

CHANGE NOTICE FOR MANUAL NO. 03-21 REASONABLE COMPATIBILITY

DATE: FEBRUARY 10, 2021

Manual: Family and Children's Medicaid
Change No: 03-21
To: County Directors of Social Services

I. BACKGROUND AND CONTENT OF CHANGE

The Division of Health Benefits (DHB) has updated Medicaid policy for Reasonable Compatibility, MA-3310. The policy update introduces a 10% difference allowance when determining if a MAGI applicant/beneficiary's attestation of income is reasonably compatible with the electronic verification source. These updates are being made to allow processing of some applications/recertifications that would have required additional documentation under the previous policy. These updates will also assist with Straight-through Processing of MAGI applications and recertifications.

II. POLICY UPDATE

A. Applicant/Beneficiary's Attestation of Income/Resources and Electronic Verification Source are Reasonably Compatible if:

1. Both the self-attestation and electronic data source are at or below the applicable income/resource standard; or
2. Both the self-attestation and electronic data source are above the applicable income/resource standard; or
3. Either the self-attestation or the electronic data source is above and the other is below the applicable income/resource standard, and the difference between the two is within ten percent (10%) of each other.

B. The reasonable compatibility chart has been updated to reflect the introduction of the 10% difference if either the self-attestation or electronic verification amount of income are above the applicable federal poverty limit and the other is at or below. The chart also provides guidance on what action the caseworker should take.

C. With the introduction of the 10% difference to the reasonable compatibility policy, DHB is providing a tool to assist in determining if the self-attestation of income and the electronic verification of income are reasonably compatible.

1. This tool will help to determine if the amounts are reasonably compatible.
2. If one amount is above the applicable income standard and the other is below, the tool will calculate the percentage difference between the two amounts.
3. This new tool should be used anytime NC FAST cannot make a reasonable compatibility determination.
4. Examples of when to use this tool would include, but are not limited to:
 - a. MAGI cases that exit Straight Through Processing prior to the reasonable compatibility check,
 - b. Forced cases,
 - c. Traditional Medicaid cases
5. This tool will be posted along with the reasonable compatibility policy.


D. NC FAST will automatically calculate the percentage difference when the applicant/beneficiary's attestation of income/resources is at or below the applicable income limit and the online verification source is above the applicable income limit.

E. NC FAST will not automatically calculate the percentage difference when the applicant/beneficiary's attestation of income is above the applicable income/resource limit and the electronic verification source is at or below the applicable income limit. The percentage difference between the two amounts will need to be calculated manually using the Reasonable Compatibility Calculator tool attached to policy.

III. EFFECTIVE DATE AND IMPLEMENTATION

This Policy is effective February 15, 2021 for MAGI applications and recertifications received on or after this date and MAGI applications and recertifications currently in process.

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

DocuSigned by:

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Dave Richard
Deputy Secretary, NC Medicaid