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**EVALUATING LOCAL AGENCY/DDS PERFORMANCE**  
**REVISED 12/5/18 – CHANGE NO. 06-18**

**Current Change Notice: 06-18**

- Policy references to the Eligibility Information System (EIS) have been removed and updated with the appropriate NC FAST language.
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**I. INTRODUCTION**

The local agency's performance is measured and evaluated monthly and annually or biannually to ensure that:

- Benefits are issued accurately and timely,
- All individuals are afforded the opportunity to apply,
- No individual is discouraged from applying for benefits.

Performance by Disability Determination Services (DDS) is measured and evaluated monthly, annually and biannually. (MAD only)

The tools used in the evaluation include report cards and case reviews. This section provides information about the evaluation process.

**II. POLICY PRINCIPLES**

**A. Local Agencies and DDS must meet monthly average processing time (APT) standards and percent processed timely (PPT) standards. Monthly report cards are generated by NC FAST and used to measure Local Agency and DDS performance on APT and PPT.**

1. The monthly APT standard for counties is 45 or 90 days depending on the aid/program category. Refer to IV.A. In addition, local agencies must also timely process 85% or 90% (depending on county size) of the applications processed in that report month. Refer to IV.B.
2. On a statewide basis, DDS must also meet APT and PPT standards. The monthly APT for DDS is 70 days for MAD applications. In addition, DDS must also render a disability decision on 85% or 90% (depending on local agency size) of the MAD applications processed in that report month. Refer to IV.B.

**B. The local agency and DDS are monitored annually or biannually via record review by Division of Health Benefits (DHB) staff to ensure compliance with,**

**acceptance of, and disposition of applications without delay. Frequency of this monitoring is determined by the agency's performance on the monthly report cards.**

(II.B.)

1. An Actual Time Report Card showing the exact APT/PPT and an Adjusted Application Report card showing the APT/PPT after an allowance for excluded processing days, is produced each month for both the local agency and DDS. Refer to V.A.
2. Report cards for the prior month are produced on the first weekend of the month.

**C. The local agency must correct cases that are identified by DHB monitoring staff, Operational Support Team Representative (OST), QC staff, local agency staff, or local/state hearing officials as being dispositioned improperly. See [MA-3200](#), Processing the Application, for procedures.**

**D. The OST Representatives will review errors to see if the county requires additional training.**

### **III. DEFINITIONS**

#### **A. Average Processing Time (APT)**

APT is a measurement of the average number of days taken to disposition all applications in a report card month. This includes approvals, denials, and withdrawals. Refer to IV.A.

#### **B. Percent Processed Timely (PPT)**

PPT is the percentage of applications in a specific category that are dispositioned timely each month. The percentage is based on county size. Refer to IV.B.

#### **C. Improper Dispositions**

1. Denials

A denial is considered improper when:

- a. The applicant was never interviewed or provided with the information needed to process the application and any of the procedures in [MA-3200](#), Processing the Application, were not followed.
- b. The application was denied due to the local agency's inability to locate the applicant and the case does not document that the procedures in [MA-3200](#), Processing the Application, were followed.

(III.C.1.)

- c. The application was denied prior to the 45<sup>th</sup>/90<sup>th</sup> day and ineligibility was not verified. For example, there is no documentation to support inability to meet the Medicaid deductible.
- d. The application was denied prior to the 45<sup>th</sup>/90<sup>th</sup> day for missing information. The application must pend until the 45<sup>th</sup>/90<sup>th</sup> day for missing information even if there have been two requests for information with at least 12 calendar days between requests.
- e. The application was denied on or after the 45<sup>th</sup>/90<sup>th</sup> day for missing information and the information was not requested following the procedures in [MA-3200](#), Processing the Application.
- f. Do not deny the application on the 45<sup>th</sup>/90<sup>th</sup> day if two requests for information with at least 12 calendar days between requests have not been sent. The application may have to pend beyond the application due date to meet this requirement.
- g. Failure to provide the applicant with an automated or manual [DSS-8109](#), Your Application For Benefits Is Being Denied or Withdrawn. The date of the notice and the date of disposition in NC FAST must be the same.

2. Withdrawals

Applications withdrawn due to the following actions are considered improper:

- a. Suggesting or encouraging that an applicant withdraw an application; or
- b. Encouraging withdrawal through improper verification practices such as requiring the applicant to provide information that is:
  - (1) Not necessary to determine eligibility, or
  - (2) Not necessary when the beneficiary's statement as primary verification is allowed by policy. Refer to [MA-3200](#), Processing the Application, or
  - (3) Ultimately the responsibility of the local agency, or
  - (4) Not requested by the local agency in an easily understandable manner, or

(III.C.2.)

- c. Failure to give accurate and complete eligibility information at the time of withdrawal.
- d. Failure to clearly document the reason for the withdrawal and explain all alternatives.
- e. Failure to provide the applicant with a [DSS-8109](#), Your Application For Benefits Is Being Denied or Withdrawn. The date of the notice and the disposition date in NC FAST must be the same.

3. Inquiries

An inquiry is considered improper when it does not contain the following:

- a. A [DMA-5094/DMA-5094S](#), Notice of Right to Apply  
and
- b. A completed [DMA-5095/DMA-5095S](#), Notice of Inquiry. Refer to [MA-3200](#), Conducting an In-Person Interview, for procedures on completing the notice.

D. Incorrect Denials, Withdrawals, Inquiries

Anytime the local agency misapplies policy outside of [MA-3200](#), Initial Application, [MA-3200](#), Conducting an In-Person Interview, [MA-3200](#), Requesting Information, and [MA-3200](#), Processing the Application, the action is considered incorrect.

#### IV. APPLICATION PROCESSING REQUIREMENTS

Each local agency is measured on both the average processing time and percent of applications processed timely via the monthly Adjusted Application Report Card. DDS is measured on a statewide basis on both the average processing time and percent of applications processed timely via the monthly Adjusted DDS Report Card. DDS and DDS must achieve a certain standard to have “passed” the Adjusted Application Report Card for the month.

(IV.)

**A. Average Processing Time Standards**

1. Local Agency

The Average Processing Time (APT) standard for applications to be processed by the local agency is either 45 or 90 days, depending on the aid program/category.

- a. Process applications for MAF, MIC, MPW, MAA, MAB and MQB within 45 days.
- b. Process applications for MAD, regardless of whether disability has been established, within 90 days.
- c. If the 45<sup>th</sup>/90<sup>th</sup> day falls on a weekend, state and/or county holiday, the application due date is adjusted to the next workday.

2. Disability Determination Services (DDS)

The Average Processing Time (APT) standard for DDS to process a disability decision is 70 days. If the 70<sup>th</sup> day falls on a weekend or state holiday, the 70<sup>th</sup> day is adjusted to the next workday.

**B. Percent of Applications Processed Timely (PPT)**

1. Local Agency

Local Agencies are divided into three categories based on county size. See IV. B. 3 below.

- a. Level I counties must process 85% of their applications within the 45/90-day time standard.
- b. Level II and Level III counties must process 90% of their applications within the 45/90-day time standard.

2. DDS

DDS must also meet a PPT. DDS must render a decision within the 70-day time standard for 85% of the cases in Level I counties and for 90% of the cases in Level II and Level III counties. Failure to meet the PPT in one or both levels during a report month will cause DDS to fail the report card.

(IV B.)

3. Categories Based On County Size

<b>ALAMANCE (II)</b>	<b>CUMBERLAND (III)</b>	<b>JOHNSTON (II)</b>	<b>RANDOLPH (II)</b>
<b>ALEXANDER (I)</b>	<b>CURRITUCK (I)</b>	<b>JONES (I)</b>	<b>RICHMOND (I)</b>
<b>ALLEGHANY (I)</b>	<b>DARE (I)</b>	<b>LEE (I)</b>	<b>ROBESON (II)</b>
<b>ANSON (I)</b>	<b>DAVIDSON (II)</b>	<b>LENOIR (II)</b>	<b>ROCKINGHAM (II)</b>
<b>ASHE (I)</b>	<b>DAVIE (I)</b>	<b>LINCOLN (I)</b>	<b>ROWAN (II)</b>
<b>AVERY (I)</b>	<b>DUPLIN (II)</b>	<b>MACON (I)</b>	<b>RUTHERFORD (II)</b>
<b>BEAUFORT (II)</b>	<b>DURHAM (III)</b>	<b>MADISON (I)</b>	<b>SAMPSON (II)</b>
<b>BERTIE (I)</b>	<b>EDGECOMBE (II)</b>	<b>MARTIN (I)</b>	<b>SCOTLAND (II)</b>
<b>BLADEN (I)</b>	<b>FORSYTH (III)</b>	<b>MCDOWELL (I)</b>	<b>STANLY (I)</b>
<b>BRUNSWICK (II)</b>	<b>FRANKLIN (I)</b>	<b>MECKLENBURG (III)</b>	<b>STOKES (I)</b>
<b>BUNCOMBE (III)</b>	<b>GASTON (III)</b>	<b>MITCHELL (I)</b>	<b>SURRY (II)</b>
<b>BURKE (II)</b>	<b>GATES (I)</b>	<b>MONTGOMERY (I)</b>	<b>SWAIN (I)</b>
<b>CABARRUS (II)</b>	<b>GRAHAM (I)</b>	<b>MOORE (II)</b>	<b>TRANSYLVANIA (I)</b>
<b>CALDWELL (II)</b>	<b>GRANVILLE (I)</b>	<b>NASH (II)</b>	<b>TYRRELL (I)</b>
<b>CAMDEN (I)</b>	<b>GREENE (I)</b>	<b>NEW HANOVER (III)</b>	<b>UNION (II)</b>
<b>CARTERET (II)</b>	<b>GUILFORD (III)</b>	<b>NORTHAMPTON (I)</b>	<b>VANCE (II)</b>
<b>CASWELL (I)</b>	<b>HALIFAX (II)</b>	<b>ONSLow (II)</b>	<b>WAKE (III)</b>
<b>CATAWBA (III)</b>	<b>HARNETT(II)</b>	<b>ORANGE (II)</b>	<b>WARREN (I)</b>
<b>CHATHAM (I)</b>	<b>HAYWOOD (II)</b>	<b>PAMLICO (I)</b>	<b>WASHINGTON (I)</b>
<b>CHEROKEE (I)</b>	<b>HENDERSON (II)</b>	<b>PASQUOTANK (I)</b>	<b>WATAUGA (I)</b>
<b>CHOWAN (I)</b>	<b>HERTFORD (I)</b>	<b>PENDER (I)</b>	<b>WAYNE (II)</b>
<b>CLAY (I)</b>	<b>HOKE (I)</b>	<b>PERQUIMANS (I)</b>	<b>WILKES (II)</b>
<b>CLEVELAND (II)</b>	<b>HYDE (I)</b>	<b>PERSON (I)</b>	<b>WILSON (II)</b>
<b>COLUMBUS (II)</b>	<b>IREDELL (II)</b>	<b>PITT (II)</b>	<b>YADKIN (I)</b>
<b>CRAVEN (II)</b>	<b>JACKSON (I)</b>	<b>POLK (I)</b>	<b>YANCEY (I)</b>

## V. MONITORING TOOLS

### A. Report Cards

Report cards are generated monthly by NC FAST based on applications dispositioned in a month. Report cards are run on the first weekend of the month. Included in the report card are applications with disposition dates in the prior month.

In order to be included in the monthly report card for the month of disposition, an application must be dispositioned in NC FAST by the last workday of the month following the month of disposition. If the application is not keyed by the last workday of the month following the month of disposition, it will be included on the next month's report card even if the automated notice is overridden and a manual notice was sent.

The monthly report card is available in NC FSAT the first weekend of the month following the report month.

#### 1. Local Agency Report Cards

##### a. Medicaid

For reporting purposes, applications for Medicaid are divided into two categories based on the aid program/category. The report card shows the county's average processing time and percentage processed timely for all applications disposed of that month in each category. Those categories are:

##### (1) Other Category

The "Other" category includes applications dispositioned in the following aid program/categories:

(a) MAF

(b) MIC

(V.A.1.a.(1))

- (c) MPW
- (d) MAA
- (e) MAB
- (f) MQB-Q, B, and E.

(2) MAD Category

The MAD category includes all applications for individuals applying as a disabled person.

b. NC Health Choice for Children

The report card for NCHC is run following the same guidelines as the Adjusted Application Report Card for Medicaid. The report card shows the local agency's average processing time and percentage processed timely for all NCHC applications disposed of during the prior month.

c. Applications Excluded from the local agency Report Card

(1) Administrative applications are excluded from the calculation of processing times. These applications are identified either by the application type that is entered in NC FAST. Administrative applications include:

- (a) Auto Newborns
- (b) Presumptive Applications
- (c) Program transfer of active cases regardless of whether the transfer occurs between allowable or non-allowable program categories.

(V.A.1.c.(1))

- (d) Transfer of an individual from an open case to another case, including establishing a new administrative case for the individual.
- (e) Actions to post eligibility to a terminated/denied case within one year of the termination/denial.
- (f) Reopening cases terminated in error or reopening terminated cases as allowed by policy.

(2) State/Local Agency Appeal Reversals and Remanded Appeals

Since the original application processing time has already been counted, these cases are not included in the APT or PPT for the report month.

State/Local Agency Appeal reversals are not administrative applications but are excluded from the report card. Appeal reversals and remanded appeals are subject to review by the monitors.

2. DDS Report Cards

The report card for DDS is run following the same guidelines as the local agency 's report card. DDS is measured statewide and not on a county-by-county basis. The DDS report card shows the statewide APT for all dispositions in a month and two statewide PPTs, one for Level I counties and one for Level II and III counties.

3. Actual Time and Adjusted Application Report Cards

Two separate report cards are run for Medicaid/NCHC and DDS.

a. Actual Time Report Card

The Actual Time Report Card shows the Local Agency/DDS APT and PPT using actual processing time. The actual processing time excludes no days. Also, no adjustments are made when the 45<sup>th</sup> /70<sup>th</sup> /90<sup>th</sup> day falls on a state/county holiday or weekend.

The actual report card for DDS is available NC FAST under the Reports Tab.

(V.A.3.)

b. Adjusted Application Report Card

(1) Local Agency

The Adjusted Application Report Card for the local agency shows the local agency's APT and PPT using adjusted processing time. The adjusted report card for the local agency is available in NC FAST under the Reports Tab.

For the local agency's Adjusted Application Report Card, the APT is calculated by:

- (a) Excluding days allowed by policy based on information from the NC FAST timers tab. This is not applicable to NCHC applications.

And

- (b) Adjusting the time when the 45<sup>th</sup>/90<sup>th</sup> day falls on a state/local agency holiday or weekend for the local agency.

NC FAST calculates the APT by subtracting the excluded time from the actual number of days the application pended.

(2) DDS Agency

The Adjusted DDS Report Card shows the local agency's APT and PPT using adjusted processing time. The adjusted report card for DDS is available in N CFAST under the Reports Tab.

For the Adjusted DDS Report Card, the APT is calculated by:

- (a) Excluding days allowed by policy based on information from the DDS screen. This is applicable to MAD applications only. DDS can exclude days when an applicant delays the processing time by not attending or rescheduling a consultative exam.

And

(V.A.3.b.(2))

- (b) Adjusting the time when the 70<sup>th</sup> day falls on a state holiday or weekend for DDS.

NC FAST calculates the APT by subtracting the excluded time from the actual number of days the application pended for a disability decision.

c. Calculation of APT and PPT for Reopened Cases

Applications are reopened if the original action was determined to be improper by county or state monitoring or as the result of an appeal reversal. The processing time for these reopened applications is used in calculating the report card as follows:

- (1) Improper/Incorrect Actions (Denial, Withdrawal, Discouragement) Found by the County

In calculating the APT for improper/incorrect actions discovered and corrected by the county, the time between the improper denial, withdrawal or discouragement and the date the case was reopened **is not** counted in the processing time.

The days counted in the original processing time and the days from the point the case is reopened until it is dispositioned are used in calculating the APT and PPT for the reopened case. Days may be excluded for the reopened application as allowed by policy.

- (2) Improper Actions (Denial, Withdrawal, Discouragement) found by the State Monitors

In calculating the APT for improper actions discovered by the monitors, the time between the improper denial, withdrawal or discouragement and the date the case was reopened **is** counted in the processing time.

The APT and PPT is calculated using the original date of application or discouragement through the date of disposition of the reopened case. Days may be excluded for the original application and the reopened application as allowed by policy.

(V.)

## **B. Monitoring**

Individuals employed by the Division of Medical Assistance monitor the compliance of each DSS and the DDS. Records are requested from the county and shipped via UPS to the monitoring section for review.

### 1. Frequency of Monitoring

a. The monitors review county records every 2 years when the county meets the APT and PPT thresholds in both the MAD and Other categories on the Adjusted Application Report Card for each month in the calendar year.

b. The monitors review county records every year if the county fails to meet either the APT or PPT threshold on the Adjusted Application Report Card due to:

(1) Failure to meet the compliance threshold for 3 or more months in the calendar year in either the MAD or Other category.

Or

(2) Failure to meet the compliance threshold for 1 or 2 months in the calendar year in either the MAD or Other category. In this situation, the lead monitor may waive the annual monitoring when the county DSS requests a waiver and provides clear and convincing evidence that the failure was beyond the control of the agency. Refer to [MA-3225](#), Application Processing-Corrective Action Procedures.

c. Frequency of DDS monitoring is determined using the same criteria as that used for the county.

d. If the DSS or DDS fails the Actual Report Card, the Operational Support Team (OST) may review records to ensure that time is excluded correctly and may also take other corrective action.

### 2. Case Selection

A random sample of cases are selected for review. The sampling is based on the following criteria.

(V.B.2.)

- a. Cases selected, excluding State/County Appeal reversals, are pulled from the Adjusted Applications Included Report. State/County Appeal Reversals are pulled from the Actual Applications Excluded Report.
- b. Cases selected, excluding MQB-QI2, are pulled from EIS based on a disposition date within the 12 months prior to the month monitoring is begun. MQB-QI2 cases are pulled from the county's monthly logs for the 12 months prior to the month monitoring is begun.
- c. Twenty-five percent of the approvals and denials must be from the MAD category. Seventy-five percent of the approvals and denials must be from the Other category.
- d. The number of cases to be selected is based on the county size. The table below summarizes the number to be included in the sample.

County Level	Approvals	Denials	Withdrawals	Inquiries
I	25	30	10	10
II	40	45	20	20
III	60	65	30	30

3. Record Review

DHB Staff review cases for compliance by both local agency and DDS.

- a. Local Agency cases are monitored and cited for:
  - (1) Improper denials,
  - (2) Improper withdrawals,
  - (3) Improper inquiries,
  - (4) Improper exclusion of processing time,
  - (5) Discouragement.

b. DDS records are monitored and cited for:

- (1) Improper exclusion of processing time,
- (2) Incorrect entry of date of receipt in EIS.

## **VI. REPORTS**

Refer to NC FAST Operations and Maintenance (O&M) for a listing of reports to aid the county and DDS in assuring that the application processing thresholds are met.