

DHB ADMINISTRATIVE LETTER NO: 07-21, MEDICAID/NC HEALTH CHOICE RECERTIFICATION PROCEDURES FOR COVID-19

DATE: September 14, 2021

SUBJECT: Medicaid/NC Health Choice Recertification
Procedures Due to COVID-19 Public Health
Emergency

DISTRIBUTION: County Departments of Social Services
Medicaid Supervisors
Medicaid Eligibility Staff

I. BACKGROUND

On March 13, 2020, the President issued a proclamation declaring a national public health emergency (PHE) concerning the Coronavirus Disease outbreak (COVID-19).

The purpose of this letter is to provide **updated** instructions on completing recertifications and changes in circumstance for Medicaid and NC Health Choice (NCHC) during the COVID-19 PHE. This letter incorporates the instructions issued in DHB Administrative Letters 05-20 (obsoleted) and **09-20 (obsolete with the posting of 07-21)**, as well as further clarifications and guidance from the Centers for Medicare and Medicaid Services (CMS).

The North Carolina General Assembly passed, and Governor Cooper signed into law Senate Bill 808 (S808, Session Law 2020-88). Counties were instructed to begin working recertifications beginning with certification periods ending August 31, 2020 (which are those noted in the legislation as due September 1, 2020), to meet the requirement.

Due to the federal requirement to continue coverage during the COVID-19 PHE, recertifications that are not completed by the local agency will be extended automatically in NC FAST.

II. CERTIFICATION PERIOD EXTENSIONS

Each month, NC FAST will continue to extend cases due to COVID-19 PHE. There are 3 kinds of extensions that occur to ensure beneficiaries do not lose coverage, except as allowed by CMS guidance.

A. COVID Extensions

1. Since the end of April 2020, NC FAST is extending cases for a new 6/12-month certification period if recertification is not completed by the local agency. The COVID extensions may be as early as the second to last weekend of the month. **This batch will pick up all active traditional Medicaid and MAGI cases (excluding NCHC) with individuals whose benefits are ending in the current month, but no recertification record has been created or the recertification is in progress or in submitted status.**
2. For any cases that have previously been extended **with medical continued evidence added**, the extension months will be included when completing the COVID extensions and assigning a new certification period. **When the case has been extended using medical continued evidence for 12 consecutive months, NC FAST will begin a new 12-month period.**

B. Hawkins Extensions

1. The Hawkins extensions will continue to pick up cases that may not be included in the COVID extensions or are not programmed for those extensions. **This batch will pick up active traditional Medicaid and MAGI cases, including NCHC, with individuals whose benefits are ending in the current month, but no recertification record has been created or the recertification is in progress or in submitted status and COVID batch criteria is not met.**
2. The Hawkins extensions occur on the next to the last work night of the month.
3. Hawkins extensions are for one month at a time.

C. End of Month Data Fix

1. **In July 2021, NC FAST began running the COVID month end data fix immediately after the COVID batch extension and then again at month end. (Previously, only one data fix was run at month end.)**
2. **The purpose of these data fixes is to ensure that no terminations or reduction in benefits, other than those allowed, are processed.**
3. **Running the first monthly data fix ensures that beneficiaries are not being disenrolled from managed care and then reenrolled when they are extended due to COVID.**
4. **The second monthly data fix will catch any cases that caseworkers took negative action on after the first data fix ran.**
5. **The data fix extensions are for one month at a time.**
6. **CNDS numbers for beneficiaries whose benefits should not be extended must be reported by the county to their assigned Medicaid OST representative.**

Counties should send a list of all beneficiaries that should be excluded from the extensions to their OST **no later than the last workday prior to the weekend in which the COVID batch is scheduled to run.** This could be as early as the second to the last weekend of the month. Please see the NC FAST weekly communications for more information about when this batch will be run each month.

7. Running the first data fix prior to the end of the month carries the risk of some beneficiaries being extended who should not be. For these situations, counties should submit a DHB-8020 **immediately upon discovery** to the DSS Support Unit for corrections, and reference DHB Administrative Letter **07-21**.

III. RECERTIFICATION/CHANGE IN CIRCUMSTANCE POLICY

As required in Senate Bill 808 (S808), counties must continue working recertifications following normal recertification procedures during the COVID-19 PHE. If requested information is not returned or the beneficiary is ineligible or only eligible for reduced benefits, the guidance below should be followed. Self-attestation should be accepted as allowed.

The following policy provides instruction on how to complete recertifications or react to change in circumstance in NC FAST during the COVID-19 PHE.

Recertifications not completed by caseworkers will be extended automatically by NC FAST.

- A. During the COVID-19 PHE, caseworkers must not terminate or reduce Medicaid eligibility except for the following reasons, or as otherwise noted below in C:**
 1. The beneficiary moves out of state
 2. The beneficiary voluntarily requests termination of Medicaid/NC Health Choice benefits
 3. Death of the beneficiary
 4. Beneficiary no longer meets the citizenship/immigration status requirements. See D, below.
 5. **See DHB Administrative Letter 05-21, Amended, for additional guidance regarding allowable terminations.**
- B. During the COVID-19 PHE, any action/transfer that requires a timely notice and results in a reduction in benefits cannot be completed. This includes but is not limited to:**
 1. Authorized Medicaid going to deductible status

2. Medicaid beneficiary moving to NCHC

C. In the following situations, certain coverage may end, but Medicaid benefits must continue:

1. A long-term care (LTC) beneficiary moves out of a facility to a private living arrangement
2. A community alternatives program (CAP) beneficiary who is no longer eligible for or participating in CAP services
3. A program of all-inclusive care for the elderly (PACE) beneficiary who is disenrolled from PACE.

See the forced eligibility chart in IV.F if the beneficiary is ineligible or would have a deductible.

D. The following applies when a beneficiary has been receiving Medicaid/NC Health Choice during a reasonable opportunity period (ROP), or is a pregnant woman or child under age 19 who is lawfully residing:

1. If during or after the ROP expires, it is determined the beneficiary has an immigration status that only allows coverage of emergency services, terminate the case with timely notice. The individual is eligible only for emergency services and must apply for any new emergency.

Coverage must continue if information is not provided, or the county is unable to determine citizenship status.

2. When a pregnant woman who is receiving Medicaid with lawfully residing status but is otherwise eligible only for emergency services after the birth of the child, terminate the Medicaid at the end of the post-partum period with timely notice. The individual is eligible only for emergency services and must apply for any new emergency. If the woman becomes pregnant again, she may receive Medicaid for pregnant women (MPW) as lawfully residing.
3. When a child who is lawfully residing turns age 19, and is otherwise eligible only for emergency coverage, terminate the Medicaid/NCHC case with timely notice for failure to meet citizenship/immigration status. The individual is eligible only for emergency services and must apply for a new emergency.

E. The following applies when a Medicaid beneficiary is incarcerated in a state prison:

1. The individual still needs to be suspended so that only inpatient-related services are covered. **Caseworkers should follow NC FAST Job Aids: Traditional MA Incarceration and MAGI Incarceration.**

2. If the individual is no longer eligible as caretaker due to incarceration, the caseworker cannot terminate the beneficiary or reduce benefits. Continue as MAF-C and select COVID-19 as the reason. If forced eligibility must be used, follow the process in IV.F, below.

F. See DHB Administrative Letter 05-21, Amended, for guidance regarding NCHC beneficiaries.

IV. RECERTIFICATION/CHANGE IN CIRCUMSTANCE PROCEDURES

The instructions below should be used to work Medicaid/NCHC recertifications/changes of circumstances in NC FAST during the COVID-19 PHE. As a reminder, policy allows counties to begin working recertifications no earlier than the 1st day of the 10th month of the current 12-month certification period or the 4th month of the current 6-month certification period.

Refer to DHB Administrative Letter 05-21 for additional guidance.

- A. If the recertification already has an in-progress status (may be due to previous extension or other reason), delete the in-progress recertification because the start date is in the past.**
- B. Complete the recertification/change following recertification eligibility policy and using self-attestation as allowed.**
 1. **Traditional recertification/change in circumstance:** Enter evidence and apply changes. Check eligibility.
 - a. If the result is for a greater benefit or the same benefit:
 - (1) Accept the changed decision
 - (2) Authorize for the appropriate certification period
 - b. If the result is ineligibility or eligibility for a lesser benefit (FPP, MCV etc.):
 - (1) Do not accept the decision
 - (2) Enter medical continued eligibility evidence, according to steps in IV.D, below, **unless the case fits one of the situations for authorizing as forced eligibility in IV.F, below.**
 - (3) See IV.C, below, for certification period details.
 2. **MAGI recertifications:** Enter evidence and apply changes.

- a. Put the recertification in progress
 - b. Put the recertification in submitted status
 - c. The case should reassess, and the caseworker must check the determinations
 - d. If the result is for a greater benefit or the same benefit, accept the changed decision. This will approve the recertification
 - e. If the result is ineligibility or eligibility for a lesser benefit (FPP, MCV, or MA to NCHC, etc.):
 - (1) Reject the submitted recertification, this will put the recertification in-progress
 - (2) Delete the in-progress recertification
 - (3) Add medical continued eligibility evidence to continue the same benefits according to the steps in IV.D, below, **unless the case fits one of the situations in IV.F, below, for authorizing as forced eligibility.**
 - (4) This includes individuals who age out of the coverage category for Medicaid. **See DHB Administrative Letter 05-21 for instructions for NCHC beneficiaries who age out.**
3. **MAGI change in circumstance:** Enter evidence and apply changes.
- a. If the result is for a greater benefit or the same benefit, accept the changed decision
 - b. If the result is ineligibility or eligibility for a lesser benefit:
 - (1) Do not accept the changed decision
 - (2) Enter medical continued eligibility evidence for the appropriate certification period, see IV.C below and follow steps in IV.D below **unless the case fits one of the situations in IV.F below, for authorizing as forced eligibility.**
 - (3) This includes individuals who age out of the coverage category for Medicaid programs (MIC, MAF-N). **See DHB Administrative Letter 05-21 for instructions for NCHC beneficiaries who age out.**

C. Certification Period

If a Medicaid/NCHC beneficiary is eligible for the same or greater benefit, assign a new 6/12-month certification period, as appropriate. Follow additional guidance below, depending on the program and whether the case has previously been extended.

1. **Medicaid beneficiary ineligible or eligible for reduced benefit:**

Use Medicaid continued eligibility evidence or forced eligibility and assign a 12-month certification period (6-months with a \$0 deductible for medically needy). **Do not include prior extension months in the new 12-month certification period. This is a change from previous guidance given in DHB Administrative Letter 09-20.**

2. **Traditional:**

a. **Medically Needy:**

Beneficiaries who are medically needy and have met the original deductible cannot be required to meet a new deductible during the COVID-19 PHE.

For beneficiaries who were originally authorized as medically needy or medically needy with a deductible and have been extended as medically needy due to the COVID-19 PHE:

- (1) Key forced eligibility with a \$0 deductible
- (2) Extend for six-month certification period
- (3) Do NOT require the beneficiary to meet a new deductible during the COVID-19 PHE.
- (4) See DHB Administrative Letter 05-21 for more instructions if the beneficiary is eligible for MQB-Q/B/E

b. **CAP deductible:**

When the beneficiary is eligible for CAP with a monthly deductible and meets the first month's deductible, they remain eligible until the end of the COVID-19 PHE without meeting another monthly deductible.

- (1) Authorize the remaining months in the current certification period with a \$0 deductible
- (2) At the end of the current certification period, key forced eligibility with \$0 deductible

- (3) Do NOT require the beneficiary to meet a new deductible during the COVID-19 PHE
- (4) Eligibility for MQB-Q/B/E will have no impact on CAP deductible cases – the CAP deductible case should be continued regardless of the beneficiary’s MQB eligibility status

c. Other traditional programs:

Key the medical continued eligibility evidence or forced eligibility case for the appropriate program and assign a certification period of 12-months.

3. MQB-E:

Certify through the end of the current calendar year.

4. MAGI:

Key the medical continued eligibility evidence or forced eligibility evidence for the appropriate program and assign a certification period of 12-months.

5. MPW:

Certify through the end of the post-partum period. At the end of the post-partum period, evaluate for all Medicaid programs. If the beneficiary is ineligible for full Medicaid, key medical forced eligibility and authorize MAFC for a 12-month certification period.

6. Most changes of circumstances:

Certify through the remainder of the current certification period


D. Adding the medical continued eligibility:

1. Select the appropriate participant
2. Select reason: “COVID-19 extension” from the dropdown
3. Enter the start date: certification start date
4. Enter the end date: certification end date
5. Select the checkbox to create the certification period
6. Select reason: “COVID-19 extension” from the dropdown

7. Select: “Recertification to be completed” from the dropdown in recertification details



New Continued Eligibility Evidence (?) (X)

Time Remaining: 29:19 * required field

Received Date * 

Continued Eligibility Details

Participant * Reason *

Start Date *  End Date * 

Create Certification Period for Continued Eligibility Dates

Redetermination Details

Select below how redetermination for medical eligibility will be completed at the end of the continued

E. Instructions for SDX ex-parte reviews (SSI terminations)

During the COVID-19 PHE, counties should follow the instructions below for SDX ex-parte reviews. Evaluate eligibility for all Medicaid/NCHC programs, including MAD if the individual remains disabled.

When the ex-parte review is complete, do one of the following:

1. The beneficiary is eligible for full Medicaid in a non-SDX Medicaid program:
 - a. Activate the new product delivery case (PDC) in NC FAST
 - b. Close the SDX PDC in NC FAST.
 - c. Send the appropriate notice
 - d. See [NC FAST Job Aids: Application to Case](#) and [Closing a Case](#) for further guidance
2. The beneficiary is ineligible for full Medicaid or is eligible for a lesser benefit (FPP, NCHC, etc.):
 - a. Navigate to the income support case (ISC), go to the tab actions menu, select “add application” from the dropdown
 - b. Select “Medical Forced” as the new application type from the dropdown

- c. The application date is the day the application is keyed in NC FAST
- d. Key and authorize the medical forced application

3. Entering the medical forced eligibility evidence:

- a. Select “Medically Needy” as the program type (MADM, MABM, MAAM, MAFM)
- b. The start date for the evidence must be the first day of the month following the month of the SDX Medicaid ineligibility/termination. This will ensure that there is no lapse in coverage.

EXAMPLE: SDX Medicaid case set to terminate 5/31/2020. Medical forced start date should be 6/1/2020.

- c. Authorization date must be entered as the first day of the first month of the certification period. (This is required)
- d. Select “Deductible” and enter \$0 for the deductible amount
- e. The certification period should be **12-months**
- f. Add a comment referencing COVID-19
- g. Approve and activate the medical forced PDC
- h. Send the proper notice for continuation of benefits
- i. Navigate to the SDX PDC and click “Evidence”
- j. Select “Ex-parte Review” evidence to edit
- k. Toggle and expand, select “edit”
- l. When the ex-parte review evidence pop-up appears, enter the end date of the ex-parte review in the field and save
- m. Apply changes (this will generate an “on-hold” decision)
- n. Navigate to the ISC and accept the ineligible decision for the SDX Medicaid product and close the SDX PDC

F. In certain situations, medical forced eligibility will need to be entered in order for the beneficiary’s Medicaid benefits to continue.

Before keying forced eligibility, the caseworker must get an ineligible decision on the current case and the current case must be closed.

Forced eligibility must be used in the following situations:

Situation	What we do	Program
LTC beneficiary is discharged/goes home and is not eligible as PLA or would have deductible	Key Forced eligibility and select COVID 19 as reason with 12-month certification period.	MAAM, MADM, or MABM w/zero (0) deductible.
PACE individual disenrolls and is not eligible as PLA or would have deductible	Key Forced Eligibility and select COVID-19 as reason with 12-month certification period.	MAAM, MADM, or MABM w/zero (0) deductible.
CAP beneficiary no longer receiving CAP waiver services, not eligible as PLA or would have deductible	Key Forced Eligibility and select COVID-19 as reason with 12-month certification period.	MAAM, MADM, MABM or MAFM w/zero (0) deductible
Traditional: Authorized Individual has deductible spenddown for the next certification period	Key Forced Eligibility and select COVID-19 as reason and give 6-month certification period or remainder of certification period.	MAAM, MADM, MABM or MAFM w/zero (0) deductible
Traditional Medicaid beneficiary is determined ineligible or eligible only for reduced benefit and <u>cannot use Medical Continued Evidence:</u> <ul style="list-style-type: none"> • SSI Ex-Parte • Change in Circumstance • Reinstate full Medicaid for dual eligible who loses Medicare. (Must have been eligible for full Medicaid at some point during the PHE) 	Key Forced eligibility and select COVID 19 as reason with 12-month certification period.	MAAM, MADM, MABM, or MAFM w/zero (0) deductible
MAGI: beneficiary is determined ineligible or eligible only for reduced benefit and cannot use Medicaid Continued Evidence: <ul style="list-style-type: none"> • MPW at end of Post-partum • Caretaker becomes incarcerated 	Key Forced eligibility and select COVID 19 as reason. Assign 12-month certification period.	MAFC

Edit Medical Forced Eligibility Evidence ? ✕

Time Remaining: 28:34 * required field

Forced Eligibility Details

Household Member	[REDACTED] (85)	Coverage Category	[REDACTED]
Aid Program / Category / Classification *	MAAM_N	Reason *	Covid-19 Extension
Payment Type	[REDACTED]	End Date *	11/30/2020
Start Date *	6/1/2020	MAGI Application Reference Number	[REDACTED]
Authorized Date	6/1/2020	Subprogram Code	[REDACTED]

Deductible/PML Details

Type	Amount
Deductible	0.00

V. NOTICES

A. Continuing eligibility is established

If eligibility is determined in the same or better benefit program, send adequate [DSS-8110, Notice of Modification, Termination, or Continuation of Public Assistance](#), according to policy.

B. Individual is ineligible or eligible for reduced program

Send an adequate DSS-8110 to continue benefits with the following text as the reason:

1. English text:

“Your eligibility is being extended due to the COVID-19 public health emergency declaration. Please be sure to report any changes to your caseworker within 10 days.”

2. Spanish text:

“Su elegibilidad ha sido extendida debido a la Declaración de Emergencia de Salud Publica a causa del COVID-19. Por favor asegúrese de reportar cualquier cambio a su Trabajador del Caso dentro del término de 10 días.”

This is the same reason that appears on the DSS-8110 for automated extensions. The authority for the determination is DHB Administrative Letter 07-21 and should be documented in the case narrative.

VI. FOR FURTHER INSTRUCTIONS, REFER TO THE FOLLOWING NC FAST JOB AIDS:

- **MAGI Medical Forced Eligibility and Ex-Parte/Admin Recertification**

- **Forced Eligibility for Income Support Medical Assistance, Special Assistance, and Cash Assistance**
- **Continued Eligibility for Medical Assistance**
- **MAGI Medicaid Recertification**
- **Traditional Medicaid Recertifications**
- **SDX Change in Circumstances**
- **SDX Overview, Tasks, and Work Queues**

VII. IMPLEMENTATION

These policies and procedures are effective immediately for recertifications and changes in circumstance. This also includes recertifications or changes currently in process.

Counties will be notified of any changes or revisions to the above guidance.

This letter replaces and obsoletes DHB Administrative Letter 09-20.

If you have any questions regarding this information, please contact your [Medicaid Operational Support Team representative](#).

DocuSigned by:

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Dave Richard
Deputy Secretary, NC Medicaid