
INNOVATIONS

REVISED 12/17/18– CHANGE NO. 11-18

I. INTRODUCTION

NC Innovations is a 1915(c) waiver that operates concurrently with the 1915(b) NC MH/IDD/SAS Health Plan. The Waiver allows Medicaid funds to be used to provide home and community-based services to Medicaid beneficiaries. These services provide both medical and non-medical home and community-based services to prevent or delay institutionalization.

To receive Innovations services an applicant/beneficiary must meet the Medicaid eligibility requirements in one of the following programs:

- A. MAABD (Medicaid for the Aged, Blind and Disabled)**
- B. MAF (Medicaid for Adults and Families)**
- C. MIC (Medicaid for Infant and Children)**
- D. MPW (Medicaid for Pregnant Women)**
- E. I-AS (Foster Care and Adoption)**
- F. H-SF (State Foster Care)**
- G. SAAD (Special Assistance for the Aged and Disabled)**

II. INNOVATIONS PARTICIPATION

Innovations provides community-based services to individuals who:

- A. Are any age**
- B. Are in need of Intermediate Care Facility (ICF) and**
- C. Are in need of Intellectual and Developmental Disabilities (IDD) level of care**

D. Live in a private residence

E. Have been determined to be disabled

III. REQUESTING INNOVATIONS SERVICES

An individual requesting Innovations services without a referral must be referred to the local management entity/managed care organization (LME-MCO). When the applicant/beneficiary (a/b) requests Innovations services and the:

A. Individual is currently not a Medicaid Beneficiary

1. A Medicaid application must be submitted
2. Take appropriate action to determine Medicaid eligibility in appropriate Medicaid programs

B. Individual is currently a Medicaid Beneficiary

1. Process as a change in circumstances
2. Evaluate for Medicaid eligibility in appropriate Medicaid programs
3. If the a/b has a deductible, recalculate a deductible for months in certification period prior to Innovations authorization
 - a. Multiply the monthly PLA deductible by the number of months in certification period prior to Innovations eligibility = new deductible amount
 - b. New deductible amount may change the authorization date of Medicaid eligibility
 - c. Any excess expenses provided may be used towards the Innovations monthly deductible

For keying instructions refer to NC FAST Job Aid: Community Alternatives Program ([CAP](#)), [Traumatic Brain Injury \(TBI\) & Innovations](#)

C. Innovations services are retroactive, if eligibility requirements are met in the retroactive period

D. Individuals requesting Innovations services must have LME-MCO assessment to determine the need for services appropriate to the Innovations program

E. Upon completion of LME-MCO assessment; the DSS will receive:

A Level of Care Determination form(LOC) indicating approval or denial of services

F. When Medicaid eligibility can be established regardless of Innovations eligibility:

1. Do not wait for LME-MCO approval
2. Authorize, if appropriate, as for any other application/change in circumstances

G. When Medicaid eligibility cannot be established without Innovations eligibility:

1. Verify the status of the Plan of Care with the LME-MCO case manager, and
2. Deny the application if the LME-MCO decision is not received by the 45/90th day

H. If approved, the LME-MCO sends a [Memorandum Approval Notice](#) to the local agency Eligibility Worker along with a copy of the Individual Budget which contains the approved Medicaid waiver services for this person.

IV. BUDGETING

When the Level of Care (LOC) is approved; apply Innovations budgeting the first month that Innovations is effective.

A. Follow basic [Income](#) rules

1. In addition to the basic income rules the following apply to Innovations
 - a. There is no spouse-for-spouse or parent-for-child financial responsibility (income unit of one (1))
 - b. Only the income of the applicant/beneficiary is used in determining financial eligibility, beginning the month of Innovations approval
 - c. The One-Third reduction does not apply, even if applied by SSI

B. Follow basic [Resources](#) rules

1. In addition to the basic resource rules the following apply to Innovations

- a. Evaluate all assets of a married a/b living with their spouse (joint and individual) when one spouse is in Innovations
- b. Compare available resource amount to the resource limit of one (1)
- c. Evaluate spousal resource protection (if applicable)

For keying instructions refer to NC FAST Job Aid: [Community Spouse Resource Protection](#)

C. Follow Transfer of Assets rules

Transfer of assets sanctions apply

D. Follow the basic Deductible rules

In addition to the basic deductible rules the following apply to Innovations

1. All Innovations deductibles are calculated monthly
2. Expenses listed on the Level of Care (Medicaid Column) are allowed in addition to other allowable Medicaid expenses

For keying instructions refer to NC FAST Job Aid: [Deductible/Spend Down](#)

V. INNOVATIONS PARTICIPATION

A. Innovations effective date is the latest of the following:

1. The date of the Medicaid application,
2. The date of the Level of Care (LOC) approval, or
3. The date of deinstitutionalization for an institutionalized applicant/beneficiary

B. Certification Periods

1. 12-month certification periods
2. The certification period for an SSI Innovations case is controlled by the Social Security Administration (SSA)

VI. RECERTIFICATION

A recertification must be completed:

A. Once every 12 months

B. Continued Need Review (CNR) must be current

C. Apply the Ex-parte Process

VII. CHANGE IN SITUATION

A. Hospital Stays

1. Less Than 30 Days:
 - a. Continue Innovations budgeting, and
 - b. Follow procedures in [Medicaid Deductible](#), for instructions on applying hospital charges to the deductible
2. 30 Days and over:
 - a. Send a timely DSS-8110, “Your Benefits are Changing”, to terminate Innovations services effective the first day of the month following the 31st day
 - b. Evaluate eligibility for Medicaid applying Long-Term Care Need Budgeting
 - c. Compute a patient monthly liability (PML) no earlier than the first day of the month in which falls the 31st day of hospital stay, subject to timely notice requirements

B. CAP Services Terminated

1. Re-compute the budget for remainder of the certification period
2. Apply spouse-for-spouse or parent-for-child financial responsibility

For keying instructions refer r to NC FAST Job AID: [Completing a County Case Transfer](#)

VIII. NOTICES

Send the LME-MCO case manager a copy of all notices sent to the applicant/beneficiary (a/b).

IX. APPEALS

Requests for an appeal related to Innovations services start with the LME-MCO. Instruct the beneficiary to contact the assigned LME-MCO.

Request for an appeal related to the need for Innovations services go directly to the Office of Administrative Hearings (OAH).