

# **DMA ADMINISTRATIVE LETTER NO: 12-13, AFFORDABLE CARE ACT (ACA) OVERVIEW OF CHANGES TO THE APPLICATION PROCESS**

**DATE:** 11/22/2013

**SUBJECT:** Affordable Care Act (ACA) Overview of Medicaid Changes

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

## **I. BACKGROUND**

The Patient Protection and Affordable Care Act of 2010 (ACA), also referred to as Health Care Reform, expands health coverage while making improvements to eligibility and enrollment policies for Medicaid and NC Health Choice. Provisions under the Affordable Care Act have resulted in significant changes to North Carolina's Medicaid Program. Some of these changes include the streamlined application process.

The purpose of this administrative letter is to provide a brief description of some of the key changes related to the streamlined application process. Although most of these changes will not take effect until January 1, 2014, the Affordable Care Act required states to begin taking applications under this law beginning October 1, 2013.

## **II. CONTENT OF CHANGE**

### **A. Application process**

1. Under ACA, individuals may receive financial assistance with health coverage through one of the Insurance Affordability (IA) programs. Insurance affordability programs are defined as:
  - a. Medicaid
  - b. NC Health Choice,
  - c. Advanced Payment of Premium Tax Credits (APTC)
  - d. Cost-Sharing

The individual must be ineligible for Medicaid/NCHC to receive APTC and Cost-Sharing. The income limit for APTC is 400% FPL.

2. There is no wrong door when applying for benefits. An individual may apply for IA programs through the county department of social services or through the Federal Marketplace (FFM). County DSS must evaluate applicants for all programs; traditional or MAGI, before an application can be denied( regardless of the type of application received).

3. ACA Application Methods

a. In-person

An individual may apply for all IA Programs at their local county department of social services. Application requirements under the Alexander Exit Plan have not changed. The applicant must be afforded the opportunity to see a worker if they are seen at the reception desk. An applicant must voluntarily request mail-in or be referred to computer/kiosk for an online application.

- (1) If the applicant does not want financial assistance with health coverage, he may purchase and enroll through the Federal Marketplace (FFM). The county must insure the individual wants only to purchase insurance at full price at the Marketplace before referring him to the FFM or Navigator.
- (2) If the applicant does want financial assistance with health coverage, an eligibility determination must be done for “traditional Medicaid” and Modified Adjusted Gross Income (MAGI) during the open enrollment until January 1, 2014. Further instructions will be issued later regarding the process for January 1, 2014 or later. Coverage for MAGI is not effective until January 1, 2014. Please refer to Administrative Letter 06-13 and its addendum.
- (2) If the applicant is not eligible for Medicaid/NCHC or there is an eligibility delay (e.g. disability must be determined), the account will be transferred to the Federal Marketplace.

Note: The individual must be ineligible for Medicaid/NCHC to get tax credits and cost sharing.

b. By Mail

- (1) An individual may apply by mail by downloading the DMA-5200, Application for Health Coverage & Help Paying Costs and all appropriate appendices (see II.B. below) at <http://www.ncdhhs.gov/dma/medicaid/applications.htm> and mail it in to the local county DSS. The applicant may also call the county DSS and request an application be mailed to them.
- (2) The caseworker will key the application into NCFAST. Eligibility for IA programs will be determined as well as traditional Medicaid during October 1 through December 31, 2013.

c. On-line

An individual can apply for benefits online through ePASS (Electronic Pre-Assessment Screening Service) at <https://www.epass.nc.gov>. ePASS is a secure, web-based self service tool that allows the applicant to submit a Medicaid/NCHC application online.

- (1) ePASS allows the applicant to do a pre-assessment to determine if he is potentially eligible for medical assistance.
- (2) An application submitted through ePASS is forwarded directly to the applicant's county DSS.

d. By telephone

An individual may apply by telephone. The Medicaid caseworker can take the entire application information over the phone and enter it into NCFAST. Currently, North Carolina is not set up to receive telephonic signatures; so the following procedures apply:

- (1) The caseworker must mail the signature page of the application to the applicant.
- (2) Send the DMA-5097 and the signature page of the application. Follow application processing rules for requesting information. Instruct the applicant to return the signed application signature page.
- (3) The date of the application is the date of the telephone interview.
- (4) If the signature page is not returned by the processing due date, deny the application.

e. The Federal Marketplace (FFM)

If an individual applies for Insurance Affordability programs through the Federal Marketplace:

- (1) The individual will be screened for North Carolina Medicaid and NC Health Choice.
- (2) If the individual is potentially eligible for Medicaid/NCHC (based on the information provided), their account will be transferred to the appropriate county department of social services.

Note: The FFM has not yet begun sending applications to the county DSS. This process may begin by the end of November. If an applicant applies at the Federal Marketplace and was informed to contact the county DSS about their application, advise the applicant a caseworker will contact them if additional information is needed once the application is received.

- (3) The county dss will make the eligibility determination for Medicaid/NCHC.

## **B. Streamlined Paper Application**

A new streamlined application has been created for all Medicaid/NC Health Choice aid-program categories. Effective October 1, 2013, the DMA-5200, Application for Health Coverage & Help Paying Costs, replaces the DMA-5000 and DMA-5063 as the standard application. The application can be accessed through the DMA website at [www.ncdhhs.gov](http://www.ncdhhs.gov).

1. The DMA-5200, referred to as the standard application form, should be used for all Medicaid/NC Health Choice aid-program categories because it contains most of the information required for use in NC FAST and the FFM. The DMA-5200 should serve as the application form even if the application will be keyed in EIS. This will ensure that most of the information needed at conversion to NC FAST will be in the case file.
2. The DMA-5200 allows up to 4 family members to be included on the application. To include additional family members, make a copy of pages 5 & 6 and complete for each additional family member as instructed on page 10 of the DMA-5200.
3. Single individuals with no other household members can complete the DMA-5201, also referred to as the “short form”. Both forms contain pertinent information necessary for NC FAST and the FFM.
4. The DMA-5200 and DMA-5201 were designed for use with MAGI budgeting. To eliminate the burden of having to use more than one application document for Medicaid/NC Health Choice, each application may be supplemented with appendices to capture information needed for determining eligibility for non-MAGI budgeting including MAABD, MQB, MIC-L, and medically needy cases.
  - a. DMA-5202---Appendix A is used in the Federal Marketplace and is only used by individuals eligible for health insurance through an employer
  - b. DMA-5202---Appendix B captures non-countable income only applicable to American Indians and Native Alaskan family members.

- c. DMA-5202---Appendix C is the new authorized representative form. It is used when an applicant wants to assign an authorized representative. Appendix C replaces the DMA-5018.
- d. DMA-5202---Appendix D is the screening tool for individuals requesting family planning services. This replaces the DMA-5063A.
- e. DMA-5202---Appendix E is the document used to capture information regarding retroactive medical bills.
- f. DMA-5202---Appendix F is the document used to capture income and/or resources for a non-MAGI eligibility determination.

### **C. Other Information**

- 1. If a traditional application is submitted online or by mail or if more information is needed for a streamline paper application, the county DSS must request additional information by sending the DMA-5097 and all appropriate pages of the DMA-5200 and its appendices and instructions on how to log back into ePASS to complete the remaining part of their application. Follow regular application rules for requesting information.
- 2. If a MAGI application is submitted online through ePASS, a traditional application must be completed. The county DSS must request additional information by sending the DMA-5097 and all appropriate pages of the DMA-5200 and its appendices and instructions on how to log back into ePASS to complete the remaining part of their application. Follow regular application rules for requesting information.
- 3. Once the applicant has completed these processes, continue to process the application following Medicaid application processing rules.
- 4. Examples for various scenarios were distributed to the County Champions on November 4, 2013.

### **D. Courtesy Application**

An individual or his representative may appear at a county DSS outside of the individual's county of residence. An application taken by an IMC at a DSS outside of the individual's county of residence is a courtesy application.

- 1. The county in which the individual or his representative appears does not have to verify with the county of residence that a courtesy application will be accepted. All applications must be accepted by the county of residence.
- 2. The non-resident county must follow application procedures for submitting an application In NC FAST.

3. Once the application has been submitted in NC FAST, the non-resident county must transfer the courtesy application to the applicant's county of residence. Instructions for transferring an application are available in Fast Help.
4. The courtesy application will appear as a task in the county of residence work queue.

#### **IX. EFFECTIVE DATE AND IMPLEMENTATION**

This policy applies to all applications taken on or after October 1, 2013. Open enrollment for Medicaid under MAGI rules began on October 1, 2013. Coverage under MAGI programs can begin no earlier than January 1, 2014. Further letters will be issued concerning other ACA related changes.

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

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