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DHB ADMINISTRATIVE LETTER NO: 06-23, CONTINUOUS COVERAGE UNWINDING (CCU) PERIOD AFTER COVID-19 PUBLIC HEALTH EMERGENCY (PHE): MEDICAID PROCEDURES - AMENDED 2

DATE: **January 16, 2024**

SUBJECT: **Continuous Coverage Unwinding (CCU) Period After COVID-19 Public Health Emergency (PHE): Medicaid Procedures Amended 2**

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

I. BACKGROUND

On March 13, 2020, the President issued a proclamation declaring a federal public health emergency (PHE) concerning the Coronavirus Disease outbreak (COVID-19). Beginning in March 2020, the Centers for Medicare and Medicaid Services (CMS) issued guidance to be followed during the COVID-19 PHE, including the requirement for continuous enrollment/coverage for Medicaid beneficiaries who were eligible on March 13, 2020, or who were determined eligible on or after March 13, 2020.

The Consolidated Appropriations Act (CAA), 2023 was enacted on December 29, 2022. The CAA de-linked the continuous coverage requirement from the PHE and provided March 31, 2023, as the last day of the continuous coverage requirement for Medicaid beneficiaries.

The purpose of this administrative letter is to advise counties of policy and procedures for the Continuous Coverage Unwinding (CCU) period. Some provisions enacted during the COVID-19 PHE may remain in effect through the CCU, some waivers and temporary procedures will be effective for the CCU, while other procedures will return to regular policy procedures. This letter provides guidance to be followed during the CCU.

This Administrative Letter has been updated to advise counties of new requirements for generating and printing notices/forms in NC FAST, Refer to II.G., below. Of particular importance is the DSS-8110 Notice of Change, Termination or Continuation of Public Assistance **requirement**.

The DSS-8110 Notice of Change, Termination or Continuation of Public Assistance has been updated for MEDICAID Only use and align with the DSS-8110 generated via NC FAST. The updated forms have been posted to the **MEDICAID online forms library** and may **only** be accessed there when applicable. **DO NOT** generate the DSS-8110 from the DSS forms library.

II. GUIDANCE FOR THE CCU

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A. Recertification Procedures

In order to assist counties with a more streamlined process for completing recertifications during the CCU, DHB has been authorized to allow some flexibilities during the CCU. These flexibilities include:

- Self-attestations – the current self-attestation flexibilities allowed during the COVID-19 PHE will continue through the CCU. Refer to II.C. below for more information.
- Returned mail flexibilities including:
  - United States Postal Service (USPS) forwarding label.
  - National Change of Address (NCOA) and Returned Mail report.
  - Refer to DHB Administrative Letter 05-23 for more information regarding the returned mail flexibilities and requirements.
- SNAP e14 Waiver flexibilities; refer to DHB Administrative Letter 04-23 for more information.

B. Change in Circumstance (CIC) Procedures

During the CCU period, when a beneficiary reports a CIC during a certification period, the caseworker must take the following steps:

1. Determine if the case has been recertified in the 12 months prior to the CIC being reported.

   a. If no recertification (or application) has been completed in the last 12 months, a recertification must be completed.

   b. If the case has a recertification or application completed during the last 12 months, follow applicable policy related to the CIC reported. (i.e., is the beneficiary under the age of 19 [continuous coverage for 12 months applies], is the beneficiary eligible for MPW [continuous eligibility applies], will the CIC result in an increase or a decrease in eligibility, etc.)

2. Ensure that the appropriate timely or adequate notification policies are followed. Refer to MA-2420/MA-3430, Notice and Hearings Process.

C. Self-Attestation for Eligibility Criteria

The guidance and flexibilities for self-attestation of eligibility criteria provided during the COVID-19 PHE will continue through the end of the CCU.

Accept a complete self-attestation for all eligibility criteria, except citizenship and immigration status, when documentation and/or electronic sources are not available. This includes, but is not limited to, state residency, financial resources, and medical expenses.

1. When the county has an electronic verification and self-attestation that differ, the local agency should follow reasonable compatibility policy.

2. When the county only has self-attestation, and no electronic source is available, accept self-attestation and determine eligibility.

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3. This guidance applies to both applications and recertifications when self-attestation is used in the following areas:

   a. State Residence: **UPDATE**: NC Residency only requires one proof of NC residency at application. State residency policy is being updated.

      Document state residency in NC FAST by entering Written Declaration from Third Party twice to satisfy the verification requirement for Residency on both Income Support and Insurance Affordability (MAGI) cases.

   b. Income: Document earned or unearned income by entering applicant/beneficiary statement if other documentation is unavailable. The applicant/beneficiary statement must include source, gross amount, and frequency.

   c. Resources: Document resources by entering applicant/beneficiary statement if other documentation is unavailable. The applicant/beneficiary statement must include account number and type of resource(s), amount/value, location, and name of the financial institution, if applicable.

      Self-Attestation is not allowable for transfer of assets or reserve reduction. Follow policy in MA-2240, Transfer of Assets, and MA-2230, Financial Resources.

4. Medical Bills for Deductible

   Document incurred medical bills/expenses (needed to meet spend-down for medically needy eligibility) by entering applicant/beneficiary statement if other documentation is unavailable.

   The applicant/beneficiary statement must include the dates of service, provider names and the amount of the medical expenses. The caseworker must verify in the case record that the medicals bills/expenses were not applied to a previously met deductible.

5. Documentation

   Enter the applicant/beneficiary statement in the NC FAST evidence and document the case notes, that the method of verification was self-attestation and notating "COVID-19".

6. Citizenship/Immigration Status

   Self-attestation is not allowable for citizenship/immigration status, as verification is required by federal regulations. However, the caseworker must apply reasonable opportunity to provide these verifications as stated in policy, if applicable.

See Attachment: DHB Self-Attestation for instructions on addressing evidence and verification in NC FAST to satisfy the level requirements when self-attestation (client statement) is not available or does not meet the minimum level.

D. Resources

1. Applications:

   a. Follow self-attestation guidance provided in II.C. above.

   b. At application, the caseworker must request AVS and wait seven days for results.

   c. If the applicant provides a complete attestation for any resource that is not verified by AVS or other available sources, document the complete statement of the applicant and continue application processing. However, if the applicant has excess resources, they must be given the opportunity to rebut or reduce. Follow policy in MA-2230, Financial Resources.

   d. If AVS does not return results after seven days, and the caseworker has a complete statement or a statement of no resources from the applicant, follow procedures in DHB Administrative Letter 03-23 regarding verifying resources at application and continue the application process.

   e. If AVS returns results after the seventh day, treat the results as a reported CIC and react per policy found in MA-2230, Financial Resources.

2. Recertifications:

   a. At recertification, the caseworker must request AVS and wait seven days for results.

   b. After seven days, if AVS returns no results, the caseworker should proceed to process the recertification by requesting all needed information from the beneficiary by sending the DHB-5097, Request for Information, and allow 30 calendar days to provide.

   c. If AVS returns results after the seventh day, treat the results as a reported CIC and react per policy found in MA-2230, Financial Resources.

E. Straight Through Processing (STP) -MAGI Recertification

During the CCU, the STP batch will run after SNAP e14 Waiver determinations have been made. Refer to DHB Administrative Letter 04-23 for information regarding the SNAP e14 Flexibilities.

STP is currently only available for MAGI programs. NC FAST will run the STP batch for MAGI recertifications that were not completed during the SNAP (e)14 Waiver batch.

When the recertification is completed during the SNAP (e)14 Waiver batch or the STP batch, NC FAST will generate and mail the appropriate notice to the beneficiary.

F. STP – Applications

All MAGI applications will be evaluated for eligibility using the STP Application process by NC FAST. This includes applications submitted electronically via ePASS and the FFM, and applications

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keyed into NC FAST by the caseworker.

If NC FAST is able to determine the applicant eligible based on the information entered during the application process, the application will be approved, and the case will be activated. NC FAST will automatically generate and mail DHB-8030, Notice of Application Determination to the beneficiary. The notice will be visible in NC FAST.

G. Generating Notices in NC FAST

Effective April 1, 2023, all NC FAST system available forms **must** be generated via Pro Forma and mailed. It is **required** that caseworkers utilize NC FAST to generate forms. Of particular importance is the DSS-8110, Notice of Change, Termination, or Continuation of Public Assistance.

DHB recognizes all Medicaid forms are **not available** in NC FAST and must be accessed via the Medicaid online forms library. When any Medicaid form is not available in NC FAST or there is an issue with generating the form in NC Fast, caseworkers:

1. Must complete the manual form from the online Medicaid forms library **ONLY.**

2. **Do not generate any Medicaid forms from any internal county systems.**

3. Must upload the form into NC FAST.

If there is an issue or question about a Medicaid form in the online Medicaid forms library, please report it to your Medicaid Operational Support Team Representative (OST). A NC FAST Help Desk ticket is not required to be submitted.

The DSS-8110 Notice of Change, Termination or Continuation **IS** available in NC FAST and must be generated in NC FAST. Refer to NC FAST job aid Forms Reference Guide for a list of NC FAST available forms.

When the caseworker encounters an issue with generating the DSS-8110 Notice of Change, Termination or Continuation of Public Assistance in NC FAST, the county NC FAST POC, **is required** to **SUBMIT A NC FAST HELP DESK TICKET**. **Do not** generate the DSS-8110 form outside of NC FAST without NC FAST/DHB guidance.

The attached DHB-DSS-8110 Desk Reference Tool provides guidance and instructions for an exception to the requirement to submit an NC FAST Help Desk ticket.

There is **only one exception** to generating the DSS-8110 Notice of "Termination" in NC FAST. The exception is related to terminating a Medicaid case, when the individual no longer has a valid citizenship/immigration status. This new DSS-8110 outcome for this reason is slated for a future release. NC FAST will notify the local agency when this new reason and outcome has been updated in NC FAST for the DSS-8110. The caseworker:

1. Is not required to submit an NC FAST Help Desk ticket if this is the reason the case is terminating.

2. Must access the DSS-8110 from the MEDICAID forms library ONLY and include the approved

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"reason and outcome" language in the DHB-DSS 8110 Desk Reference Tool.

a. Failure to use the appropriate DSS-8110 template and approved language will result in error findings.

3. Submit the case that is terminating for no longer having a valid citizenship/immigration status, to the Medicaid.OST.SpecialProjects@dhhs.nc.gov to be excluded from the data-fix batch extension process.

Failure to follow this procedure will result in Internal Control/eligibility error citing AND the local agency will be required to reopen/reinstate terminated/reduced cases with DSS-8110 Notice of Change, Termination or Continuation of Public Assistance notices generated outside of NC FAST, without DHB instructions. The county may also be financially responsible for the benefits issued as a result of the case reopening.

When a case terminates for the reason "Failure to Provide Information" and all of the necessary information is provided within the 90-day reopen period (the caseworker sent the DSS-8110 Termination notice TIMELY), the subsequent DSS-8110 is an ADEQUATE notice. The Desk Reference Tool provides instructions for generating the adequate DSS-8110 Notice.

H. Automatic Extensions

1. Automatic Extension Batch Exclusion Process

Beginning with certification periods that end June 30, 2023, NC FAST will modify the Data Fix extension batch exclusion process. Generation of DSS-8110 in NC FAST will exclude the cases from Data Fix extension.

This change in the exclusion process eliminates the need for the local agency to send an email to the Medicaid Special Projects email address each month.

2. Hawkins Extension Batch

The Hawkins Extension Batch will continue to run monthly with no change to the process. Cases extended by the Hawkins batch will be extended one month at a time until the recertification is completed. This batch will run after all other extension batches at the end of the month.

3. COVID Extension Batch

Beginning with certification periods that end June 30, 2023, NC FAST will modify the COVID extension batch process. The COVID-19 Extension Batch will continue to run monthly, however, when a case is extended by the COVID-19 batch, the extension will be for **three-months instead of 12 months.**

I. Reports

Counties must continue to work all required reports. The list below is not a complete list. Please review the desk reference for more reports and their location.

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The following reports must be prioritized during the CCU:

- Change in Circumstance Reports (CIC)
- Returned Mail Report
- COVID Extension Detail Report
- SDX Reports
- Incarceration Reports
- Death Match Reports
- PARIS Reports
- Bendex Report
- FRR/BEER Reports

J. Pandemic UIB & Stimulus Funds

During the COVID-19 PHE, additional types of income were provided by the federal and state governments. These include unemployment insurance benefits (UIB), and stimulus checks. They were temporary during the PHE.

While these sources of income have ended, any amount remaining as available resources/assets to the applicant/beneficiary must be evaluated based on the program type to determine whether the remaining balance is countable as a resource or is excluded.

1. Guidance for Aged, Blind and Disabled Cases During the CCU

   Resources/Assets

   a. For ABD Medicaid programs, these funds are **permanently** excluded from resource calculations.

   b. In addition to being non-countable resources, these funds should **not** be included in transfer of assets evaluations.

2. Guidance for Medically Needy Cases During the CCU

   Resources/Assets

   For non-MAGI Family and Children's Medicaid programs to determine eligibility (i.e., medically needy Family and Children), these funds are excluded for 12-months after receipt of the funds. Any amount remaining after 12-months is countable as a resource.

III. REMINDERS – EFFECTIVE APRIL 1, 2023

A. Enrollment Fees/Premiums

HCWD cases must have a recertification completed prior to assigning enrollment fees and/or monthly premiums.

1. When completing recertifications for HCWD beneficiaries, caseworkers should refer to MA-

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2180, Health Coverage for Workers with Disabilities, to determine if the beneficiary will owe an enrollment fee and/or monthly premiums based on income.

2. Current premium chart should be used, and policy found in MA-2180 should be followed; use applicable premium based on the beneficiary's current income.

3. The DMA-5146, Health Coverage for Workers with Disabilities Premium Notice, for the beneficiary to pay the premium. Refer to III.B. below to determine if the request is 30 calendar days or 12 calendar days. (**Note:** this requirement is a change from policy in MA-2180 which allows the beneficiary 12 calendar days.)

B. Aligning Non-MAGI and MAGI Policy for Recertification

For non-MAGI programs, the first request will **always** be 30 calendar days and any subsequent requests for new/additional information, is 12 calendar days.

C. Transfer of Assets (TOA) Sanctions (CIC & Recerts)

Beginning April 1, 2023, sanctions for TOA may be imposed for applications, recertifications, and reported changes, after following policy for rebuttal, undue hardship requests, and timely notification procedures.

For TOAs that were discovered but not imposed due to the COVID-19 PHE requirements, if the beneficiary remains in the skilled nursing facility or PACE program, caseworkers may impose the sanction after following all rebuttal, undue hardship requests, and timely notification procedures.

At recertification, when a TOA is discovered, the caseworker must follow policy in MA-2240. Refer to policy in III. B. above to determine if the request is 30 calendar days or 12 calendar days.

Refer to MA-2240, Transfer of Assets for policy and procedures.

D. Deductibles

At application and recertification, caseworkers may begin assigning deductible amounts to all medically needy Medicaid cases, including CAP monthly deductible cases, beginning April 1, 2023.

Prior to assigning a deductible, the case must have a complete redetermination for both recertifications and reported changes and after allowing timely notice.

Refer to MA-2321/MA-3420, Medically Needy Recertification.

E. NEMT

For Medicaid beneficiaries who are **not** enrolled with a Managed Care Primary Healthcare Plan (PHP) but are Medicaid Direct, caseworkers should return to normal policy and procedures for NEMT.

Follow policy found in MA-2910/MA-3550, NEMT.

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F. Medicaid COVID-19 Testing Group (MCV)

MCV will no longer be available at the end of the federal COVID-19 PHE which ends May 11, 2023. Applicants/beneficiaries who are already active or who apply and are determined eligible for dates through May 31, 2023, will be eligible for MCV through May 31, 2023.

1. Beneficiaries who have active MCV benefits on the date that NC FAST generates the MCV Mass Mailing batch will be automatically notified that their benefits will terminate on May 31, 2023.

2. NC FAST will systematically close all MCV cases that are active on the date the MCV Mass Mailing batch is generated. The cases will be closed effective May 31, 2023, and no caseworker action is needed.

3. Applications received or pending on or after the date the MCV Mass Mailing batch is ran must be keyed as open/shut (if eligible for MCV) by the caseworker. NC FAST will generate and mail the appropriate notice, which advises the individual that their coverage ends on May 31, 2023.

   Note: Counties will be advised of the date the MCV Mass Mailing batch is generated. Caseworkers will be responsible for notices beginning that date.

G. Continuous Coverage/Allowable Changes

In most cases, continuous coverage must continue until a complete recertification/redetermination has been completed.

Exceptions to the requirement for continuous coverage are below. The following change in circumstances can be reacted to without a complete recertification/redetermination:

1. The beneficiary moves out of state.

2. The beneficiary voluntarily requests termination of Medicaid.

3. Death of the beneficiary.

4. The beneficiary no longer meets the citizenship/immigration status requirements.

H. CAP/C/DA Waiver Procedures

Beginning April 1, 2023, all CAP-C/DA waiver procedures will return to normal policy and procedures. Refer to MA-2280, Community Alternatives Program (CAP).

I. PACE Waiver Procedures

All PACE procedures will return to normal policy and procedures found in MA-2275, Program of All-Inclusive Care for the Elderly (PACE), beginning April 1, 2023.

J. Authorized Representative

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Caseworkers must continue to follow guidance found in DHB Administrative Letter 08-22, Amended for policy and procedures regarding authorized representatives.

K. State Hearings & Appeals

All state and local hearings and appeals processes should return to normal policy and procedures found in MA-2420/MA-3430, Notice and Hearings Process, effective April 1, 2023.

As a reminder, an individual has the right to appeal any Medicaid eligibility determination including, approval, denial, withdrawal, reduction, or termination.

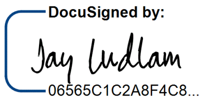
L. Extended Limits of Confinement – Inmate Release Procedures

The Department of Public Safety (DPS) has ended the Extended Limits of Confinement (ELC) program. Caseworkers must follow the policy found in MA-2510/MA-3360, Living Arrangement, for applicants/beneficiaries who are incarcerated or living in the community.

IV. IMPLEMENTATION

Effective upon receipt.

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



Jay Ludlam
Deputy Secretary, NC Medicaid