300 – 3304. Process a retroactive application. This is an administrative application.

### **IX. OUTCOME REPORTS**

Reports of the disposition of individual/families will be automated to the degree possible. It will consist of 2 parts:

- Was the individual/family reinstated? If so, when?
- What was the final disposition of reinstated individuals?

We recommend you document on your paper copy of reports 1, 2, and 3 the outcome for each individual.

#### **A. Were Cases/Individuals Reinstated and Why?**

1. EIS will identify cases/individuals that were reinstated and when. Reports will be published in a form to be decided at a later date.
2. For Group 3 individuals that were not reinstated, the county will report why the individuals were not reinstated. For example, reasons may include no current address could be found, family did not respond to correspondence, individual is deceased, or moved out of state.
3. A website will be established and a list of cases/individuals not reinstated will be listed on the site.
  - a. Those counties that can access the Internet will go to the website to report on why the case/individual was not reinstated.
  - b. Those counties that cannot access the Internet will complete a form to be mailed to DMA. DMA staff will enter the information on the website. The format and procedures for reporting will be developed at a later date.

#### **B. What Was The Final Disposition of Reinstated Cases/Individuals?**

1. EIS will track the disposition of cases/individuals that are reinstated.

- a. Was ongoing eligibility established? If so for what, Medicaid or NC Health Choice?
  - b. If ongoing eligibility not approved, why? (Based on termination/withdrawal reason codes in EIS)
2. For those cases/individuals for whom EIS cannot determine the final disposition, DMA will contact the counties to determine the disposition.

## **X. ENHANCED FUNDING**

Enhanced funding referenced in DMA Administrative Letter 11-01, II.B2. can be used to pay for the activities in this letter:

- Time spent in attempting to locate a current address.
- Time spent on the reinstatement of terminated cases.
- Time spent in conducting the redeterminations of ongoing eligibility beyond the reinstatement period.

Enhanced funding for these activities is at 75%.

Note: You cannot claim enhanced funding for postage.

If you have questions, please contact your Medicaid Program Representative.

Paul R. Perruzzi  
Director

[This material was researched and written by Dora Boissy, Policy Consultant, Medicaid Eligibility Unit]