

DHB ADMINISTRATIVE LETTER NO: 04-22, AUTOMATED NOTICES, DSS-8109

DATE: May 23, 2022

SUBJECT: Automated Notices, DSS-8109

DISTRIBUTION: County Departments of Social Services
Medicaid Supervisors
Medicaid Eligibility Staff

I. BACKGROUND

The purpose of this letter is to provide updated guidance to county Departments of Social Services (DSS) regarding the [DSS-8109, Your Application for Benefits is Being Denied or Withdrawn](#). Currently, the DSS-8109 is automatically generated and mailed by NC FAST when the appropriate evidence is entered correctly into NC FAST. The caseworker is required to select the appropriate denial or withdrawal reason after processing a Medicaid denial or request for an application for Medicaid to be withdrawn.

A new DSS-8109A, Notice of Status form will be utilized by NC FAST and the caseworker when an application is administratively denied based on denial reasons outlined below in II. The purpose of the DSS-8109A, is to notify the a/b what action was taken on the duplicate application. When the application is denied due to eligibility-based reasons by NC FAST or by the caseworker, the DSS-8109H will continue to be utilized.

Information in this letter provides guidance for local agency caseworkers when they encounter situations with the newly released NC FAST functionality and criteria for the automated DSS-8109 forms.

II. POLICY PROCEDURES

A. Administrative Denials - DSS-8109A, Notice of Status

When an application is received for an applicant/beneficiary (a/b) who is already receiving Medicaid that meets the criteria for Minimum Essential Coverage (MEC) or for an applicant who currently has a duplicate pending application for Medicaid, the DSS-8109A should be generated and mailed. In some situations, NC FAST will automatically generate and mail the notice. In other situations, the caseworker will be required to generate and mail the DSS-8109A.

1. When an application is received electronically via ePASS or the FFM for an a/b who has either a duplicate pending Medicaid application or is receiving Medicaid that meets MEC:

- a. NC FAST will administratively deny the MAGI application, generate, and mail the DSS-8109A.
 - b. If a traditional application was also generated based on the applicant's responses, NC FAST will **NOT** deny the traditional application, even if the individual has a duplicate pending traditional application or is receiving MEC in a traditional program.
 - (1) The caseworker must evaluate the application.
 - (2) If it is determined that the a/b is receiving MEC but is now attesting that they are disabled, the local agency must process the application for Medicaid for the Disabled (MAD) following policy found in MA-2525, Disability and either approve or deny the application and send the appropriate approval/denial notice.
 - (3) If the caseworker determines that the a/b has a pending duplicate traditional application or the individual is receiving MEC in a traditional program, the application should be administratively denied, the caseworker must manually deny the application, generate, and mail the DSS-8109A.
2. When an application is received by the **local agency** for an a/b who has either a duplicate pending Medicaid application or is receiving Medicaid that meets MEC in a MAGI or traditional program, the caseworker must:
- a. Review the application to determine if the a/b is reporting a change via the application process.
 - b. If it is determined that the a/b is receiving MEC but is now attesting that they are disabled, the local agency must process the application for MAD following policy found in MA-2525 and either approve or deny the application and send the appropriate approval/denial notice.
 - c. If the a/b is reporting a change in circumstance other than disability, the caseworker should administratively deny the application and react to the change following the appropriate policy for the type of change reported.
3. When the application for Medicaid is denied due to already receiving MEC or because there is a duplicate pending application for Medicaid, the a/b is **NOT** entitled to the right for appeal for the administratively denied application. The DSS 8109A **does not include appeal rights information**.
4. When generating the DSS-8109A in NC FAST, the caseworker must select the appropriate reason from the drop-down menu.
- a. "Already receiving MEC"

- b. “Existing Pending App”
5. The caseworker must generate and mail the DSS-8109A from NC FAST. Do **not use** the DSS-8109 found in the online forms library when administratively denying a duplicate application or when the a/b is receiving MEC.
 6. In some situations, the application may be reporting a change of circumstances via the FFM for a beneficiary who is eligible for and receiving Medicaid that does not meet MEC requirements.
 - a. NC FAST will administratively deny this type of application but will not generate a DSS-8109A.
 - b. The caseworker will receive a task to review the application and must follow the appropriate policy to evaluate the reported change.
 - c. The caseworker must generate and send the beneficiary a DSS-8110A, Benefits are Continuing, if the reported change does not result in a change to the beneficiary’s eligibility.
 - d. If the reported information results in a change to the beneficiary’s eligibility, the caseworker must generate and mail the appropriate timely or adequate DSS-8110 notice.
 - e. NC FAST has added additional DSS-8110 reasons that must be selected from the drop-down menu when there is no change to the beneficiary’s benefits.
 - (1) MAGI: “CoC No Change MAGI”
 - (2) Traditional: “CoC No Change”

B. Eligibility-Based Denials – DSS-8109H, Notice of Denial

1. In addition to existing NC FAST auto denials, MAGI applicants that are ineligible for all Medicaid programs due to income or citizenship are individually assessed for eligibility-based auto denial.
2. NC FAST reviews citizenship first and will only proceed to income if the applicant has an eligible citizenship status.
3. When an application is denied by NC FAST during straight-through processing (STP) for an eligibility-based reason, NC FAST will generate and mail the DSS-8109H.
4. The DSS-8109H will list one denial reason, either citizenship or income, but not both.

5. When the applicant is auto denied during STP and they receive the DSS-8109H, the applicant **does** have appeal rights.

More information regarding NC FAST functionality and procedures can be found in NC FAST County Readiness materials including Yellow Communications dated 4/18/2022 and Project 14.2 Improved Beneficiary Experience Factsheets from November 2021 and March 2022.

III. IMPLEMENTATION

The new DSS-8109A, Notice of Status form will be available in NC FAST on May 23, 2022.

This policy is effective for all applications denied on or after May 23, 2022.

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

DocuSigned by:


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Dave Richard

Deputy Secretary, NC Medicaid