

CHANGE NOTICE FOR MANUAL NO. 11-21

DATE: December 17, 2021

Manual: Family and Children's Medicaid
Change No: 11-21
To: County Directors of Social Services

I. BACKGROUND AND CONTENT OF CHANGE

The Division of Health Benefits (DHB) has updated [MA-3310, Reasonable Compatibility](#) to provide updated guidance for applying reasonable compatibility policy. Additional guidance for determining when reasonable compatibility can be used has been added as well as when it should not be used. The Reasonable Compatibility Standard chart has been updated to include more specific guidance for case action depending on the outcome of comparing self-attestation and electronic data.

II. POLICY UPDATE

The following sections of MA-3310, Reasonable Compatibility have been revised:

A. Section I. REASONABLE COMPATIBILITY

Additional guidance has been added to clarify:

1. Self-attestation and electronic source must both be within reasonable compatibility standard for reasonable compatibility to apply.
2. Reasonable compatibility requires both self-attestation and an electronic source.
3. Reasonable compatibility **does** apply for Aged, Blind, and Disabled (ABD) Medicaid programs when the living arrangement is private living arrangement (PLA).
4. Reasonable compatibility **does not** apply for Retirement, Survivors, Disability Insurance (RSDI) income. The gross income verified by SOLQIS should **always** be used to determine eligibility for all programs.
5. Reasonable compatibility **does not** apply to income when calculating a medically needy deductible or a patient monthly liability (PML).
6. Reasonable compatibility does apply to resources when determining eligibility for applicable programs.

B. Section II. FIVE PERCENT DISREGARD

Section II has been added to provide guidance for how and when to apply the 5% disregard.

C. Section III. HOW TO DETERMINE REASONABLE COMPATIBILITY

1. Section II has been reformatted with added headings to make the section easier to read.
2. Subsection C provides information about when reasonable compatibility is calculated through an automated process and when reasonable compatibility must be calculated by the caseworker in a manual process.
3. The chart entitled “Reasonable Compatibility Standard”, has been updated to provide additional guidance for caseworkers under the heading “Case Action”.
4. “Attestation” has been changed to “self-attestation” throughout the chart.

III. EFFECTIVE DATE AND IMPLEMENTATION

This policy is effective for all applications, recertifications, and ongoing cases in process on or after January 1, 2022.

Local agencies must continue to follow procedures found in the [DHB Administrative Letter, 07-21 Amended, Medicaid/NC Health Choice Recertification Procedures for COVID-19](#).

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

DocuSigned by:

Dave Richard

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Dave Richard

Deputy Secretary, NC Medicaid