DHB ADMINISTRATIVE LETTER NO: 05-25, CONTINUOUS ELIGIBILITY FOR CHILDREN

DATE: March 31, 2025

SUBJECT: Continuous Eligibility for Children

DISTRIBUTION: County Departments of Social Services

Medicaid Supervisors Medicaid Eligibility Staff

I. BACKGROUND

The Centers for Medicare and Medicaid Services (CMS) has approved North Carolina for an extension of the "North Carolina Medicaid Reform Demonstration". As part of this waiver, North Carolina has been approved to provide continuous eligibility for children under the age of 19 for extended certification periods, based on the child's age. This letter provides the necessary policy guidance and procedures to implement this waiver demonstration.

II. POLICY

A. Continuous Eligibility for Children

- 1. Continuous eligibility applies for most children who are eligible for a MAGI full Medicaid program regardless of reported or discovered changes of circumstances, including income changes.
- 2. Continuous eligibility does **not** apply to children who are eligible for a non-MAGI Medicaid program, including medically needy, MAF-MN.
- 3. Exceptions to the types of changes that are disregarded during the continuous eligibility period are:
 - a. The beneficiary reaches the age limit for the continuous eligibility group.
 - b. The beneficiary is no longer a North Carolina resident.
 - c. The beneficiary or their parent or authorized representative requests termination of eligibility.

- d. The beneficiary is deceased.
- e. The local agency determines that eligibility was erroneously approved at application or at the latest recertification.

B. Children up to 6 Years Old

- 1. Children up to 6 years old who are determined to be categorically eligible for a full MAGI Medicaid program at any time prior to the month the child turns 6 years old are eligible for continuous eligibility and enrollment through the end of the month of their sixth birthday.
- 2. Enumeration requirements apply for newborns.
 - a. When the beneficiary has been enrolled during the auto-newborn process, and no SSN is provided/found at recertification, the caseworker must request the SSN following all applicable requirements for recertification and requesting information.
 - b. If the SSN is not provided, terminate at the end of the month of the beneficiary's sixth birthday, following timely notification procedures.
 - c. When the local agency receives a subsequent application for the child, the SSN must be provided before eligibility is approved.

C. Children Aged 6 and up to 19 Years Old

- 1. Children aged 6 and up to 19 years old who are determined to be categorically eligible for a full MAGI Medicaid program are eligible for continuous eligibility for a 24-month certification period (CP).
- 2. When the child reaches the age of 19, a critical age reevaluation is required, and continuous eligibility no longer applies.

D. Annual Notice

- 1. The approved waiver requires that an attempt to verify the child's residency be done at least annually, and that a notice of continued eligibility is sent annually.
- 2. NC FAST will systematically complete this requirement and will generate and mail the notice of continuing eligibility.

III. PROCEDURES

A. Applications

- 1. For applicants who are approved for Medicaid benefits with coverage beyond June 30, 2025, NC FAST will display the extended CP through the appropriate month when the eligibility check is run.
- 2. Children 0-4 years old, the CP will be through the last day of the month of the child's sixth birthday.
- 3. Children who are 4 years plus one day and older, the CP will be 24 months.
- 4. When the child turns 19, the caseworker must reevaluate due to critical age.

B. Recertifications

- 1. Children who have not yet turned 6 years old but have active Medicaid coverage on June 30, 2025, will be eligible for continuous eligibility through the end of the month of their sixth birthday.
 - a. An automated batch to extend these cases is anticipated to run in late April or early May 2025. NC FAST will provide communication when the batch is completed.
 - b. Caseworkers are not required to work on recertifications for children under the age of 6 with a CP beginning on or after July 1, 2025.
 - c. If a caseworker does begin the recertification process, the automated batch will extend the case as long as it is not in "submitted" status. As a reminder, caseworkers should not put a case in "submitted" status unless the recertification is to be completed on the same day.
- 2. Children who are 6 years old or older will be required to have a recertification completed.
 - a. When the recertification results in continued eligibility, the new CP will be 24 months.
 - b. If the beneficiary's 24-month CP ends after the month of their nineteenth birthday, the caseworker must reevaluate when the beneficiary is on the critical age report at age 19.
- 3. Children who are receiving in a Medicaid forced eligibility (MFE) case must be extended by the caseworker.
 - a. The automated batch will not extend benefits for children under six if they are in an MFE case.
 - b. The caseworker must extend eligibility through the end of the month that the child's sixth birthday falls.

c. Caseworkers should not send a notice regarding this extension. Notices will be systematically generated and mailed based on the original 12-month CP.

IV. IMPLEMENTATION AND EFFECTIVE DATE

The policy and procedures in this administrative letter are effective for all applications, recertifications, and changes in circumstance currently in progress.

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

—DocuSigned by:

Jay Lullam

___06565C1C2A8F4C8...

Jay Ludlam

Deputy Secretary, NC Medicaid