

- 1           (1) If a beneficiary did not respond to the notice, the county department of social  
2 services shall redetermine the beneficiary's eligibility for medical assistance  
3 benefits and provide the beneficiary with proper notice under G.S. 108A-79.  
4           (2) If a beneficiary responds to the notice and disagrees with the information in  
5 the notice, the county department of social services shall reinvestigate the  
6 matter and take one of the following actions:  
7           a. If the county department of social services determines that there has  
8 been an error and the beneficiary's eligibility to receive medical  
9 assistance benefits is not affected, then no further action shall be  
10 taken.  
11           b. If the county department of social services determines that there is no  
12 error, the county department of social services shall redetermine the  
13 beneficiary's eligibility for medical assistance benefits and provide  
14 the beneficiary with proper notice under G.S. 108A-79.  
15           (3) If a beneficiary responds to the notice and confirms the information in the  
16 notice is correct, then the county department of social services shall  
17 redetermine the beneficiary's eligibility for medical assistance benefits and  
18 provide the beneficiary with proper notice under G.S. 108A-79.

19 If, at any time after receiving a beneficiary's response to the notice, the county department  
20 of social services determines that there is a risk of fraud or misrepresentation or inadequate  
21 documentation, then the county department of social services may request additional  
22 documentation from the beneficiary.

23 (e) Nothing in this section shall preclude the Department or any county department of  
24 social services from receiving or reviewing additional information related to a beneficiary's  
25 eligibility for medical assistance benefits that is obtained in a manner other than that provided  
26 for under this section."

27           **SECTION 11H.20.(b)** The Department of Health and Human Services may sign a  
28 memorandum of understanding with any department, agency, or division of the State to obtain  
29 information concerning individuals enrolled in Medicaid that indicates a change in  
30 circumstances that may affect the individuals' eligibility to receive Medicaid benefits under  
31 G.S. 108A-55.5(a).

32           **SECTION 11H.20.(c)** The Department of Health and Human Services may  
33 contract with one or more vendors to provide information concerning individuals enrolled in  
34 Medicaid that indicates a change in circumstances that may affect the individuals' eligibility to  
35 receive Medicaid benefits under G.S. 108A-55.5(a). The quarterly cost, net of receipts, of a  
36 contract entered into under this subsection must be less than the cost of claims, net of receipts,  
37 for the preceding quarter for individuals identified.

38           **SECTION 11H.20.(d)** The Department of Health and Human Services  
39 (Department) shall consider joining any multistate cooperative to identify individuals who are  
40 also enrolled in public assistance programs outside of this State, including the National  
41 Accuracy Clearinghouse. No later than October 1, 2017, the Department shall report to the  
42 Joint Legislative Oversight Committee on Medicaid and NC Health Choice findings that  
43 explain the reasons for joining or not joining any multistate cooperative, and, if a determination  
44 has been made to join the multistate cooperative, a date when membership is expected.

45           **SECTION 11H.20.(e)** Subsection (a) of this section becomes effective January 1,  
46 2018. The remainder of this section is effective when this act becomes law.

## 47 **MEDICAID ELIGIBILITY DETERMINATION TIMELINESS REPORTING**

48           **SECTION 11H.21.** Part 10 of Article 2 of Chapter 108A of the General Statutes is  
49 amended by adding a new section to read:

50 "§ 108A-70.43. Reporting.  
51

1 No later than November 1 of each year, the Department shall submit a report for the prior  
2 fiscal year to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice,  
3 the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal  
4 Research Division containing the following information:

- 5 (1) The annual statewide percentage of Medicaid applications processed in a  
6 timely manner for the fiscal year.
- 7 (2) The statewide average number of days to process Medicaid applications for  
8 each month in the fiscal year.
- 9 (3) The annual percentage of Medicaid applications processed in a timely  
10 manner by each county department of social services for the fiscal year.
- 11 (4) The average number of days to process Medicaid applications for each  
12 month for each county department of social services.
- 13 (5) The number of months during the fiscal year that each county department of  
14 social services met the timely processing standards under G.S. 108A-70.38.
- 15 (6) The number of months during the fiscal year that each county department of  
16 social services failed to meet the timely processing standards under  
17 G.S. 108A-70.38.
- 18 (7) A description of all corrective action activities conducted by the Department  
19 and county departments of social services in accordance with  
20 G.S. 108A-70.36.
- 21 (8) A description of how the Department plans to assist county departments of  
22 social services in meeting timely processing standards for Medicaid  
23 applications, for every county in which the performance metrics for  
24 processing Medicaid applications in a timely manner do not show significant  
25 improvement compared to the previous fiscal year."

## 27 **SUPPORT IMPROVEMENT IN THE ACCURACY OF MEDICAID ELIGIBILITY** 28 **DETERMINATIONS**

29 **SECTION 11H.22.(a)** G.S. 108A-25(b) reads as rewritten:

30 "(b) The program of medical assistance is established as a program of public assistance  
31 and shall be administered by the Department of Health and Human Services in accordance with  
32 G.S. 108A-54. Medicaid eligibility administration may be delegated to the county departments  
33 of social services under rules adopted by the Department of Health and Human Services."

34 **SECTION 11H.22.(b)** No later than November 1, 2017, the Department of Health  
35 and Human Services (Department) shall report to the Joint Legislative Oversight Committee on  
36 Medicaid and NC Health Choice on progress made regarding the accuracy of county Medicaid  
37 eligibility determinations in response to the State Auditor's January 2017 Performance Audit  
38 entitled "North Carolina Medicaid Program Recipient Eligibility Determination." The  
39 Department's report shall include the following information:

- 40 (1) An identification of stakeholders, including the county departments of social  
41 services, the Department has engaged to address issues surrounding the  
42 accuracy of Medicaid eligibility determinations by county departments of  
43 social services.
- 44 (2) Opportunities identified by the Department and stakeholders to address  
45 accuracy in Medicaid determinations.
- 46 (3) Any steps the Department has taken, or plans to take, to assist county  
47 departments of social services with improving accuracy in Medicaid  
48 eligibility determinations, including a time line for implementation of each  
49 planned action.
- 50 (4) Any changes to legislation or needs for funding identified by the Department  
51 to assist with improving accuracy in Medicaid determinations.