
ADOPTION MEDICAL ASSISTANCE
REVISED 12/12/18 – CHANGE NO. 05-18

I. ADOPTION MEDICAL ASSISTANCE

Adoption is placing children who have been permanently and legally separated from their birth parents with a new family. Federal (Title IV-E) and state (Non-IV-E/Special Needs) adoption assistance programs are designed to help meet these children's needs.

For Medicaid purposes this policy does not apply to private adoption. For private adoption refer to MAGI rules.

A child may be eligible to receive Medicaid when a current IV-E/Non-IV-E/Special Needs adoption assistance agreement is in effect.

II. IV-E ADOPTION

Children with an active IV-E adoption agreement are eligible for Medicaid in the state where they reside, up to the age specified in the IV-E agreement, even if adoption payments are not being made.

III. IV-E APPLICATION

When the child is:

A. North Carolina Title IV-E status

All Medicaid eligibility requirements for Title IV-E Adoption Assistance are met when the child is IV-E in North Carolina.

1. A signed application is not required.
2. Obtain a copy of the completed DSS 5012, Adoption Assistance Eligibility Checklist and the DSS-5013, North Carolina Adoption Assistance Agreement, from the social worker.
3. Authorize ongoing Medicaid eligibility effective the date of the IV-E adoption assistance agreement.
4. The certification period is 12 months.

B. Title IV-E from another state

1. A signed application is not required when Title IV-E status is verified during initial contact.
 - a. Verification consists of:
 - 1) Current Adoption Assistance Agreement signed by the adoptive parent and agency administering the Title IV-E Adoption Assistance program from another state, or
 - 2) A written statement on agency letterhead from the IV-E assistance state verifying that a child is currently eligible for IV-E Adoption Assistance.
 - b. Authorize ongoing Medicaid eligibility effective the latest date of either:
 - 1) Date of IV-E adoption assistance agreement, or
 - 2) Termination of any Medicaid program by the other state.
2. When IV-E status cannot be verified at initial contact, obtain a signed application.
 - a. Explain to applicant a sign application is necessary to protect the application date.
 - b. Issue the DMA-5097 requesting verification of IV-E status.
 - c. If verification is received within 45 days, authorize ongoing Medicaid eligibility.
 - d. If IV-E verification is not provided timely, evaluate for all other programs.

C. Evaluate the retroactive period to determine whether there is medical need

1. If child has received Medicaid services and was IV-E eligible during the retroactive period, authorize Medicaid for 1, 2 or 3 months as appropriate.
2. If not IV-E eligible during the retroactive period, evaluate Medicaid for the 1, 2 or 3 months as appropriate for all other programs.

Refer to Job Aid: [IV-E Foster Care/Adoption](#)

IV. RECERTIFICATION

The IV-E eligibility must be reverified at least once every 12 months. The criteria for recertification are state residency and that the IV-E agreement continues to be in effect.

When the beneficiary:

A. Remains IV-E Eligible:

1. Document the record.
2. Authorize 12-month certification period.

B. Is no longer IV-E Eligible:

1. Evaluate for other Medicaid programs.
2. Terminate case if ineligible for all other programs.
3. Send appropriate notice.

V. CHANGE IN SITUATION

When changes are reported, evaluate and take appropriate action and notify social worker.

A. If child moves out of North Carolina, terminate Medicaid and inform them that they must apply for Medicaid in the state they currently reside.

B. The month prior to the Title IV-E agreement termination date; evaluate the child for all other programs.

C. If SSI terminates and child remains IV-E eligible, terminate the MAD case and complete an administrative application in appropriate category and approve.

VI. NON-IV-E/SPECIAL NEEDS ADOPTION

Children with medical or rehabilitative needs, which are barriers to adoption are considered special needs adoption children. These children are ineligible through Title IV-E because at the time of placement in foster care they did not meet IV-E requirements.

VII. APPLICATION

When the child is:

A. North Carolina/ICAMA Special Needs status

1. ICAMA provides for uniformity and consistency of policy and procedures when a child with special needs is adopted by a family in a different state, or the adoptive family moves to another state. For more information on ICAMA visit the Division of Social Services website at <https://www2.ncdhhs.gov/dss/interstate>.
2. A signed application not required.
3. Obtain a copy of the completed DSS-5095, Child Placement Information and Tracking System or a copy of the Interstate Compact on Adoption and Medical Assistance (ICAMA) 6.01 Notice of Medicaid Eligibility/Case Activation from the social worker.
4. If child is from an ICAMA state, evaluate eligibility as special needs following the hierarchy below.
 - a. MAGI (excluding North Carolina Health Choice)
 - b. MAF-M. Do not authorize as medically needy unless the deductible can be met as of the first day of certification period.
 - c. If ineligible under MAGI, determine if the child:
 - 1) Was enrolled in or eligible for Medicaid immediately before the adoption in the state with the adoption assistance agreement. The traditional budget unit consist of the child only.
 - 2) Is under a Non-IV-E state adoption agreement.
 - 3) Was determined to be special needs by the State adoption agency with the adoption assistance agreement, meaning that the child could not otherwise be placed for adoption without Medicaid coverage due to the child's medical or rehabilitative care needs.
 - 4) Authorize ongoing Medicaid eligibility effective the date of Non-IV-E adoption assistance agreement.
 - 5) The certification period is 12 months.
5. If child remains ineligible, the child is no longer Special Needs, evaluate for NCHC.

B. Non-ICAMA/Out of State Special Needs status

Apply same procedures in A. above.

Refer to Job Aid: [Non-IV-E State Foster Care/Special Needs Adoption Job](#)

VIII. RECERTIFICATION

The special needs eligibility must be reverified at least once every 12 months. Verify the special needs agreement is still in effect. Refer [to MA-3335, State Residence](#) at recertification.

When the beneficiary:

C. Remains Special Needs Eligible:

1. Document the record.
2. Authorize 12-month certification period.

D. Is no longer Special Needs Eligible:

1. Evaluate for NCHC and other Medicaid programs.
2. Terminate case if ineligible for all other programs.
3. Send appropriate notice.

IX. CHANGES IN SITUATION

When changes are reported, evaluate and take appropriate action and notify social worker.

- A. If child moves out of North Carolina, terminate Medicaid and inform them that they must apply for Medicaid in the state they currently reside.**
- B. The month prior to the Title IV-E agreement termination date; evaluate the child for all other programs.**
- C. If SSI terminates and child remains IV-E eligible, terminate the MAD case and complete an administrative application in appropriate category and approve.**