

CHANGE NOTICE FOR MANUAL NO. 09-03, APPLICATION PROCESSING, MA-2305, EVALUATING COUNTY/DDS PERFORMANCE

DATE: AUGUST 12, 2002

Manual: Aged, Blind, and Disabled Medicaid MA-2305

Change No: 09-03

To: County Directors of Social Services

Effective: October 1, 2002

I. BACKGROUND

On February 5, 2002, Judge Graham C. Mullen, Chief Judge, U.S. District Court for the Western District of North Carolina, dismissed the Alexander Consent Order. The February 1992 version of the Consent Order required payment of penalties or remedial fines if the counties did not process applications according to federal regulations and State rules.

Judge Mullen approved a "Plan to Assure Timely and Quality Services to Applicants for Medicaid, otherwise known as the Exit Plan". The Centers for Medicare and Medicaid Services and Legal Services had approved this Exit Plan. The State had worked with a group of county representatives in developing this plan.

The persons from the following counties who worked on this plan were:

Brenda Davis of Catawba County

Millie Brown and Elva Quinn of Duplin County

Dave Bradshaw and Dale Moorefield of Forsyth County

Betty Barnes of Johnston County

Jean Biggs and Vicki Lewis of Martin County

Sarah Bradshaw and Alvinia Parker of Sampson County

While this Exit Plan does not change all that the counties might have wanted, it did result in the dismissal of the Consent Order. The Exit Plan reflects the commitment of both the State and the counties to continue to provide accurate benefits to our citizens in a timely manner. Each county in the State deserves recognition for its efforts. It is critical that counties continue to provide accurate benefits in a timely manner.

While Work First (WF) applications are not under the Exit Plan, a Work First application is considered an application for Medicaid. If a person comes to the agency to ask for financial assistance, he must be given the opportunity to apply for Medicaid that same day. This applies even if the county requires the person to go to the Employment Security Commission or to the Child Support Enforcement office before taking a WF application.

Due to changes needed in the Eligibility Information System, all aspects of the Exit Plan could not be implemented until EIS was ready. In DMA Administrative Letter No. 19-02, some policy changes were made without EIS support. They were:

- A. The requirement to pend applications for three months ended.**
- B. Penalty checks are no longer issued.**
- C. DDS is no longer required to pend applications.**
- D. The requirement to complete an interview unless the client arrives at the agency within 30 minutes of closing changed to 60 minutes.**
- E. The requirement to send out two requests for information 10 calendar days apart changed to sending out two requests for information 12 calendar days apart. (The 10-10 rule became the 12-12 rule.)**

As a result of enhancement to EIS, all of the aspects of the Exit Plan can now be implemented.

II. CONTENT OF CHANGE

- A. MA-5800, Penalties And Fines, and MA-2304, Dispositions and Penalties, have been combined, rewritten and renamed MA-2305, Evaluating County/DDS Performance.**
 - 1. This section contains procedures for evaluating county and DDS performance. Performance for both agencies is measured and evaluated monthly, and annually or biannually.
 - 2. DSS and DDS must meet monthly average processing time standards (APT) and percent processed timely standards (PPT).
 - 3. There are no longer any penalties or fines for failure to meet the compliance thresholds.
 - 4. There will now be two Report Cards. The Report Cards are called the Actual Time Report Card and the Adjusted Application Report Card. To pass the report cards, Level I counties must have a 45/90 day average processing time (APT) and an 85 percent processed timely (PPT). Level II and III counties must have a 45/90-day APT and a 90 PPT.

Applications dated prior to October 1, 2002, with a disposition date on or after October 1, 2002, will not display on any Report Card. The three existing report cards, Alexander, QI, and NCHC, will run for the last time on October 7, 2002.

Applications dated prior to October 1, 2002, will continue to appear on the Application Management Report and Qualifying Individuals Management Report. These reports will continue to run daily until all pending applications on the reports are disposed. Monitor these reports to ensure all applications are disposed in the appropriate timeframe.

a. The Actual Time Report Card

The Actual Time Report Card calculates the actual number of days an application pends until disposition.

b. The Adjusted Application Report Card

(1) The Adjusted Application Report Card will calculate processing time as 45/90 days when the due date is adjusted to the next work day because the 45th/90th day falls on a weekend or a State/county holiday, and the application was dispositioned on the adjusted due date

(2) The Adjusted Application Report Card will also allow more reasons for excluding time. Time has always been excluded when a case has pended for a deductible. When the following items are the last piece of information needed to process the application, time can be excluded for:

(a) Medical bills to meet the deductible, or

(b) A disability determination, or

(c) Receipt of medical records to determine emergency dates for non-qualified aliens, or

(d) Receipt of FL2 or MR2, or

(e) Receipt of the CAP Plan of Care.

5. The AFDC aid program/category on the current Report Card will now be included in the "Other" Medicaid category. MQB-E applications will also be included in this category.

6. The Division of Medical Assistance will continue to employ Application Monitors. If a county meets the APT/PPT each month during the year in the two categories, then that county will be monitored every two years. The counties who fail the Adjusted Application Report Card in 3 months or more in any category will be monitored yearly.

- a. Each January, the Lead Monitor will determine which counties will be monitored that year. This determination will be based on the Adjusted Application Report Card. The applications selected by the monitors will be from the 12 months prior to the month of monitoring.
- b. There will still be Local and State Corrective Action Teams if a county continues to disregard the Exit Plan and application processing requirements.

B. DMA Administrative Letters

This policy change obsoletes the following DMA Administrative Letters

Administrative Letter No.	Subject
DMA Administrative Letter No. 12-94	Alexander v. Flaherty "Cure" Provisions For Monitoring
DMA Administrative Letter No. 14-00	Alexander Order And Monitoring

III. EFFECTIVE DATE

This policy change is effective October 1, 2002.

IV. IMPLEMENTATION PROCEDURES

Apply these changes to any applications taken on or after October 1, 2002. For applications dated prior to October 1, 2002, follow the policies and procedures in effect prior to October 1, 2002.

V. MAINTENANCE OF MANUAL

Remove: MA-5800, Penalties And Fines, and MA-2304, Dispositions and Penalties.

Insert: MA-2305, Evaluating County/DDS Performance.

Online Manual: Entire Section Revised.

If you have any questions regarding this material, please contact your Medicaid Program Representative.

Nina Yeager
Director

(This policy was researched and written by Vanessa Broadhurst, Policy Consultant, Medicaid Eligibility Unit.)

[MA-2305](#)

[MA-2305, Fig. 1, County Levels](#)