

CHANGE NOTICE FOR MANUAL NO. 10-03, Application Processing

DATE: AUGUST 19, 2002

Manual: Aged, Blind and Disabled Medicaid

Change No: 10-03

To: County Directors of Social Services

Effective: October 1, 2002

I. BACKGROUND

On February 5, 2002, Judge Graham C. Mullen, Chief Judge, U.S. District Court for the Western District of North Carolina, dismissed the Alexander Consent Order. He approved an Exit Plan that the Centers for Medicare and Medicaid Services and Legal Services had approved. The State had worked with a group of county representatives in developing this plan.

Judge Mullen approved a "Plan to Assure Timely and Quality Services to Applicants for Medicaid, otherwise known as the Exit Plan." The Centers for Medicare and Medicaid Services and Legal Services had approved this Exit Plan. The State had worked with a group of county representatives in developing this plan.

The persons from the following counties who worked on this plan were:

Brenda Davis of Catawba County

Millie Brown and Elva Quinn of Duplin County

Dave Bradshaw and Dale Moorefield of Forsyth County

Betty Barnes of Johnston County

Jean Biggs and Vicki Lewis of Martin County

Sarah Bradshaw and Alvinia Parker of Sampson County

While this Exit Plan does not make all the changes counties might have wanted, it did result in the dismissal of the Consent Order. The Exit Plan reflects the commitment of both the State and the counties to continue to provide accurate benefits to our citizens in a timely manner. Each county in the State deserves recognition for its efforts. It is critical that counties continue to meet the goals of providing accurate benefits in a timely manner.

Due to changes needed in the Eligibility Information System, all aspects of the Exit Plan could not be implemented until EIS was ready. In DMA Administrative Letter No. 19-02, some policy changes were made without EIS support. Now EIS can support all the changes in the Exit Plan.

The Exit Plan, based on federal regulations, changed the following application processing procedures.

- A. The requirement to pend applications for three months ended.
- B. Penalty checks are no longer issued.
- C. DDS is no longer required to pend applications.
- D. The requirement to complete an interview unless the client arrives at the agency within 30 minutes of closing changed to 60 minutes.
- E. The 10-10 rule became the 12-12 rule.

II. OTHER CHANGES DUE TO THE EXIT PLAN

- A. Elimination of the MAD 60 aid program/category on the Report Card

Cases in which disability has already been established will now be included in the MAD 90 aid program category. The MAD 60 category had been difficult for smaller counties to pass due to the small number of cases.

- B. The AFDC aid program/category on the Report Card will now be included under the Other Medicaid aid program/category.
- C. There will now be two Report Cards. The Report Cards are called the Actual Time Report Card and the Adjusted Application Report Card. To pass the report cards, Level I counties must have a 45/90 day average processing time (apt) and an 85 percent processed timely (ppt). Level II and III counties must have a 45/90 day APT and a 90 PPT.
- D. Based on the Adjusted Application Report Card failures, a county may be monitored yearly or every other year.
- E. The Adjusted Application Report Card will adjust the 45/90th day to the next workday when the 45/90th day falls on a Saturday/Sunday or a State/county holiday. The Adjusted Application Report Card will also allow more reasons for excluding time. Time has always been excluded when a case has pended for a deductible. Now when the following items are the last piece of information needed to process the application, time can be excluded for:
 - 1. Receipt of a Disability Determination decision, or
 - 2. Receipt of medical records requested from provider sources for determining eligibility for non-qualified aliens, or
 - 3. Receipt of FL2 or MR2, or
 - 4. Receipt of a CAP Plan of Care

- F. Since many of the forms for the Consent Order were DSS forms (DMA shared the cost of the printing), the forms and form numbers changed to reflect the changes in the Exit Plan.
1. The DSS-1295 becomes the DMA-5094/DMA-5094S, Notice of Your Right to Apply for Benefits.
 2. The DSS-8191I becomes the DMA-5095/DMA-5095S, Medicaid/Work First Notice of Inquiry.
 3. The DMA-8146M becomes the DMA-5097/DMA-5097S, Request for Information. This form must be sent twice with at least 12 days between the requests for that piece of information.
 4. The DMA-5025 becomes the DMA-5099/DMA-5099S, Your Application is Pending for a Deductible.
 5. A new form to notify the applicant when his application can not be completed due to the reasons stated in E. is the DMA-5098/DMA-5098S, Your Application for Medicaid is Pending.
 6. A new form to document evaluation of potential programs for which an applicant may be eligible is the DMA-5096, Work First/Medicaid Evaluation Form.
 7. The reception log becomes the DMA-5093, Daily Application Reception Log for Medical and Financial Assistance. Persons coming into the county department of social services seeking financial and/or medical assistance must still be listed on a log.
- G. The DSS-8109 will now be used as the automated notice for withdrawal. The DMA-8191W is no longer needed. However, if you have a supply, you may wish to continue to use it as documentation for explaining options and alternatives to withdrawal.
- F. The Division of Medical Assistance will still have Application Monitors. The counties who fail the Adjusted Application Report Card in any aid program/category in a month may be monitored yearly. The sample sizes will be higher and the applications to be monitored will be from the 12 months prior to the month of monitoring.
- I. There will still be Local and State Corrective Action Teams if a county continues to disregard the Exit Plan and application processing requirements.

III. CHANGES TO OTHER MANUAL SECTIONS

- A. The following manual sections contain changes. (Click on section to see PDF version of section.)

Table of Contents

MA-200	Definitions
MA-300	Confidentiality
MA-1000	SSI Medicaid/Automated Process
MA-1100	SSI/Medicaid/ County DSS Responsibility
MA-2130	Qualified Medicare Beneficiaries-Q
MA-2150	Medicaid-Working Disabled

MA-2160	Qualified Individuals 1
MA-2165	Qualified Individuals 2
MA-2220	State Residence
MA-2221	County Residence
MA-2270	Long Term Care Need and Budgeting
MA-2280	Community Alternative Programs
MA-2320	Redetermination of Eligibility
MA-2350	Certification and Authorization
MA-2352	Terminations and Deletions
MA-2355	MAABD, MQB Program Transfers
MA-2360	Medicaid Deductible
MA-2395	Corrective Actions and Responsibility for Errors
MA-2400	Third Party Recovery
MA-2430	Automated Inquiry and Match Procedures
MA-2440	Automated SOLQ Procedures
MA-2450	Enumeration Procedures
MA-2504	Citizen/Alien Requirements
MA-2510	Living Arrangement
MA-2525	Disability

B. General Changes throughout the manual.

References to the Application sections have been updated to reflect the new section numbers and names.

References to Alexander and/or the consent order have been deleted.

The timeframe for allowing applicants and recipients to return requested information and/or verifications is extended from 10 to 12 calendar days.

References to forms that have been revised and renumbered have been updated. For example, all references to the DMA-8146M have been changed to the DMA-5097.

References to MAD-60 and 60 day processing timeframes have been deleted.

Update addresses and phone numbers for various DMA sections.

IV. EFFECTIVE DATE

These policy changes are effective October 1, 2002.

V. IMPLEMENTATION PROCEDURES

1. Applications Dated Prior to October 1, 2002

For those applications dated prior to October 1, 2002, follow the policies and procedures in effect prior to October 1. This means an application taken prior to October 1 can only exclude time while waiting for bills to meet a deductible.

Applications dated prior to October 1 with a disposition date on or after October 1 will not display on any Report Card. The three existing report cards, Alexander, QI, and NCHC, will run for the last time on October 7.

These applications will continue to appear on the Application Management Report and Qualifying Individuals Management Report. These reports will continue to run daily until all pending applications on the reports are disposed. Monitor these reports to ensure all applications are disposed in the appropriate timeframe.

2. Applications Dated On or After October 1, 2002

Apply these manual changes to any applications taken on or after October 1, 2002, and to redeterminations scheduled on or after October 1, 2002.

VI. MAINTENANCE OF MANUAL

Click on section number to see pdf version of the section.

Section	Remove Pages	Insert Pages	Online Manual
Table of Contents	1-33	1-3	Entire Section
MA-200	1-12, 17-22	1-12, 17-22	I., II. and III.
MA-300	5-6	5-6	V. A. and B.
MA-1000	1-17	1-16	Entire Section
MA-1100	5-6	5-6	II.B.2.
MA-2130	1-2	1-2	III. C. and E.
MA-2150	1-2	1-2	III.D.
MA-2160	1-9	1-9	Entire Section
MA-2165	1-13	1-13	Entire Section
MA-2220	7-8	7-8	II.B.
MA-2221	3-4	3-4	IV.C.
MA-2270	21-24, 31-32, 35-38, Figure 6	21-24, 31-32, 35-38, Figure 6	VIII.G. and H., XI. B., XII.D., XIII.B., Figure 6
MA-2280	1-4, 9-14, 17-18, 23-24	1-4, 9-14, 17-18, 23-24	I.B. and C., II.B., III.B., E. and I., IV.A. and B.
MA-2320	1-17	1-18	Entire Section
MA-2350	1-6	1-6	I.A., III.B. and C.
MA-2352	3-8	3-8	II.B. and D.
MA-2355	1-2, 5	1-2, 5	I.A., III.B.
MA-2360	17-18	17-18	V.B.
MA-2395	7-14	7-14	IV.B., V.B. and C., VI.A. and D.
MA-2400	1-2	1-2	II.A.
MA-2430	1-10	1-10	Entire Section
MA-2440	1-3	1-3	Entire Section
MA-2450	1-2	1-2	I.D. and G.

MA-2504	11-12, Figure 5	11-12, Figure 5	IV.D., Figure 5
MA-2510	3-4	3-4	II.A.
MA-2525	1-4, 7-10, 15-16	1-4, 7-10, 15-16	I., II.G., III.B., IV.D., VI.A.

If you have any questions regarding this material, please contact your Medicaid Program Representative.

Nina Yeager
Director

(This policy was researched and written by Cinnamon Narron, Policy Consultant, Medicaid Eligibility Unit.)