

DHB ADMINISTRATIVE LETTER NO: 10-23, HEALTH COVERAGE FOR WORKERS WITH DISABILITIES – UPDATED PROCEDURES

DATE: June 20, 2023

SUBJECT: Health Coverage for Workers with Disabilities – Updated Procedures

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

I. BACKGROUND

The federal Ticket to Work and Work Incentives Improvement Act (TWWIIA) of 1999 offers states the option to protect Medicaid coverage for workers with disabilities.

Some applicants/beneficiaries (a/b) may be eligible for the Health Coverage for Workers with Disabilities (HCWD) Medicaid program but based on their income, they may owe a premium. During the COVID-19 Public Health Emergency (PHE), North Carolina Medicaid suspended premium collections. This administrative letter provides updated income limits as well as guidance to counties regarding updated procedures for verifying premium payments made to the NC State Controller’s Office.

II. CONTENT OF CHANGE

Please note, only the federal poverty level (FPL) amounts have been updated. Due to continuous coverage unwinding (CCU) policy, premium amounts remain the same as the 2019 amounts.

A. Income Ranges and Premium Amounts

Individuals with countable income above 200% of the FPL must pay a monthly premium in addition to an enrollment fee of \$50 per year. The premiums increase with income range until income exceeds 450% of FPL, at which point a 100% premium is due.

The 100% premium is based upon the average claims paid for an individual receiving Medicaid and may change yearly.

<u>Federal Poverty Level</u>	<u>Income Range - HCWD Individual</u>	<u>Monthly Premium</u>	<u>Income Range - HCWD Couple</u>	<u>Monthly Premium</u>
0-150%	0 - \$1,823	0	0 - \$2,465	0
151-200%	\$1,823.01 - \$2,430	0	\$2,465.01 - \$3,288	0
201-250%	\$2,430.01 - \$3,038	196	\$3,288.01 - \$4,110	265
251-300%	\$3,038.01 - \$3,645	235	\$4,110.01 - \$4,932	318
301-350%	\$3,645.01 - \$4,253	274	\$4,932.01 - \$5,754	370
351-400%	\$4,253.01 - \$4,860	313	\$5,754.01 - \$6,576	423
401-450%	\$4,860.01 - \$5,468	352	\$6,576.01 - \$7,398	476
451% or more	\$5,468.01 and up	875	\$7,398.01 and up	875

B. Procedures: Premium Invoices

1. Determine if a Premium is due.
 - a. Calculate the amount of total countable net earned and unearned income for the individual.
 - b. Those with **unearned income** above 150% FPL are not eligible for HCWD.
 - c. If total countable monthly income exceeds 200% of FPL, a premium is due. Use the chart above to determine premium amount.

Note: Members of federally recognized Native American tribes and Alaska natives are exempt from cost sharing, including premiums and enrollment fees.

2. Notification of Premium due:

Notify the a/b in writing that a premium is due by mailing the DHB-5146, Health Coverage for Workers with Disabilities Premium Notice.

- a. Date the premium invoice the date it will be mailed.
- b. The invoice must identify the premium amount due for each month separately.
- c. The caseworker must provide their name, direct phone number and email address on the invoice.
- d. If an enrollment fee is due, mail the premium invoice with the enrollment fee notice (refer to [MA-2180, Health Coverage for Workers with Disabilities](#) for guidance and policy regarding enrollment fees).
- e. Allow the a/b 12 calendar days to pay the premium. Day one is the day

after the invoice is mailed.

f. Payment must be by certified check or money order payable to: “NC DHHS” **and** “HCWD Premium” must be written on the memo line of the check.

g. The payment must be mailed to:

DHHS Controller
2022 Mail Service Center
Raleigh, NC 27699

h. When the premium payment is made, DHB will notify the county worker designated on the invoice by email and will attach a copy of the invoice and check to the worker.

3. Preparing Premium Invoices:

a. At Application:

(1) Ongoing applications:

(a) Prepare the DHB-5146, Health Coverage for Workers with Disabilities Premium Notice and ensure all premiums due from the first month authorized through one month after the current calendar month are included.

(b) If 12 calendar days exceeds the 45/90-day processing standard, do not disposition the application until notice of payment has been received, or until the first workday after the due date for payment, whichever is earliest.

(c) Allow for the exclusion of application processing days when necessary verifications are received and the only remaining item necessary to process the application is the premium (and enrollment fee when applicable).

(d) The exclusion of days begins on the day of the request for premium payment and ends on the day the premium is received or on the 13th calendar day, whichever occurs first.

Refer to NC FAST Job Aid: Stop Processing Time.

Note: If pending for enrollment fee and premium(s), the end date is the later of the dates the enrollment fee or premium(s) is received. Continue to exclude days until

both payments are received.

(2) Retroactive Applications:

An applicant who requests retroactive coverage must pay a premium for each retroactive month authorized. An a/b cannot choose the month to which the premium is to be applied.

Note: No enrollment fee is due for retroactive months.

b. At Recertification or Change of Circumstance:

- (1) Send the DHB-5146, Health Coverage for Workers with Disabilities Premium Notice on the first business day of the month prior to the next month of eligibility.
- (2) Allow the a/b 12 calendar days to pay the premium; day one is the day after the invoice is mailed.
- (3) Do not send a termination notice prior to the day after the payment is due.

C. Procedures: Payment Status Verification

1. When the DHHS Controller receives an HCWD premium payment, a staff member in the controller's office notifies the DHB Business Unit.
2. After being notified by the controller's office of the premium payment, DHB staff will contact the caseworker on the same day with the premium payment information.
3. If no communication has been received from DHB on the 13th day after the premium invoice was mailed:
 - a. Contact DHB Business by email at, Medicaid.BusinessSupport@dhhs.nc.gov to verify payment status.
 - b. Document the response from DHB and follow the appropriate steps (below) for approving or denying based on the response.

D. Procedures: Premium Payment Received

1. Applications:

When DHB notifies the local agency caseworker that the HCWD premium has been received:

- a. Follow NC FAST Job Aid: Forced Eligibility for Income Support Medical Assistance, Special Assistance & Cash Assistance.
 - b. Authorize and activate a Medical Forced Eligibility PDC for the appropriate month(s).
 - c. If the applicant has identified the premium payment as an ongoing payment, apply the payment to the earliest unpaid ongoing month.
 - d. If the applicant has identified the premium payment as a retroactive payment, apply the payment to the earliest unpaid retroactive month.
 - e. If the payment is not identified as retroactive or ongoing, apply the payment to the earliest unpaid month.
2. Recertifications and Change of Circumstances for Ongoing Cases:

When DHB notifies the local agency caseworker that the HCWD premium has been received:

- a. Follow NC FAST Job Aid: Forced Eligibility for Income Support Medical Assistance, Special Assistance & Cash Assistance.
- b. Authorize eligibility for the month or months covered by the premium.
- c. For ongoing cases, apply premium payments to the oldest unpaid month in the current certification period.

E. Procedures: Premium Not Paid

1. Applications:

Upon receipt of notification from DHB that the a/b refused to pay the premium or failed to pay the premium:

- a. Deny the application for failure to pay the premium and send the DHB-5147, HCWD Denial for Non-Payment of Premiums.
- b. Provide the coverage period and amount due for each month owed in the appropriate section of the DHB-5147.
- c. Provide the caseworker's name and contact information in the appropriate section of the DHB-5147.

- d. If the enrollment fee has been paid, refund it.
2. Recertifications and Change of Circumstances for Ongoing Cases:

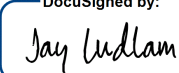
Upon receipt of notification from DHB that the a/b refused to pay the premium or failed to pay the premium:

- a. Do not send a termination notice prior to the day after the payment is due.
- b. Mail the DHB-5148, HCWD Termination for Non-Payment of Premium, follow timely notice procedures found in MA-2420, Notice and Hearings.
 - (1) Provide the coverage period and amount due for each month owed in the appropriate section of the termination notice.
 - (2) Provide the caseworker's name and contact information in the appropriate section of the termination notice.
 - (3) For recertification, if the enrollment fee has been paid, refund it (**do not refund enrollment fees in ongoing cases**).

Note: When the recertification cannot be completed so that timely notification can be completed by the end of the current certification period, extend HCWD coverage on a month-by-month basis without a premium until timely notification procedures have been followed.

III. IMPLEMENTATION

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

DocuSigned by:

Jay Ludlam
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Deputy Secretary, NC Medicaid