

DHB ADMINISTRATIVE LETTER NO: 07-21, **AMENDED 2, MEDICAID/NC HEALTH CHOICE APPLICATION/RECERTIFICATION/ CHANGE OF CIRCUMSTANCE PROCEDURES FOR COVID-19**

DATE: October 25, 2022

SUBJECT: Medicaid/NC Health Choice
Application/Recertification/Change of Circumstance
Procedures for COVID-19 **Amended 2**

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

I. BACKGROUND

On March 13, 2020, the President issued a proclamation declaring a national public health emergency (PHE) concerning the Coronavirus Disease outbreak (COVID-19).

The purpose of this letter is to provide updated instructions on completing recertifications and changes in circumstance for Medicaid and NC Health Choice (NCHC) during the COVID-19 PHE. This letter incorporates the instructions issued in DHB Administrative Letters 05-20 (obsoleted) and 09-20 (obsolete with the posting of 07-21), as well as further clarifications and guidance from the Centers for Medicare and Medicaid Services (CMS).

The North Carolina General Assembly passed, and Governor Cooper signed into law Senate Bill 808 (S808, Session Law 2020-88). Counties were instructed to begin working recertifications beginning with certification periods ending August 31, 2020 (which are those noted in the legislation as due September 1, 2020), to meet the requirement.

Due to the federal requirement to continue coverage during the COVID-19 PHE, recertifications that are not completed by the local agency will be extended automatically in NC FAST.

DHB Administrative Letter 07-21 has been amended a second time to include updated guidance provided by NC FAST for recertifications where the beneficiary is determined ineligible or eligible for a lesser benefit.

II. APPLICATION POLICY AND PROCEDURES

At application, the applicant must meet all eligibility requirements for Medicaid/NCHC including meeting the deductible for medically needy cases in order to be authorized and receive benefits.

Once the applicant is determined eligible for any month during the retro period, Medicaid must be continued for subsequent months after initial eligibility is established in the retroactive period, including for the ongoing period, through the end of the PHE. This is true even if the applicant did not specifically apply for ongoing coverage.

A. Application for ongoing Medicaid/NCHC only

1. Evaluate for all Medicaid/NCHC programs. Refer to policy found in MA-[2300/3200](#), Application.
2. Authorize for the appropriate 6/12-month certification period when all eligibility factors have been met.
3. At the end of the certification period, follow instructions below, (sections III and VI) to recertify **or** continue Medicaid coverage at the same level of coverage.
4. Do not apply continuity of coverage to NCHC cases. See [DHB Administrative Letter 05-21, Amended](#), for instructions on recertification and change of circumstance for NCHC beneficiaries.

B. Application for retro only, or retro and ongoing Medicaid

The applicant must be evaluated for both the retro and the ongoing months according to policy. When the applicant is eligible in the retro months but not in the ongoing months, eligibility must be extended through the ongoing months.

1. Evaluate for all Medicaid programs. Refer to policy found in MA-[2300/3200](#), Application.
2. Authorize for the appropriate retro month/months when all eligibility factors have been met.
3. If the applicant is eligible for any one of the retro months, eligibility must be extended for the subsequent months after initial eligibility is established in the retroactive period. When the applicant is eligible in the retro months but not in the ongoing months, eligibility must be extended through the ongoing months.

Example: applicant applies for retro months July, August, and September 2021. The applicant is not eligible for July, however, is eligible for August. The caseworker will approve August eligibility and if the applicant would not be eligible for September and ongoing, the caseworker would key medical continued eligibility for September and a medical forced eligibility case for the ongoing 12-month certification period October 2021 – September 2022.

When continuing coverage for the ongoing period after a retro application approval, the certification period should be for 12-months and keyed utilizing forced eligibility following guidance in VIII.B.

III. RECERTIFICATION POLICY

As required in Session Law 2020-88 (Senate Bill 808), **counties must continue working recertifications following normal recertification procedures during the COVID-19 PHE.**

A. Policy relevant to all recertifications:

1. Self-attestation must be accepted as allowed by policy, including COVID-19 PHE guidance. (Refer to [DHB Administrative Letter 06-20](#))
2. Recertifications not completed by caseworkers will be extended automatically by NC FAST.
3. Caseworkers should work all recertifications and SDX ex-parte reviews to evaluate for all Medicaid/NCHC programs to determine if the a/b remains eligible for the same or greater program.
4. Caseworkers must mail the NCF-20020 for MAGI cases when information is not available ex-parte and may also send the DHB-5097 Request for information with the NCF-20020. For traditional Medicaid, the [DHB-5097, Request for Information](#), should be mailed when the information is not available ex-parte.
5. If requested information is not provided or the information provided would cause a reduction in benefits or terminated benefits, follow the steps in section VIII, below to continue Medicaid benefits during the PHE. This does not apply to NCHC. See [DHB Administrative Letter 05-21](#) for guidance regarding NCHC.
6. Caseworkers should complete recertifications and SDX ex-parte reviews following current Medicaid eligibility policy:
 - [MA-2320, Redetermination of Eligibility](#)
 - [MA-3420, Re-Enrollment](#)
 - [MA-3421, MAGI Recertification](#)

- [MA-1000, SSI Medicaid Automated Process](#)
- [MA-3120, SSI Medicaid](#)
- [DHB Administrative Letter 05-21](#)

B. Program specific policy:

The policy principles below should be applied when completing Medicaid/NCHC recertifications/changes of circumstances in NC FAST during the COVID-19 PHE. As a reminder, policy allows counties to begin working recertifications no earlier than the 1st day of the 10th month of the current 12-month certification period or the 4th month of the current 6-month certification period.

1. Medically Needy

- a. Caseworkers should request information necessary to redetermine eligibility but should **not** request medical bills to be used to meet a deductible. The beneficiary cannot be required to meet another deductible during the PHE.
- b. If the beneficiary has already met the original six-month deductible and would continue to be medically needy with a deductible, the caseworker must key a forced eligibility case.
- c. When keying the forced eligibility case, the worker should select the reason “COVID-19” and be keyed with a zero deductible for 6 months.

2. Categorically Needy

If the beneficiary’s eligibility would change from categorically needy to medically needy with a deductible:

- a. Caseworkers should continue benefits in the current eligibility program
- b. Caseworkers should use continued medical evidence or forced eligibility (see VII to determine if forced eligibility should be keyed)
- c. Caseworkers should extend the benefits for a full certification period

3. Dually Eligible

If the beneficiary is dually eligible for Medicare and Medicaid, see [DHB Administrative Letter 05-21, Amended](#), for further guidance.

4. NCHC

See [DHB Administrative Letter 05-21, Amended](#), for further guidance if the beneficiary is no longer eligible for NCHC or when the county is unable to complete the recertification timely.

It is imperative that counties continue to work their recertifications in a timely manner and approve ongoing certification periods in the appropriate Medicaid program when possible.

IV. CHANGE IN CIRCUMSTANCE POLICY

A. Reacting to reported changes

1. Caseworkers should react to reported changes of circumstance following the policy applicable to the Medicaid/NCHC program the beneficiary is eligible for.
2. If the applicable policy allows for the reported change to be made, the caseworker must determine if the change would result in a reduction or termination of benefits.
3. See section V, below, and [DHB Administrative Letter 05-21, Amended](#), for more information about allowable reductions or terminations during the COVID-19 PHE.

B. Evaluating based on current circumstances

1. In all situations, when the caseworker has completed an evaluation for all Medicaid/NCHC programs based on the current circumstances, the beneficiary should be given **a full 6/12-month certification period**.
2. If the caseworker must use continued medical evidence or forced eligibility, they should follow the guidance in section VIII below, and use “COVID-19” as the reason for the extension.

V. ALLOWABLE REASONS FOR REDUCING OR TERMINATING MEDICAID

A. Reasons to terminate during COVID-19 PHE

During the COVID-19 PHE, caseworkers must not terminate or reduce Medicaid benefits except for the following reasons, or as otherwise noted below in C (This does not apply to NCHC – refer to [DHB Administrative Letter 05-21, Amended](#)):

1. The beneficiary moves out of state
2. The beneficiary voluntarily requests termination of Medicaid/NC Health Choice benefits

3. Death of the beneficiary
4. Beneficiary no longer meets the citizenship/immigration status requirements. See D, below.

See [DHB Administrative Letter 05-21, Amended](#), for additional guidance regarding allowable terminations.

B. Actions requiring timely notice – not allowable during the COVID-19 PHE

During the COVID-19 PHE, any action/transfer that requires a timely notice and results in a reduction in benefits **cannot** be completed. This includes but is not limited to:

1. Authorized Medicaid going to deductible status
2. Medicaid beneficiary moving to NCHC
3. Applying a Transfer of Asset Sanction to an existing ongoing case authorized for LTC, CAP, or PACE.

C. Coverage ends Medicaid continues

In the following situations, certain coverage may end, but Medicaid benefits must continue:

1. A long-term care (LTC) beneficiary moves out of a facility to a private living arrangement.
2. A Community Alternatives Program (CAP) beneficiary who is no longer eligible for or participating in CAP services
3. A Program of All-inclusive Care for the Elderly (PACE) beneficiary who is disenrolled from PACE.

See the forced eligibility chart in VIII if the beneficiary is ineligible or would have a deductible

See [DHB Administrative Letter 05-21, Amended](#), for instructions for dually eligible beneficiaries who are ineligible for Medicaid outside of LTC, CAP, or PACE programs but remain eligible for MQB.

D. Reasonable Opportunity Period (ROP)

The following applies when a beneficiary has been receiving Medicaid/NC Health Choice during a reasonable opportunity period (ROP), or is a pregnant woman or child under age 19 who is lawfully residing:

1. If during or after the ROP expires, it is determined the beneficiary has an immigration status that only allows coverage of emergency services, terminate the case with timely notice. The individual is eligible only for emergency services and must apply for any new emergency.

Coverage must continue if information is not provided, or the county is unable to determine citizenship status unless the beneficiary is eligible for NCHC only. Refer to [DHB Administrative Letter 05-21, Amended](#), for instructions for NCHC beneficiaries.

2. When a pregnant woman who is receiving Medicaid with lawfully residing status but is otherwise eligible only for emergency services after the birth of the child, terminate the Medicaid at the end of the post-partum period with timely notice. The individual is eligible only for emergency services and must apply for any new emergency. If the woman becomes pregnant again, she may receive Medicaid for pregnant women (MPW) as lawfully residing.
3. When a child who is lawfully residing turns age 19, and is otherwise eligible only for emergency coverage, terminate the Medicaid/NCHC case with timely notice for failure to meet citizenship/immigration status. The individual is eligible only for emergency services and must apply for any new emergency.

E. Incarceration

The following applies when a Medicaid beneficiary is incarcerated.

1. North Carolina Department of Public Safety (DPS) state prison

During the COVID-19 PHE, benefits cannot be terminated, however, the case should be put in suspension and the living arrangement must be updated.

- a. The individual still needs to be suspended so that only inpatient-related services are covered. Caseworkers should follow [NC FAST Job Aids: Traditional MA Incarceration and MAGI Incarceration](#).
- b. If the individual is no longer eligible as caretaker due to incarceration, the caseworker cannot terminate the beneficiary or reduce benefits. Continue as MAF-C and select "COVID-19" as the reason for suspended status. If forced eligibility must be used, follow the process in VIII.B below.
- c. **Do not terminate** the case during the COVID-19 PHE. Suspend the case and follow the guidance in section VIII, below to continue eligibility.
- d. The caseworker **MUST** take the following actions in this order:

- (1) Traditional Medicaid: update the living arrangement evidence
- (2) MAGI: add incarceration evidence with the correct facility type
- (3) Review the changed decision to ensure that it is correct
- (4) Accept the changed decision if correct
- (5) Review the benefit history to confirm that the living arrangement updates to reflect the incarceration type
- (6) Add continued eligibility if needed to continue the benefits (this must come after accepting the decision that puts the beneficiary in suspended status.)

2. Federal prison, local/county jail

Beneficiaries incarcerated in a federal prison or local/county jail cannot be suspended in NC FAST.

Exceptions: juveniles under age 21 and former foster care (MFC) beneficiaries. Beneficiaries who meet one of these exceptions **must** have their Medicaid suspended. Follow policy in MA [2510/3360](#) Living Arrangement and refer to [NC FAST Job Aids](#): Traditional MA Incarceration and MAGI Incarceration.

The caseworker should take the following actions for beneficiaries who do **not** meet one of the exceptions above:

- (1) Verify incarceration.
- (2) Follow [NC FAST Job Aids](#): Traditional MA Incarceration and MAGI Incarceration to update evidence in NC FAST.
- (3) Terminate benefits, following adequate notification process.
- (4) If the individual is admitted to a hospital during the COVID-19 PHE, benefits must be reinstated during the month(s) of hospitalization only.
 - (a) Key a medical forced eligibility, administrative application.
 - (b) The application date is the first day of the month of hospital admission.

- (c) Benefits must be authorized as “open/shut” for the month(s) the incarcerated individual is hospitalized.
 - (d) The last date of authorization should be the last day of the month the individual was released from the hospital to return to incarceration. If the individual does not return to incarceration, the benefits must continue.
- (5) If the individual is released from incarceration (Federal/jail) during the COVID-19 PHE, benefits must be reinstated. Follow reopen procedures in V.E.2.(4) above.
- (a) When the local agency is notified the individual has been released from incarceration prior to the last day of the COVID-19 PHE, the caseworker should reopen the previous Medicaid benefits as of the first day of the month of release from incarceration.
 - (b) If the individual is still in the current certification period, authorize for the remaining months only. At the end of the current certification period, evaluate eligibility based on current circumstances.
 - (c) If the individual is not in a current certification period, reopen and evaluate based on current circumstances. If the individual is not eligible at the same or greater benefit, use forced eligibility to reinstate the prior benefits the individual was receiving prior to incarceration for a new 12-month certification period.
 - (d) For MAGI cases, authorize the benefits to the same Insurance Affordability (IA) case where the beneficiary was previously authorized.
 - (e) For traditional Medicaid cases, the administrative application should be keyed as an “Add Application” on the Income Support Case (ISC) where the beneficiary was previously authorized.
 - (f) The beneficiary must be authorized for the same benefits they were eligible for prior to incarceration.

F. NCHC

See [DHB Administrative Letter 05-21, Amended](#), for guidance regarding NCHC beneficiaries.

VI. RECERTIFICATION/CHANGE IN CIRCUMSTANCE PROCEDURES

A. Recertification:

1. If the recertification already has an in-progress status (may be due to previous extension or other reason), delete the in-progress recertification because the start date is in the past.
2. Previous guidance instructed caseworkers, for some categorically needy cases that were determined ineligible, to key medically needy cases with \$0 deductible by utilizing forced eligibility with a six-month certification period. **The previous guidance is being updated with the following instructions with the posting of this administrative letter.**

If the case being recertified has already been extended, either by the caseworker or by NC FAST auto extension, review the case to determine what the original eligibility was on or after March 2020.

Take the following steps to extend the appropriate benefits:

a. **Original eligibility: Categorically Needy**

Use forced eligibility to extend the **original categorically needy** program for a new 12-month certification period.

Example 1: In March 2020, mom was eligible for MAFC due to being a parent/caretaker. In June 2020, the youngest child in the household turned 18. Because mom was no longer eligible, previous guidance was to key a forced eligibility medically needy case with a \$0 deductible for a six-month certification period. Mom's benefits have been continued using forced eligibility due to the COVID-19 PHE. Mom's original categorically needy benefits should be continued.

At next recertification the caseworker will take the following actions if, after evaluating for all Medicaid programs, mom is not currently eligible for full Medicaid:

- (1) Close the medically needy forced eligibility PDC
- (2) Review the integrated case that mom was originally eligible on as a parent/caretaker. If the case has been closed, reopen the case.
- (3) Add forced eligibility evidence for mom for MAFC for a new 12-month certification period.

Example 2: In March 2020, beneficiary Joe was eligible for Medicaid due to being in a LTC facility. Joe does not have Medicare and is not dually eligible. When Joe moved home in August 2020, he was evaluated for Medicaid using PLA budgeting but was determined to be ineligible for full Medicaid. Previous guidance was to key a forced eligibility medically needy case with a \$0 deductible for a six-month certification period. Joe's benefits have continued using forced eligibility and he remains ineligible for full Medicaid.

At the next recertification, the caseworker will take the following steps:

- (1) Add new forced eligibility evidence for MAAN or MADN based on age or disability.
- (2) The certification period is 12-months.

b. **Original eligibility: Medically Needy with a deductible**

Continue to use forced eligibility to extend medically needy benefits with a \$0 deductible for six-month certification periods.

- (1) Key forced eligibility with a \$0 deductible for six-months
- (2) Do NOT require the beneficiary to meet a new deductible during the COVID-19 PHE.
- (3) See [DHB Administrative Letter 05-21, Amended](#) for more instructions if the beneficiary is eligible for MQB-Q/B/E

3. At recertification, when continued eligibility evidence has been entered for the last certification period NC FAST will include those prior extension months. When this occurs, the caseworker must key forced eligibility in order to authorize a new 12-month certification period.
4. Complete the recertification following recertification eligibility policy and using self-attestation as allowed.

a. **Traditional recertification:**

- (1) Follow [NC FAST Job Aid](#): Traditional Medicaid Recertifications
- (2) If the result is ineligibility or eligibility for a lesser benefit (FPP, MCV etc.):
 - (a) Do not accept the decision

- (b) Enter medical continued eligibility evidence, according to steps in VIII.A below, **unless the case fits one of the situations for authorizing as forced eligibility in VIII.B below.**
- (c) See VII below, for certification period details.

b. **CAP Deductible:**

Caseworkers should not request medical bills for CAP monthly deductible beneficiaries after the first month's deductible has been met.

- (1) At recertification, key forced eligibility with \$0 deductible
- (2) Do NOT require the beneficiary to meet a new deductible during the COVID-19 PHE
- (3) Eligibility for MQB-Q/B/E will have no impact on CAP deductible cases – the CAP deductible case should be continued regardless of the beneficiary's MQB eligibility status

c. **Instructions for SDX ex-parte reviews (SSI terminations)**

During the COVID-19 PHE, counties should follow the instructions below for SDX ex-parte reviews.

- (1) Evaluate eligibility for all Medicaid/NCHC programs, including MAD if the individual remains disabled.
- (2) When the ex-parte review is complete, and current eligibility has been determined, do one of the following:
 - (a) Beneficiary is eligible for full Medicaid: follow the steps on [NC FAST Job Aid](#): SDX Overview, Tasks, and Work Queues to activate a new product delivery case (PDC).
 - (b) Beneficiary is ineligible for full Medicaid or is eligible for a lesser benefit (FPP, NCHC, etc.): see instructions in VIII.B, below to key medical forced eligibility.
- (3) For instructions related to completing the SDX ex-parte review in NC FAST, see [NC FAST Job Aids](#):
 - SDX Overview, Tasks, and Work Queues
 - SDX Change of Circumstance
 - EIS Conversion for SDX Case

d. **MAGI recertifications:**

- (1) Follow [NC FAST Job Aid](#): MAGI Recertification
- (2) If the result is for a greater benefit or the same benefit, accept the changed decision. This will approve the recertification
- (3) If the result is ineligibility or eligibility for a lesser benefit (FPP, MCV, or MA to NCHC, etc.):
 - (a) Reject the submitted recertification, this will put the recertification in-progress
 - (b) Add medical continued eligibility evidence to continue the same benefits according to the steps in VIII.A below, **unless the case fits one of the situations in VIII.B below, for authorizing as forced eligibility.**
 - (c) Apply changes to the Medical Continued Evidence from the evidence tab by selecting the list actions menu and then “Apply Changes.”
 - (d) Accept the on-hold decision showing the continued eligibility for the appropriate certification period
 - (e) Ensure that benefit history displays the continued eligibility for the appropriate certification period
 - (f) Close the “In-Progress” recertification record using the **list actions menu on the recertification record**. (Previous guidance required caseworkers to delete the recertification. Deletion is no longer the correct process.)
 - (g) This includes individuals who age out of the coverage category for Medicaid. See [DHB Administrative Letter 05-21, Amended](#) for instructions for NCHC beneficiaries who age out.

B. **Change of Circumstance:**

1. **Traditional change of circumstance**

- a. See [MA-2340, Change in Situation](#), to determine if the change should be reacted to.

- b. Refer to [NC FAST Job Aid](#): Most Common Change of Circumstance, to determine NC FAST process.
- c. If the change results in a reduction of benefits or termination, follow the steps in section VIII. to determine if continued eligibility or medical forced eligibility is required.

2. **MAGI change of circumstance**

- a. Refer to the applicable policy section for the current eligibility program to determine if the change should be reacted to.
- b. Refer to [NC FAST Job Aid](#): Most Common Change of Circumstance, to determine NC FAST process.
- c. If the result is ineligibility or eligibility for a lesser benefit:
 - (1) Do not accept the changed decision
 - (2) Enter medical continued eligibility evidence for the appropriate certification period, see VII below and follow steps in VIII.A below **unless the case fits one of the situations in VIII.B below, for authorizing as forced eligibility.**
 - (3) This includes individuals who age out of the coverage category for Medicaid programs (MIC, MAF-N). See [DHB Administrative Letter 05-21, Amended](#) for instructions for NCHC beneficiaries who age out.

VII. CERTIFICATION PERIODS

If a Medicaid/NCHC beneficiary is eligible for the same or greater benefit, assign a new 6/12-month certification period, as appropriate. Follow additional guidance below, depending on the program and whether the case has previously been extended.

A. Medicaid beneficiary ineligible or eligible for reduced benefit:

- 1. Use Medicaid continued eligibility evidence or forced eligibility and assign a 12-month certification period.
- 2. Refer to VIII to determine if forced eligibility is required.
- 3. When the case has been evaluated and recertified based on the current circumstances, the beneficiary should be given a full certification period. **Do not include prior extension months in the new 12-month certification**

period. This is a change from previous guidance given in DHB Administrative Letter 09-20.

4. In some cases, NC FAST may not allow a new 12-month certification period due to prior extensions. The caseworker should key medical forced eligibility for the new 12-month certification period. **“COVID-19” should be used as the reason and this administrative letter should be referenced in the comments and case documentation.**
5. When the change would result in the beneficiary moving from categorically needy to medically needy following current Medicaid eligibility policy, document the case. **The current Medicaid benefits should be continued for a 12-month certification period.**
6. When reacting to a change in circumstance that does not change the current benefits, the case will continue for the remainder of the current certification period. If the change in circumstance will result in a greater benefit, assign a new 12-month certification period.

B. Traditional Medicaid programs:

1. Medically Needy:

Beneficiaries who are medically needy with a deductible, and have met the original, ongoing six-month deductible and are determined to continue to be medically needy with a deductible, must have their benefits extended utilizing forced eligibility with a \$0 deductible and reason COVID-19. See VI above.

2. CAP Deductible:

When the beneficiary is eligible for CAP with a monthly deductible and meets the first month’s deductible, they remain eligible during the COVID-19 PHE without meeting another monthly deductible.

Caseworkers should **not** request medical bills for CAP monthly deductible beneficiaries after the first month’s deductible has been met.

3. MQB-E:

Certify through the end of the current calendar year. Refer to [MA-2160, Qualified Individual – MQB-E.](#)

4. All other traditional programs:

Key the medical continued eligibility evidence or forced eligibility case for the appropriate program and assign a certification period of 12-months.

C. MAGI Medicaid programs:

1. MPW:
 - a. Certify through the end of the post-partum period.
 - b. At the end of the post-partum period, evaluate for all Medicaid programs.
 - c. If the beneficiary is ineligible for full Medicaid, key medical forced eligibility and authorize MAFC for a 12-month certification period. See VIII below.
2. Other MAGI programs:

Key the medical continued eligibility evidence or forced eligibility evidence for the appropriate program and assign a certification period of 12-months.

D. Most changes of circumstances:

Certify through the remainder of the current certification period.

VIII. CONTINUING ELIGIBILITY

The following steps should be taken when the beneficiary is not eligible for Medicaid but must have coverage continued due to the COVID-19 PHE:

A. When benefits can be continued by adding medical continued eligibility:

1. Follow instructions on [NC FAST Job Aid](#): Continued Eligibility for Medical Assistance.
2. When prompted to select a reason from the dropdown menus, select reason: "COVID-19 extension"
3. Select: "Recertification to be completed" from the dropdown in recertification details

New Continued Eligibility Evidence ? ✕

Time Remaining: 29:19 * required field

Received Date *

Continued Eligibility Details

Participant * Reason *

Start Date * End Date *

Create Certification Period for Continued Eligibility Dates ☒

Redetermination Details

Select below how redetermination for medical eligibility will be completed at the end of the continued

B. In certain situations, medical forced eligibility will need to be entered in order for the beneficiary's Medicaid benefits to continue. These instructions should **only** be followed when medical continued eligibility **cannot** be used.

1. Before keying forced eligibility, the caseworker must get an ineligible decision on the current case and the current case must be closed.
2. The start date for the forced eligibility must be the first day of the month following the month in which the current benefits end.

Example: SDX Medicaid case set to terminate 10/31/2021. Medical forced start date should be 11/1/2021.

3. The caseworker must add a comment to the medical forced evidence referencing the COVID-19 PHE.
4. See [NC FAST Job Aids](#):
 - MAGI – Medical Forced Eligibility & Ex-Parte/Admin Recertification
 - Forced Eligibility for Income Support Medical Assistance, Special Assistance, & Cash Assistance

Forced eligibility must be used in the following situations:

Situation	What we do	Program
Traditional: Authorized Medically Needy Individual who previously met the original deductible and has deductible spenddown for the next certification period.	Key Forced Eligibility and select COVID-19 as reason and give 6-month certification period or remainder of certification period.	MAAM, MADM, MABM or MAFM w/zero (0) deductible
LTC beneficiary is discharged/goes home and is not eligible as PLA or would have deductible	Key Forced eligibility and select COVID 19 as reason with 12-month certification period.	MAAN, MADN, or MABN.
PACE individual disenrolls and is not eligible as PLA or would have deductible	Key Forced Eligibility and select COVID-19 as reason with 12-month certification period.	MAAN, MADN, or MABN
CAP beneficiary no longer receiving CAP waiver services, not eligible as PLA or would have deductible	Key Forced Eligibility and select COVID-19 as reason with 12-month certification period.	MAAN, MADN, MABN or MAFN
Traditional Medicaid beneficiary is determined ineligible or eligible only for reduced benefit and <u>cannot use Medical Continued Evidence:</u> • SSI Ex-Parte • Change in Circumstance • Reinstate full Medicaid for dual eligible who loses Medicare. (Must have been eligible for full Medicaid at some point during the PHE)	Key Forced eligibility and select COVID 19 as reason with 12-month certification period.	MAAN, MADN, MABN, or MAFN

Situation	What we do	Program
MAGI: beneficiary is determined ineligible or eligible only for reduced benefit and cannot use Medicaid Continued Evidence: - MPW at end of Post-partum - Caretaker becomes incarcerated	Key Forced eligibility and select COVID 19 as reason. Assign 12-month certification period .	MAFC/N
Traditional or MAGI: at recertification, a new 12-month certification period is not allowed in the system due to prior extension months.	Key forced eligibility and select "COVID-19" as the reason. Assign 12-month certification period .	The caseworker must select the appropriate program based on the program being recertified. This may be any program except medically needy and NCHC.

IX. NOTICES

A. Continuing eligibility is established

If eligibility is determined in the same or better benefit program, send adequate [DSS-8110, Notice of Modification, Termination, or Continuation of Public Assistance](#), according to policy.

B. Individual is ineligible or eligible for reduced program

When continuing eligibility due to the COVID-19 PHE, the caseworker must generate and send an adequate DSS-8110 **outside** of NC FAST. The manual DSS-8110 notice must be saved to the case file. Caseworkers **must** include the following text as the reason for continuing benefits:

1. English text:

“Your eligibility is being extended due to the COVID-19 public health emergency declaration. Please be sure to report any changes to your caseworker within 10 days.”

2. Spanish text:

“Su elegibilidad ha sido extendida debido a la Declaración de Emergencia de Salud Publica a causa del COVID-19. Por favor asegúrese de reportar cualquier cambio a su Trabajador del Caso dentro del término de 10 días.”

C. Benefits are terminating for an allowable reason

When the beneficiary’s benefits are terminating or changing to a lesser benefit for an **allowable** reason, timely notice policy must be followed.

1. Caseworkers must ensure that timely notice is generated **in** NC FAST.
2. When a change that results in reduced benefits or case termination is made at recertification for any reason other than:
 - beneficiary death,
 - beneficiary moved out of state,
 - beneficiary requested termination, or NCHC termination,

The caseworker must ensure that the recertification is completed in NC FAST prior to the COVID-19 Batch Extension (see section X below).

D. NC FAST auto-generated notices

DSS-8110 notices are auto-generated and mailed by NC FAST when the benefits are extended due to batch extensions or data fix. Caseworkers should follow the following steps to ensure that timely notification policy is followed when benefits are terminating or being reduced.

1. DSS-8110 notices are generated and mailed on the same day that the COVID-19 Batch Extension or the Hawkins Batch Extension is run. These batches extend benefits when the benefits are ending at the end of the current month and the recertification has not been completed by the caseworker.
 - a. Caseworkers must ensure that recertifications are completed in NC FAST prior to the COVID-19 Batch Extension.

- b. When it is not possible for the recertification to be completed before the batch, caseworkers must send a timely notice after completing the recertification in NC FAST.
 - c. When there is not enough time for the timely notice process to be completed in the current month, benefits must continue the next month to allow time for timely notice.
- 2. DSS-8110 notices for both data fixes are generated and mailed on the last day of the month if benefits have not been removed using the DHB-8020 process noted below.
 - a. When the request to exclude a beneficiary from the data fix is not received prior to the first data fix, benefits will be extended in NC FAST, however, no notice is mailed on the day of the data fix.
 - b. Caseworkers should review the case in NC FAST to ensure that there was no DSS-8110 mailed by NC FAST since both the batch extensions and data fix are run on the same weekend.
 - c. Follow the steps found in section X below to submit a DHB-8020 and to request exclusion from the second data fix.
 - d. Ensure that timely notification policy has been followed.
 - e. Review the case on the first workday of the new certification period to ensure that benefits were removed.
 - f. If benefits were successfully removed following the DHB-8020 process, no further action is needed.
 - g. If benefits were **not** removed, the caseworker must send a timely notification and request that the beneficiary be excluded from the data fix for the current month.

X. NC FAST AUTOMATED EXTENSIONS

Each month, NC FAST will continue to extend cases due to COVID-19 PHE. There are three types of extensions that occur to ensure beneficiaries do not lose coverage, except as allowed by CMS guidance. Submit requests for exclusion from the data fix prior to the COVID Batch Extension following the guidance in D below.

Extensions: both the COVID extension and the Hawkins extension are designed to extend benefits when benefits are ending in the current month and a recertification has not been completed or denied. The system does **not** look for a DSS-8110 when determining if the case is to be extended via the COVID or Hawkins extensions. It looks to see if there are future benefits.

Data Fix: the data fix process is designed to prevent reductions in benefits, including termination. The system **does** look for a timely DSS-8110 generated and mailed in NC FAST. If the reason for terminating or reducing benefits is one listed in V.A above, the system will not continue benefits. However, if the reason for terminating or reducing benefits is allowable but not listed above, the system will continue the benefits unless an exclusion is requested. (See subsection D below.) NCHC terminations are not included in the data fix. It is not necessary to submit CNDS numbers for individuals who are terminating from NCHC.

A. COVID Batch Extensions

1. Since the end of April 2020, NC FAST is extending cases for a new 6/12-month certification period if recertification is not completed by the local agency. The COVID extensions may be as early as the second to last weekend of the month. This batch will pick up all active traditional Medicaid and MAGI cases (excluding NCHC) with individuals whose benefits are ending in the current month, but no recertification record has been created or the recertification is in progress or in submitted status.
2. For any cases that have previously been extended with medical continued evidence added, the extension months will be included when completing the COVID extensions and assigning a new certification period. When the case has been extended using medical continued evidence for 12 consecutive months, NC FAST will begin a new 12-month period.

B. Hawkins Batch Extensions

1. The Hawkins extensions will continue to pick up cases that may not be included in the COVID extensions or are not programmed for those extensions. This batch will pick up active traditional Medicaid and MAGI cases, including NCHC, with individuals whose benefits are ending in the current month, but no recertification record has been created or the recertification is in progress or in submitted status and COVID batch criteria is not met.
2. The Hawkins extensions occur on the next to the last work night of the month.
3. Hawkins extensions are for one month at a time.

C. End of Month Data Fix

1. In July 2021, NC FAST began running the COVID month end data fix immediately after the COVID batch extension and then again at month end. (Previously, only one data fix was run at month end.) The first data fix each month could be as early as the second to the last weekend of the month.

2. The purpose of these data fixes is to ensure that no terminations or reduction in benefits, other than those allowed, are processed.
3. Running the first monthly data fix ensures that beneficiaries are not being disenrolled from managed care and then reenrolled when they are extended due to COVID.
4. The second monthly data fix will catch any cases that caseworkers took negative action on after the first data fix ran.
5. The data fix extensions are for one month at a time.
6. Running the first data fix prior to the end of the month carries the risk of some beneficiaries being extended who should not be. For these situations, counties should submit a DHB-8020 **immediately upon discovery** to the DSS Support Unit for corrections, and reference DHB Administrative Letter 07-21, Amended.
7. When it is necessary to submit a DHB-8020, select “remove eligibility” on the form and add this statement to the notes: “MONTH 2021 COVID Batch Exclusion Removal”. The “MONTH” should be the month removal is being requested.

Example: current month is October, and benefit history shows extended benefits for November. Beneficiary is not be eligible for November benefits. When the DHB-8020 is submitted, the notes should say: “November 2021 COVID Batch Exclusion Removal”. When the current month is November, and benefit history shows benefits for December, the notes would say: “December 2021 COVID Batch Exclusion Removal”.

8. When the DHB-8020 is not submitted or benefits are not removed prior to the end of the certification period, **the caseworker must send another timely DSS-8110 to notify the beneficiary of the reduction or termination of benefits and steps 6 and 7 above, must be repeated.** Benefits cannot be reduced or terminated without timely notification prior to the reduction.

D. Excluding beneficiaries from the data fix

1. Requests for data fix exclusions should **only** be submitted for beneficiaries whose benefits are ending in the current month.
2. Counties should submit the NC FAST COVID Batch Exclusion Template each Monday. Please submit **no more than two templates per county** each week. All requests should be sent by email to: Medicaid.OST.SpecialProjects@dhhs.nc.gov and should include the subject line: NC FAST COVID Batch Exclusion/[County Name].

3. See NC FAST Weekly Communications for information regarding the date the first data fix will run. Reminder: the first data fix is run on the same weekend as the COVID Batch Extension.
4. All requests to exclude beneficiaries from the data fix must be submitted **no later than noon on the last workday prior to the data fix.**
5. Requests to exclude beneficiaries from the second data fix must be submitted **no later than noon on the last workday prior to the second data fix.** This request would include beneficiaries in which changes were made after the first data fix or beneficiaries who were missed in the first data fix exclusion.
6. When it is necessary to request exclusion from the second data fix, counties must ensure that a DHB-8020 has been submitted and benefits for the following month have been removed. See X.C.6 above for instructions.
7. Beneficiaries cannot be excluded from the COVID-19 Batch Extension or the Hawkins Batch Extension. These extensions happen if the recertification is incomplete. To ensure that beneficiaries are not extended due to the batch extensions, ensure that the recertification process is completed timely, and the appropriate notice is generated in NC FAST.

If after completing the recertification process in NC FAST and mailing timely notice, the county determines that a beneficiary should be excluded from the data fix process for the current month, submit the “NC FAST COVID Batch Exclusion Template”, to the email address provided. No more than two templates per county. **Must be submitted weekly on Monday but no later than by noon on the last workday prior to the first or second data fix.** The batch exclusion template is attached to this DHB Administrative Letter.

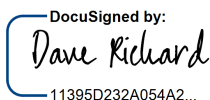
XI. IMPLEMENTATION

These policies and procedures are effective immediately for recertifications and changes in circumstance. This also includes recertifications or changes currently in process.

Counties will be notified of any changes or revisions to the above guidance.

This letter replaces and obsoletes DHB Administrative Letter 09-20.

If you have any questions regarding this information, please contact your Medicaid Operational Support Team representative.

DocuSigned by:

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Dave Richard
 Deputy Secretary, NC Medicaid