

DMA ADMINISTRATIVE LETTER NO: 09-08, ADDENDUM 1

DATE: 09/09/10

SUBJECT: Medicaid Suspension for Incarcerated Recipients; Coverage for Inpatient Hospitalization

DISTRIBUTION: County Directors of Social Services
Medicaid Eligibility Staff

I. BACKGROUND

Administrative Letter 09-08 provided policy and instructions to suspend rather than terminate Medicaid benefits for authorized recipients who are incarcerated or who enter an Institution for Mental Diseases (IMD). Medicaid is suspended when a recipient becomes incarcerated or when he is age 21 through 64 and enters an IMD, provided he remains otherwise eligible for Medicaid.

The only services that are covered while a recipient's Medicaid is in suspension for incarceration are medical services received during an inpatient hospital stay. In the 2010 Appropriations Act, the state legislature mandated that the Department of Corrections (DOC) Division of Prisons (DOP) work with the Division of Medical Assistance (DMA) to develop protocols for individuals incarcerated in North Carolina prisons who may be eligible for Medicaid in suspension to access Medicaid while in custody or under extended limits of confinement (i.e. in long term care facilities). This legislation requires that eligibility be determined for incarcerated prisoners who are not already in suspended status. Coverage remains limited to inpatient hospitalizations, but eligibility includes incarcerated individuals under 21. Previously, state funds were used to pay for these inpatient hospitalizations. The legislation applies only to prisoners in North Carolina state prisons. The policy in DMA Administrative Letter 09-08 remains applicable to individuals who are incarcerated in other penal institutions and individuals in an IMD.

A recent data match of the prisoner population with current Medicaid recipients showed that counties were unaware of the incarcerated status of the majority of those recipients. DOP will share inmate information with DMA in order to facilitate changing the eligibility of those recipients who have been incarcerated to suspended status. This helps prevent fraud and payment of improper claims.

II. DATA SHARING BETWEEN DOP AND DMA

A. Initial DOP File Match with EIS

DOP is providing an initial file of the existing 40,000+ prison population to be used to match data against current recipient eligibility (including individuals who are caseheads only) in EIS. The match includes all aid program/categories in EIS (including Work First, SA, etc.) The individuals identified from this match are included in a report in NCXPTR for counties to use to suspend Medicaid benefits of all eligible prisoners and to terminate individuals who are not eligible for suspension. If the report is not available by September 13, a listserv message will be sent to notify you when it is available.

There may be individuals who are in a North Carolina prison who are not included in the report because there was not an exact match of demographic data between the DOP file and EIS. When you learn of an individual that is incarcerated, but is not on the report, continue to follow policy in DMA Administrative letter 09-08 to suspend or terminate benefits.

Future daily file matches between DOP and EIS are being developed (See II.D.)

B. NCXPTR Report

1. The NCXPTR report name is **DHRWDB PRISONER INITIAL MATCH**. The report name is "ACTIVE INDIVIDUALS IN EIS THAT MATCH INDIVIDUALS IN A NORTH CAROLINA PRISON AS OF DATE".
2. The matching criteria used to create the report are first name, last name, and date of birth. If this data matches exactly, the individual is included in the report.
3. Individuals who have a living arrangement code of 16 and/or a CCNC provider number of 9900058 (suspended due to incarceration) are not included in the report. Individuals who have a living arrangement code of 17 and/or a CCNC provider number of 9900059 (suspended due to residence in an IMD) are included in the report because the living arrangement code and the CCNC provider number need to be changed to indicate suspension due to incarceration.
4. The report displays the following information:
 - a. County name and number at the top of each page
 - b. District number at the top of each page
 - c. Date the report was run at the top of each page
 - d. Medicaid Individual ID number of the prisoner
 - e. Recipient name (first and last names). This field will be blank if the prisoner is a casehead only.

- f. Case ID
 - g. Casehead name
 - h. Aid program/category
 - i. DOC Number (Department of Corrections number) to identify the prisoner in their system.
 - j. Pregnant – “YES” or blank. Blank means there is no indication of pregnancy from DOP. See D.2. below for additional information related to pregnant prisoners that will be included in the future.
 - k. Total number of recipients on the report for each county
5. The report is sorted by the district number and then alphabetical within each district. The report page breaks on district number. Each county has access to their report only. The report is retained for ten years for audit purposes.

C. Suspension/Termination of Individuals on the XPTR Report

1. Refer to DMA Administrative Letter 09-08 for instructions for suspending an individual who is incarcerated.
2. DOP is identifying prisoners who are pregnant. This information is included in the report so individuals whose eligibility is based on caretaker status can be evaluated for MPW. Contact the Medicaid Coordinator at the Department of Corrections to determine the due date (see III.C.5.).

D. Future File Matches Between DOP and EIS

1. DOP and DMA are working on changes in automation for a match of new prisoners and recently released prisoners with data in EIS. DMA plans to provide a daily XPTR report containing this information so counties can take the appropriate action. Counties will be notified when this report is available.
2. In the future, DOP plans to capture the due date for pregnant prisoners and provide that date to DMA. When it is available, this date will be added to a daily file in XPTR.

III. MEDICAID POLICY

A. Evaluation of Eligibility of Individuals on XPTR Report

1. Evaluate each individual on the XPTR report to see if he remains eligible in his existing program category.
 - a. Incarcerated individuals are not eligible for MQB or FPW (MAF-D in EIS).

- b. Incarcerated individuals are not eligible for Transitional Medicaid, SA, SSI, NC Health Choice, Refugee Assistance or Work First and cannot receive as a caretaker.
- c. Non-qualified aliens or qualified aliens during the five year ban are not eligible, unless under 19 or pregnant. These Medicaid classifications are F, H, O, R, U, and V.
- d. If the individual is not eligible in his current program category, evaluate for eligibility in all other relevant program categories.

2. MAF Cases

If the individual is receiving as a caretaker, evaluate for eligibility in all other program categories including MPW (incarceration is not considered a temporary absence for purposes of caretaker eligibility).

- a. Refer to the XPTR Report to identify pregnant recipients.
- b. If pregnant, send pregnancy verification form to DOP for medical professional's signature (see III.C.5).

3. If the individual remains eligible in his existing program category or is eligible in a category that is not excluded, place his eligibility in suspension. Refer to DMA Administrative Letter 09-08 for instructions for suspending an individual who is incarcerated.

4. Caseheads

An incarcerated individual cannot remain as a casehead. If the incarcerated individual is a casehead, review the case file for other family members or third party contact information. Contact the family member or third party and find out with whom the children are living. Obtain the information necessary to replace the casehead. Substitute the name of the new casehead for the incarcerated casehead. Change the address and phone number if necessary.

B. Applications From Prisoners About to be Released

DOP will continue to send applications for prisoners who are scheduled for release to the county where the prisoner is expected to live. Follow existing policy for receiving mail-in applications (MA-2302/3207) and for processing applications. Contact the applicant at the address shown on the application for all needed information.

Key "M" in HOW APP RECEIVED field on the 8124 screen.

C. Applications From Prisoners with Inpatient Hospitalizations

1. DOP will take applications from inmates who have inpatient hospitalizations but who will remain incarcerated after release from the hospital.
2. DOP will forward the applications and signed authorizations to each prisoner's last county of residence for processing.
3. Follow procedures in MA-2302/3207 for mail-in applications. The application date is the date the application is received by the county. If incomplete, return to the Medicaid Coordinator at DOP with the cover letter. See III.C.5. for the address of the Medicaid Coordinator.

A new source code has been assigned for applications received from DOP for inmates who will remain incarcerated. Key "P" in the HOW APP RECEIVED field on the 8124 screen.

4. If a disability determination is required, DOP will complete the DMA-5009, Social History, provide a signed DMA-5028, Authorization to Disclose Information, for each medical source, and forward these documents along with up to 12 months of medical records in DOP possession. Refer the case to DDS following procedure in MA-2525.
5. DOP is the Authorized Representative for all prisoner a/rs. If additional information is needed, send a 5097, Request for Information, to: "Medicaid Coordinator", 831 W. Morgan Street, Raleigh, NC 27603. The Medicaid Coordinator can be reached at (919) 838-4000.
6. Key the recipient address in EIS as Medicaid Coordinator, Division of Prisons, 831 W. Morgan Street, Raleigh, NC 27603.
7. If an incarcerated individual is eligible but for his status as a prisoner, enter a living arrangement code of 16 and a CCNC exempt code of 990058. This will put his Medicaid eligibility in suspension. Coverage is limited to medical services received during an inpatient stay.

D. Long Term Care Applications

At this time EIS is not able to accommodate incarcerated individuals in long term care, including those hospitalized over 30 days. This policy will be issued and effective at a later date. Until new policy is issued, place these individuals in suspended status as you are doing for other prisoners.

E. Notices

Automated notices will be mailed to the Division of Prisons based on the address you enter in EIS. Manual notices should be sent to the Medicaid Coordinator at the DOP (see III.C.5. for address).

F. Medicaid Card

Currently Medicaid cards are not issued for suspended Medicaid recipients. We are in the process of changing this in order for Medicaid cards to be issued and mailed to the Division of Prisons. You will be notified when this change occurs.

G. Change in Situation

DOP will notify the county of any changes in an inmate's situation. If the inmate is to be discharged, DOP will provide the recipient's new address. If the individual is relocating to another county, follow procedures in MA-2221/3340, County Residence, to transfer the case once the recipient has been released and is living at the new address.

H. Redeterminations

DMA is working on policy and EIS changes for processing redeterminations of eligibility for prisoners in suspension status. Until such policy is in place, continue to follow redetermination instructions in DMA Administrative Letter 09-08.

IV. EFFECTIVE DATE AND IMPLEMENTATION

This policy is effective September 13, 2010. Apply this policy to all applications received from DOP on or after September 13, 2010. Apply this policy to all dates of service on or after July 1, 2010.

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

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(This material was researched and written by Mary Spivey, EIS Consultant and William Appel, Policy Consultant, Medicaid Eligibility Unit.)