

DMA ADMINISTRATIVE LETTER NO: 04-14, MEDICAID RECERTIFICATION

DATE: June 2, 2014

SUBJECT: Medicaid Recertification

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

I. BACKGROUND

North Carolina has been granted permission from CMS to apply 2013 traditional (non-MAGI) household, income determination and budgeting eligibility rules for redeterminations of MAGI related Medicaid cases during calendar year 2014. However, individuals may not be terminated as ineligible due to income without first evaluating under MAGI rules.

II. PROCEDURES

The purpose of this administrative letter is to provide procedures for Medicaid recertification during 2014. In addition, DMA wants to highlight some key changes to Medicaid recertification as required by the Patient Protection and Affordable Care Act of 2010.

A. Content of Changes

1. The Patient Protection and Affordable Care Act of 2010 requires that an ex parte process must be used for all Medicaid recertifications.
2. For MAGI-related cases, the beneficiary is allowed 30 calendar days to return the DMA-5199/renewal forms.
3. For MAGI-related cases, if a beneficiary provides the necessary information for recertification within 90 calendar days of termination, a new application is not required.

B. Procedures-MAGI Related Cases

Modified Adjusted Gross Income (MAGI) methodology is used to determine how income is counted and how household composition and a family size is constructed when determining eligibility. MAGI is Adjusted Gross Income, with specific exceptions, of a tax filer according to federal tax rules. Refer to Administrative letter 06-13 for Medicaid groups that are excluded from MAGI methodology.

1. Medicaid cases must be renewed every 12 months, with the following exceptions:
 - a. Medicaid for Pregnant Women (MPW), and
 - b. Auto-Newborn

2. For all cases that have been extended, the new certification period ends 12 months from the date the original recertification was due. For example, if recertification was originally due effective January 2014, the new extended certification period when the recertification is completed will end December 2014.

3. Use ex parte process to complete recertifications for all MAGI-related cases.

a. Use electronic matches (e.g. Online Verification (OLV)/On-line Verification System (OVS)) and review all available records, including Food and Nutritional Services (FNS), Work First Family Assistance (WFFA), etc. prior to requesting additional information. Beneficiaries must not be required to provide additional information or documentation unless information cannot be obtained electronically or through other available records.

Note: Refer to Administrative Letter 06-13 addendum 2 for procedures on the Reasonable Compatibility Standard as it relates to income verification.

b. Information obtained through available records must be current. Current means it was obtained and verified in another program, or in another Medicaid case and within the time frames for redeterminations of eligibility for Medicaid. Refer to MA-3410, Terminations, Deletions and Ex Partes.

4. Verify only those eligibility factors that are subject to change, such as income and household composition. Do not re-verify factors that are not subject to change, such as date of birth or citizenship.

5. Eligibility Determination

a. Use traditional 2013 household composition, income and budgeting rules to determine if the individual continues to be eligible.

b. Use the income limits in place for the program effective with the first date of the new certification period.

c. Do not verify or apply resource rules for MAF-C/N and HSF-N cases.

d. If an individual is ineligible based on requirements other than income, terminate using the appropriate notice. Evaluate for all other Medicaid/NCHC programs prior to termination. Reasons for ineligibility may include but are not limited to:

(1) Child ages out at 19.

(2) No eligible child in the home for caretaker eligibility.

(3) Failure to provide information needed to determine eligibility under 2013 traditional rules.

- e. If an individual is ineligible for Medicaid/NCHC under the 2013 traditional income/budgeting rules, complete a recertification application in NC FAST P7 for an eligibility determination under MAGI rules.
 - (1) Send the DMA-5199, MAGI Household/Tax Information Notice, to obtain tax filing status and other information for cases where eligibility or ineligibility cannot be determined under 2013 traditional income/budgeting rules. This information will be necessary to determine ongoing eligibility under MAGI rules.
 - (a) When sending the DMA-5199, allow 30 calendar days from the date of the request to return the information. Do not send a timely notice to terminate for failure to provide information until the 30 days has expired.
 - (b) The beneficiary must be informed that he/she is required to provide the information within 30 days from the date of the request. The date and the names of individuals who must be recertified must be entered on the DMA-5199.
 - (c) The beneficiary may provide information by telephone, by mail or in person. This includes reporting a change in situation.
 - (d) The county DSS must provide assistance to beneficiaries who request help in providing information in a timely manner.

If the caseworker sees an indication the individual needs help due to limited English proficiency or disability, the caseworker must provide assistance.
 - (e) For any additional request for information, use the DMA-5097 and allow 12 calendar days for return of the information. The due date must be entered on the DMA-5097.
 - (2) If a beneficiary is determined ineligible, send the appropriate timely or adequate notice. Refer to MA-3430/2420, Notice and Hearing Process.
- f. If a beneficiary provides necessary information for redetermination within 90 calendar days of the termination date (the last day of the month), a new application is not required.
 - (1) Determine eligibility as if the information was received timely. Evaluate eligibility from the first day of the month following the termination date.
 - (2) Key an administrative application in EIS and authorize if the beneficiary has met all eligibility requirements.

- (3) The process for cases in P2/6 is reactivation. Refer to Fast Help for instructions on Manual Reactivations.
- (4) Cases in P7 are in suspension status. To “un-suspend” a case go to the tab action menu from the Product Delivery Case and click on “Un-suspend.” Click “Submit for Approval” then “Activate.”

6. Extensions

MAF C/N, MIC, NCHC, HSF and FPW cases will automatically be extended one month at a time, if the case is not terminated for ineligibility or assigned a new certification period by the caseworker. This will continue until the case has been terminated or recertified by the caseworker.

MPW beneficiaries cannot receive pregnancy related services past the post partum period. These cases must be completed in a timely manner.

7. Changes

- a. If a beneficiary reports a change, evaluate impact on eligibility.
- b. Do not react to changes in income or household composition for the following:
 - (1) Children under age 19. Continuous eligibility applies.
 - (2) MPW
- c. If individuals in other MAGI related programs are ineligible based on the change, evaluate under MAGI rules prior to termination.
- d. If the County DSS has information about anticipated changes in a beneficiary’s situation that may affect his/her eligibility, evaluate eligibility at the appropriate time based on such changes.

C. Procedures for keying actions into the eligibility systems-MAGI Related Cases

1. Non-pilot counties: If eligible under 2013 traditional rules, key continuing eligibility into EIS or P2/6 if the case is already in NC FAST. The certification period is 12 months for all applicable program groups. See II.B.1 above.
2. Pilot counties: If eligible under 2013 traditional rules, key continuing eligibility into NC FAST P2/6. The certification period is 12 months. The certification period is 12 months for all applicable program groups. See II.B.1 above.

If a worker has keyed a recertification application in NCFAST P7 and has not yet processed the recertification, the caseworker may administratively deny the recertification application and key continuing eligibility in NCFAST P2/6 for the new certification period, if eligible under 2013 traditional rules.

D. Procedures-Non MAGI Related Cases

1. Medicaid cases must be renewed every 12 months, with the following exceptions:
 - a. MQB-E,
 - b. Long Term Care (LTC),
 - c. Program of All-Inclusive Care for the Elderly (PACE),
 - d. Community Alternative Program (CAP) Medically Needy, and
 - e. ABD Medically Needy.
 - f. MAF/HSF Medically Needy

2. Use ex parte process to complete recertifications for non MAGI related cases.

- a. Use electronic matches (e.g. OLV/OVS) and review all available records, including FNS, WFFA, etc., prior to requesting additional information. Beneficiaries must not be required to provide additional information or documentation unless information cannot be obtained electronically or through other available records.

Note: Refer to Administrative Letter 06-13 addendum 2 for procedures on the Reasonable Compatibility Standard as it relates to income verification.

- b. Information obtained through available records must be current. Current information means it was obtained and verified in another program, or in another Medicaid case and within the time frames for redeterminations of eligibility for Medicaid. Refer to MA-3410/2352, Terminations, Deletions and Ex partes.

3. Re-verify only those eligibility factors that are subject to change, such as income, resources and household composition. Do not re-verify factors that are not subject to change, such as date of birth or citizenship.

4. Resources

Policy on verification of resources during recertification has not changed. The verification month should be no earlier than the month in which the review process started, and no later than the first month of the new certification period.

1. Continue to determine whose resources are counted and the availability of resources.
2. Verify liquid assets as of the “first moment” of the month of verification.
3. Verify the value of personal and real property assets at any time during the month.

5. If information cannot be obtained electronically or through other available records send the DMA-5097. Allow 12 calendar days from the date of the request to return the information.
 - a. The beneficiary must be informed that he/she is required to provide the information within 12 days from the date of the request. The date must be entered on the DMA-5097.
 - b. The beneficiary may provide information by telephone, by mail or in person. This includes reporting a change in situation.
 - c. The county DSS must provide assistance to beneficiaries who request help in providing information in a timely manner.

If the caseworker sees an indication the individual needs help due to limited English proficiency or disability, the caseworker must provide assistance.

- d. Send a timely notice to terminate for failure to provide information once the 12 days has expired.
6. Use the income limits in place for the program effective with the first date of the new certification period.
7. If a beneficiary is determined ineligible, send the appropriate timely or adequate notice. Refer to MA-3430/2420, Notice and Hearing Process. Prior to termination, evaluate for all other Medicaid/NCHC programs.

8. Extensions

Cases due for redetermination must be manually extended for one month at a time until the recertification is complete or if applicable, the timely notice has expired.

9. Changes

- a. If a beneficiary reports a change, evaluate impact on eligibility.
- b. Evaluate eligibility for other programs prior to termination.
- c. If the County DSS has information about anticipated changes in a beneficiary's situation that may affect his/her eligibility, evaluate eligibility at the appropriate time based on such changes.

E. Procedures for keying actions into the eligibility systems-Non MAGI Related Cases

If eligible, key continued eligibility wherever the case is located, EIS or NC FAST P2/6.

III. REPORTS

A. EIS

A report showing Medicaid recertifications due is available on XPTR. The report name is “DHREJA COUNTY WORKER RECERT”. The report shows recertifications in EIS in order of when they were originally due for recertification. County staff must work the recertifications in order from the oldest to most recent. The report will be available each month until the recertifications are current.

B. NC FAST

A report showing Medicaid recertifications due is available in Fast Help under Reports/Extend MA Recertification. The report name is “CERTIFICATION EXTENSION REPORT.” County staff must work the recertifications in order from the oldest to most recent. The report will be available each month until the recertifications are current.

IV. EFFECTIVE DATE AND IMPLEMENTATION

This policy is effective upon receipt. Administrative Letter 02-14 is obsolete.

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

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Director

(This material was researched and written by Ena Lightbourne, Policy Consultant, Medicaid Eligibility Unit)