

# Medicaid Eligibility, Enrollment, and Renewal Processes and Systems Study

## *CASE STUDY SUMMARY REPORT – NORTH CAROLINA*

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October 19, 2018



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## ACKNOWLEDGEMENTS

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This project was conducted by the State Health Access Data Assistance Center (SHADAC) at the University of Minnesota, School of Public Health, Division of Health Policy and Management. It was funded through a contract with the Medicaid and CHIP Payment and Access Commission (MACPAC). The findings, statements, and views expressed are those of the authors and do not necessarily represent those of MACPAC.

Authors of six state summary reports and a synthesis report were Emily Zylla, Caroline Au-Yeung, Elizabeth Lukanen, and Christina Worrall. Authors would like to acknowledge the many contributions made to this effort by MACPAC staff members Martha Heberlein and Kate Kirchgraber. We would also like to thank the 48 key informants in Arizona, Colorado, Florida, Idaho, New York, and North Carolina for sharing their time and insights about their experiences implementing streamlined Medicaid eligibility, enrollment, and renewal practices in their respective states. Finally, we would like to recognize Jeannine Ouellette and Andrea Stewart for their work reviewing and proofing the reports, and Lindsey Lanigan and Ann Conmy for their work on the layout, exhibits, and production of the reports.

## INTRODUCTION

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Over the last decade, simplifying and streamlining state Medicaid enrollment and renewal processes and systems have been a priority for state agencies. These changes were accelerated with the passage of the Patient Protection and Affordable Care Act (ACA) in 2010. The ACA called for enhancements to Medicaid, including the implementation of revised eligibility rules, a single streamlined application, and use of technology to verify and exchange data in support of near real-time eligibility determinations.<sup>1</sup> Additionally, the Centers for Medicare & Medicaid Services (CMS) and other federal agencies provided states with guidance and incentives to modernize and integrate eligibility systems in order to efficiently enroll Medicaid-eligible individuals.

As the legislative branch agency charged with advising Congress on Medicaid and the Children's Health Insurance Program (CHIP), the Medicaid and CHIP Payment and Access Commission (MACPAC) sought to better understand the post-ACA status of state systems and processes used to support Medicaid program eligibility, enrollment, and renewal. To do so, MACPAC contracted with the State Health Access Data Assistance Center (SHADAC) at the University of Minnesota, School of Public Health to conduct an assessment in selected states of current Medicaid eligibility, enrollment, and renewal practices, and the extent to which they are achieving desired goals (such as program efficiency and simplified beneficiary experience).

A case study approach was used to collect data regarding the state of practices associated with enrolling the Medicaid population for which income eligibility is determined based on Modified Adjusted Gross Income (MAGI). Specifically, we assessed auto-enrollment and auto-renewal practices, the use of electronic data sources for verification, and the degree of integration with non-MAGI Medicaid populations and other public benefit programs. Case studies did not focus on other aspects of Medicaid enrollment, namely outreach and consumer assistance, community partnerships, enrollment and credentialing of providers, and call center technology.

The study focused on six states (Arizona, Colorado, Florida, Idaho, New York, and North Carolina) where documentation showed steps toward implementing streamlined, automated or integrated approaches to Medicaid enrollment and renewal. States were selected based on a literature scan as well as discussions with MACPAC and external experts and represented diversity across a range of characteristics including Medicaid program size, exchange type, adoption of the ACA Medicaid expansion, current enrollment and renewal practices, geography, and political climate.

This case study summary report includes findings from North Carolina based on: telephone interviews with eight key informants conducted in May and June of 2018; a review of publicly available and state-provided documents (e.g., verification plans submitted to CMS); and data collected in advance of telephone discussions on the organization of the state's Medicaid program, eligibility system, and other information technology resources to support MAGI Medicaid eligibility determination. (See the Appendix for a copy of the data collection form used to gather information in advance of telephone interviews with state agencies.) Key informants (also referred to as respondents) in North Carolina represented state Medicaid eligibility, policy, and information technology divisions; county agencies; and an organization with a perspective on enrollment assistance in the state.

The case study begins with an overview of Medicaid in North Carolina and a high-level description of how individuals apply, as well as how eligibility is determined for MAGI Medicaid populations.

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<sup>1</sup> According to CMS guidance, real time refers to no delay between submission of a complete and verifiable application and the response to the applicant. (CMS n.d.)

Included in this overview section are case study findings related to the approaches North Carolina is taking to streamline enrollment and renewal for MAGI Medicaid populations. Next, we present key themes, as identified by key informants, related to Medicaid program and beneficiary experiences, including successes and challenges of North Carolina’s approaches. Lastly, we summarize ongoing issues and future plans in the study state to further simplify and streamline enrollment.

## STRUCTURE OF MAGI MEDICAID ENROLLMENT AND RENEWAL

North Carolina Medicaid programs, including North Carolina Health Choice for Children (the State Children’s Health Insurance Program [CHIP]), reside in the Department of Health and Human Services (DHHS), Division of Medical Assistance (DMA). The programs are state-supervised, but they are administered by North Carolina’s 100-county Departments of Social Services (DSS). This means that local DSS staff are responsible for the eligibility determination, enrollment, and renewal of Medicaid applications in their respective counties. The state elected to use the federal exchange to assess Medicaid and CHIP eligibility, which then transfers the account to local DSS offices for final determination.

Although North Carolina did not expand Medicaid, the state has seen growth in Medicaid enrollment (28 percent) between the July through September 2013 period and April 2018 (CMS 2018a). As of April 2018, total Medicaid and North Carolina Health Choice for Children (NCHC) enrollment was 2,045,929 individuals, or 20 percent of the state’s population (U.S. Census 2017, CMS 2018a). **Table 1** provides an overview of MAGI Medicaid eligibility and Advanced Premium Tax Credit (APTC) thresholds in the state.<sup>2</sup>

**Table 1. North Carolina MAGI Medicaid Eligibility and Advanced Premium Tax Credit (APTC) Thresholds by Coverage Group, 2018**

Coverage Group	100% FPL	200% FPL	300% FPL	400% FPL
Pregnant Women	201% (Medicaid)		> 201%–400% (APTC)	
Children (Age 0–6)	215% (Medicaid)		> 215%–400% (APTC)	
Children (Age 6–18)	138% (Medicaid)	138–216% (NCHC)	>216–400% (APTC)	
Parents and Caretaker Relatives	43% (Medicaid)	> 43%–400% (APTC)		

**Sources:** Brooks et al. 2018; NC DMA 2018.

**Notes:** Eligibility levels are reported as a percentage of the Federal Poverty Level (FPL). Percentages include the five percentage point disregard for children established under the ACA, which can be applied to eligibility determination for MAGI Medicaid individuals. NCHC beneficiaries with income above 159% FPL pay an enrollment fee. Acronyms are as follows: MAGI – Modified Adjusted Gross Income, NCHC – North Carolina Health Choice for Children, which is North Carolina’s State Children’s Health Insurance Program (CHIP).

### Application options and eligibility systems

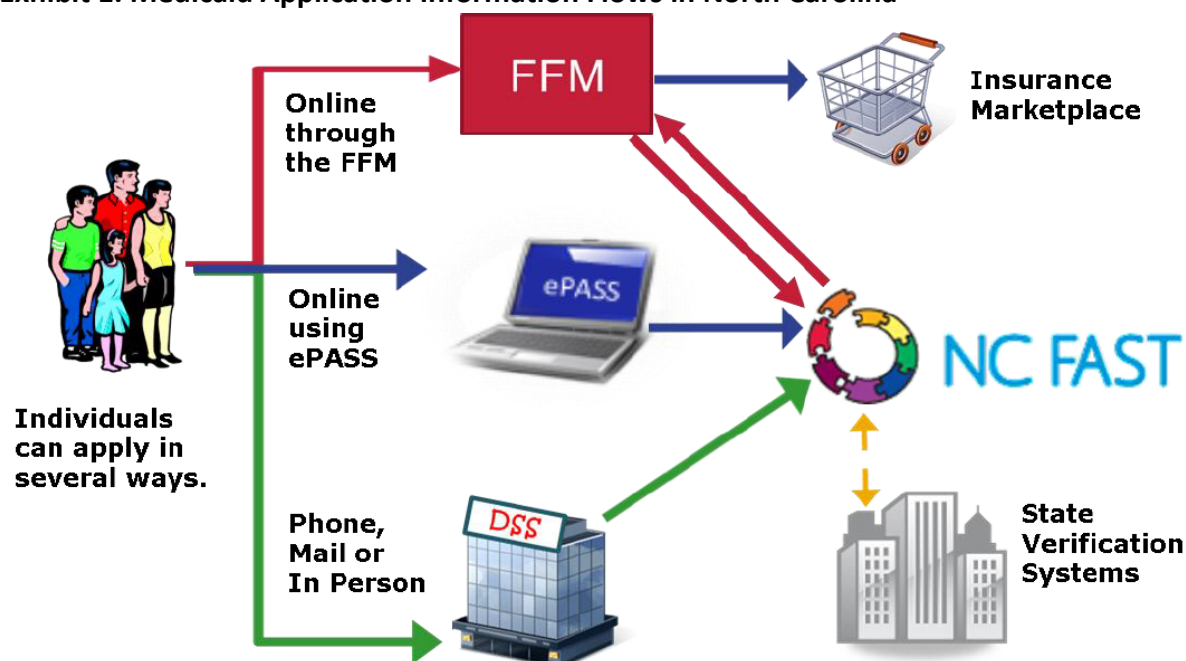
North Carolina offers a combined application that currently supports Medicaid and CHIP, as well as the state’s Supplemental Nutrition Assistance Program (SNAP), called Food and Nutrition Services (FNS). An application can be submitted through multiple modes: in person, mail, telephone, and online either through the federal exchange (healthcare.gov) or through the state’s web-based, consumer-facing portal ePASS (Electronic Pre-Assessment Screening Service). ePASS uses intelligent evidence-gathering design, meaning that additional relevant questions appear depending on the information that has already been entered. Applicants choose which application they want to be screened for first, either Medicaid or FNS, and are then given the option to answer additional remaining screening questions for the other program.

<sup>2</sup> APTC is a mechanism for consumers to receive financial assistance (i.e., lower monthly premiums) to purchase health insurance coverage through an exchange.

Respondents indicated, however, that the most common way MAGI-determined populations apply for Medicaid is in person at county DSS offices. Specifically, one respondent shared that in the last six months, over 104,000 applicants applied through ePASS, whereas over 513,000 applicants applied in other ways (in person, telephone, or mail). However, not all counties across the state offer a combined application for in-person applicants. Respondents noted that some counties, especially smaller counties, still use program-specific applications, and staff are divided by program-specific duties.

Application information for Medicaid, whether it originates electronically, on paper, or is collected through an in-person interview with a county intake worker, is fed into a shared eligibility system (SES) known as NC FAST—North Carolina Families Accessing Services through Technology. NC FAST, described in more detail later in this section, is the official or system of record for Medicaid and several other public assistance programs including FNS, Work First Cash Assistance (TANF), North Carolina Child Care, and Refugee Assistance. Underlying NC FAST is the business rules engine (implemented for MAGI Medicaid in 2013), which automates the program rules and supports eligibility determinations. See **Exhibit 1** for a depiction of information flows associated with North Carolina’s Medicaid enrollment and eligibility process.

### Exhibit 1. Medicaid Application Information Flows in North Carolina



*Source:* North Carolina Information Technology Division 2017.

Although multiple programs are supported by NC FAST, the shared eligibility system is actually two separate platforms on the back end: one that houses MAGI Medicaid enrollment information, and one for all other non-MAGI programs, including FNS and other human service programs. NC FAST caseworkers can see information across the two platforms, and demographic information updated in one system is automatically updated in the other, but program-specific information (such as income) can only be updated in its respective platform. As one interviewee explained, “The software and the program development side for MAGI programs versus non-MAGI programs, and other programs, is completely different....If a client [is] coming in and applying for food and nutrition services and family and children's Medicaid, in the system you still have to process it as two different applications.”

## Electronic verification for MAGI Medicaid beneficiaries

North Carolina generally does not accept self-attestation. The state however, leverages electronic verification processes to assess potential eligibility for MAGI Medicaid for several eligibility factors including income, residency, Social Security number, and citizenship. Some factors are verified through state-built interfaces that automatically facilitate data transfers between the NC FAST system and the respective external data sources. Other verifications require a county worker to manually view elements stored in the external data source. See **Table 2** for a description of the verification practices and electronic data sources accessed.

Respondents indicated that the state chose to continue using its existing state interfaces, rather than the Federal Data Services Hub, because it already had processes in place within its NC FAST system.<sup>3</sup> One interviewee explained, “We had a multi-benefit system and the hub was limited to only being able to be used for Medicaid and Health Choice [CHIP].”

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<sup>3</sup> The Federal Data Services Hub is an electronic resource developed by the Centers for Medicare & Medicaid Services (CMS) that provides data verification services to state-based exchanges, the federally facilitated exchange, and all Medicaid agencies regardless of expansion adoption. Data sources provided through the hub include those from relevant federal agencies such as the Social Security Administration (SSA), the Department of Homeland Security (DHS), and the Internal Revenue Service (IRS).

**Table 2. North Carolina Verification Practices for MAGI Medicaid at Application and Renewal**

Select Eligibility Factor	Self-Attestation	Financial and Non-Financial Data Sources			Notes
		Federal Agency	State Agency	Private	
<b>Income</b>	No		State Wage Information Collection Agency (SWICA)	Work Number	Connections to the Work Number data source are completed manually by a county worker.
<b>Residency</b>	No	Not allowed	Department of Motor Vehicles (DMV)		Applicants must provide at least two documents to verify residency.
<b>Social Security Number</b>	Not allowed	Social Security Administration (SSA)			North Carolina chose an existing state connection over Federal Data Services Hub.
<b>Citizenship</b>	Not allowed	SSA			North Carolina chose an existing state connection over Federal Data Services Hub.
<b>Immigration Status</b>	Not allowed	Systematic Alien Verification for Entitlements (SAVE)			North Carolina chose an existing state connection over Federal Data Services Hub.
<b>Age</b>	Yes	N/A			
<b>Medicare</b>	No		North Carolina Families Accessing Services through Technology (NC FAST)		
<b>Application for Other Benefits</b>	No		NC FAST		
<b>Multiple Factors</b>			Supplemental Nutrition Assistance Program (SNAP) and Work First Cash Assistance (TANF) [NC FAST]		SNAP, TANF reported changes are available to Medicaid to support determinations through the NC FAST system.

**Sources:** CMS 2018b; Data collection and verification under the 2018 Assessment of Medicaid Eligibility, Enrollment, and Renewal Processes and Systems project, Medicaid and CHIP Payment and Access Commission (MACPAC) contract number MACP18417T1.

**Notes:** SAVE is a DHS process for verifying an individual's immigration status either paper-based or electronically. Electronic verification consists of three steps. States can use SAVE Step 1 and, more recently, Step 2 automated functionality through the Federal Hub. Acronyms are as follows: MAGI – Modified Adjusted Gross Income, N/A – Not Applicable.



## Auto-enrollment and renewal

Respondents in North Carolina explained that there is currently no automated enrollment of the MAGI Medicaid population at application. While the NC FAST eligibility system performs data checks and makes a preliminary assessment, a county worker needs to verify and approve every Medicaid enrollment. One interviewee explained, “Right now it is the business rules running from the evidence that the worker is taking in. We aren't really at no-touch or real-time yet; we're working towards that. So for us, automated eligibility is that, as a caseworker, I enter in all the evidence, address all the things, and then I do a check eligibility and the system runs the rules and says yes, they passed, or they fail income or they fail whatever. So that's what we mean by automated at this time.” The state reports that its average Medicaid determination processing time (for both MAGI and non-MAGI Medicaid cases) is 37 days (NC SL § 11H.21 2017).

Respondents described the renewal of MAGI Medicaid eligibility cases (called recertification in North Carolina) as a low-touch ex parte process. As defined by the state, ex parte review occurs when a case worker initiates the electronic verification of data through the NC FAST system, leveraging information from external sources and other NC FAST-supported programs (such as FNS) as needed. A pre-populated form is only sent to a beneficiary when a caseworker is not able to determine eligibility through electronic data matches and information in other records.

Individuals can also elect to receive e-notices and report changes electronically through the ePASS portal. In 2016 NC FAST implemented Change of Circumstance (CoC) via the ePASS portal for individuals enrolled in a MAGI-based program. The online CoC enables clients to report changes that may affect eligibility without having to visit their local county office (NC Information Technology Division 2017). The state is also currently piloting a no-touch recertification process for those MAGI Medicaid enrolled individuals with no income, a priority for the state moving forward.

## Integration of Medicaid eligibility determination with other health or human services programs

North Carolina agencies had a vision for the horizontal integration of Medicaid and other health and human services programs, which predated the ACA. As one interviewee explained, “That's always been our marching orders...to integrate as much as we possibly can.” In 1999, the state began a planning process to identify a model for integrated social service programs (including Medicaid) aimed at streamlining the enrollment process for multiple programs and centered on county caseworkers' personal interactions with beneficiaries. The resulting model, and ultimately the NC FAST system, was built around the following key principles (NC DHHS 2015):

- Makes early, less-costly intervention possible for almost all those at risk by providing multiple media for access to health and human services.
- Self-directed application and assessment elements of new model are congruent with increased emphasis on self-reliance and personal responsibility and will minimize future labor costs.
- Effect of streamlined, self-directed access and assessment is to increase staff time available to work with families on long-term self-sufficiency and stability.
- Relationship between client and caseworker is paramount to achieving self-sufficiency.
- Family unit is the focus of service delivery.

In 2008, the state began the software procurement, and the first NC FAST project, global case management and FNS, was fully implemented in March 2013. Medicaid (including MAGI and non-MAGI) and CHIP were integrated in October 2013 (the Medicaid project timeline had to be moved up much earlier than originally anticipated in order to coincide with the implementation of the ACA in 2014). An additional seven program areas (for a total of nine) were integrated by December 2017.

Prior to the ACA, the state undertook work at the policy level to align program eligibility requirements in order to support NC FAST and ePASS development. One key informant explained, “I’ll give an example for income....There were almost 300 different kinds of income or names of income types. And we got that down to like 70 or something. It was a lot of work, but just trying to determine what groups things fit into. Oh, you say this, but we say this, and it’s the same thing....But those definitions of things helped inform NC FAST, so they used that work as they were building the system.” In spite of the state’s work to align, respondents commented that conflicting federal policies around program requirements (e.g., the requirement for a face-to-face eligibility interview for TANF) presented an obstacle to true horizontal integration.

To date, NC FAST has replaced 20 legacy systems (Gibbs and Perry-Manning 2018). At the time of our interviews, NC FAST supported eligibility assessments and benefit amounts for Medicaid and CHIP, FNS, TANF, Special Assistance (cash supplements to low income individuals to help pay for room and board in residential facilities), Refugee Assistance, Subsidized Child Care Assistance, and Low Income Energy Assistance; and the state is currently in the process of adding Child Welfare Systems. Over 200 state-level employees, from developers to help desk workers, support NC FAST. North Carolina’s fiscal year 2018–2019 budget includes \$25.5 million for ongoing maintenance of the system (not including the implementation of additional integration projects, such as the ongoing child welfare case management system which was allocated a total of \$179 million) (Hoban and Weber 2018).

Ownership of NC FAST resides with DHHS. A policy governance board, with representatives from Medicaid and DSS programs (such as FNS, TANF, state supplement programs, and daycare subsidy programs) meet monthly to discuss program-specific policy changes and the changes in NC FAST or ePASS that need to be made. One respondent stated the importance of convening those meetings on a regular basis to ensure that the state’s shared eligibility system accurately reflects the rules defined in policy: “And that’s the difference between now and the old system. In the old system, we could make policy changes and may not have to have anything done in the system unless we needed some code or something. When you’re talking about a rules-based engine, if we decide something like resources changes or whatever, what we used to do, we didn’t even put resources in. Now I literally have to change the system to make that calculation correctly. So almost anything we do in a policy stance impacts the system.”

## MEDICAID PROGRAM AND BENEFICIARY EXPERIENCES

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As described above, North Carolina’s decision-making related to enrollment and renewal practices for MAGI Medicaid populations was designed for benefit integration and the historical emphasis on the county case worker interaction. The department has created one application for multiple health and human services programs, implemented a multi-benefit shared eligibility system, and has used electronic data sources to verify information. However, all applications are processed and approved by county workers. Findings in this section summarize key themes, as identified by interviewees, related to Medicaid program and beneficiary experiences, including successes and challenges of state approaches. Respondents reported that NC FAST rules and electronic verification processes have facilitated information sharing and streamlined enrollment and renewal processes. However, uniformly implementing a complex shared eligibility system via a county-administered model has been difficult due to variations in county staffing and training. In addition, continued reliance on county workers to perform the final approval for MAGI Medicaid slows the determination process, especially as counties are financially responsible for any erroneous determinations.

## **North Carolina's shared eligibility system facilitated real-time sharing of client and case information across program and county lines**

According to respondents, NC FAST, the state's multi-benefit shared eligibility system, allows case workers to quickly and easily get a holistic view of program participation that used to be stored in separate paper files. This has reduced or shifted county workloads, especially for those working with individuals who receive more than one state benefit. One respondent explained, "Prior to this we had a totally separate system for FNS, our SNAP program, and then we had an eligibility system that included all of the Medicaid and our state supplemental assistance programs and the workforce or TANF cash program....So those systems didn't talk to each other, so you didn't know what was in one versus the other. If you had one household, you had to contact the other worker or go into the two different systems. So the demographic data and everything is consistent in NC FAST. I can see what the other program files have."

It was also noted that this real-time sharing of information is especially helpful in a county-administered Medicaid program because if an individual moves to another county, their program information is instantly available, rather than having to send paper files back and forth.

## **NC FAST connections to electronic data sources simplified enrollment and renewal processes**

Respondents noted that NC FAST's interfaces with electronic data sources for verification have reduced burden on beneficiaries to manually supply documentation. Electronic verification of some data elements, notably the state's contract to connect with the Work Number and the DMV, were highlighted as especially important facilitators in simplifying the determination process for county workers. One interviewee commented, "The ability to go and get those matches and have them actually come back in the eligibility system rather than attaching them to a file or something is also something that really helps a lot." Another interviewee explained, "Having our current contract with the Work Number, that is very helpful. So they have a lot of the large employers that we use that are in this area. Walmart [or] Food Lion is a grocery chain that's very predominant here. So having that contract and connection, not interface yet, really helps streamline it."

Electronic verification of data sources also facilitated ex parte renewal processes and allowed county case workers to complete electronic data matches first before reaching out to a client. This was especially helpful for the many individuals who receive multiple state benefits, as one interviewee explained, "And being able to use what's in other programs that's already in the system. Because we have more people who are receiving the multiple programs...and they don't have to go look up a record."

## **NC FAST's rules-based process helped improve the accuracy of determinations, but staff still feel it is important to know Medicaid policy**

In January 2017, North Carolina's Office of the State Auditor released a report assessing the accuracy and timeliness of Medicaid eligibility determinations. Across 10 sample counties, application accuracy error rates ranged from 1.2 percent to 18.8 percent, and recertification accuracy error rates ranged from 1.2 percent to 23.2 percent (NC OSA 2017).<sup>4</sup> As a result, DHHS and county DSS departments embarked on new quality assurance review processes and formal training programs for county case workers.

Respondents felt that the majority of variation in error rates observed across counties was due to errors in how data was keyed by county workers, not NC FAST processes. As one interviewee stated, "NC FAST is only as good as the evidence you put in it." In fact, respondents felt that the state's rules-based

<sup>4</sup> The audit examined a 12-month period from July 1, 2015 through June 30, 2016. Also, CMS has established a three percent statewide error rate threshold above which a state is potentially subject to penalties.

processes, applied through NC FAST, have helped reduce inaccurate Medicaid determinations. One respondent explained, “I can give you a couple of examples though about how the rules-based system helped inaccuracy. Because what we've had sometimes is a worker will call in a ticket that the system is not doing something correctly. And then we look at it, the system is doing it correctly. So we think that gosh, before the system, were they doing it wrong? We have seen that because of the rules-based engine.”

We heard conflicting views on whether the implementation of the NC FAST business rules engine has helped reduce the amount of Medicaid policy rules a county caseworker needs to know, but, for the most part, respondents felt policy knowledge remained important. One interviewee felt that the business rules engine helped reduce the amount of different policy rules a worker needed to understand, explaining, “So we are very complex just within our Medicaid program anyway....So now that I have a system that does my eligibility for me, I'm probably more accurate because I don't have to in my head switch from program to program and remember what the rules are and then just key something into a system. So I think it does greatly benefit those workers who do work in multiple programs.”

Other respondents, however, felt that case workers still need to know Medicaid policy to function effectively in their jobs. One interviewee explained, “The workers absolutely have to know policy. Now, does NC FAST know policy? Yeah. And if you have the correct evidence in there, sometimes there's those little exceptions to policy that workers don't see very often, and they'll try to fight the determination because they think it's wrong. And then we say, ‘Oh, remember Exception B, or C, or D? It is right.’ But they have to know policy to the point that they know the evidence that they're putting in there is accurate, and that the determination that they're getting is correct.”

In general, respondents felt that a key lesson learned from implementing a rules-based eligibility system was to first ensure that the policy was clear. One respondent commented, “Make sure that your policy is very clear and not generalized. As a rules-based engine, it can't read general. It needs specific so there's no room for misinterpretation. So that's very important.”

### **Variations in training and staffing across 100 counties made implementing uniform, streamlined Medicaid application and determination processes difficult**

In June 2017, the North Carolina Office of the State Auditor released a second report assessing county processes and performance metrics for staffing, helpdesk, and training related to NC FAST Medicaid eligibility determinations. The report found that the state's lack of a comprehensive training program for Medicaid eligibility determinations resulted in inconsistent determinations across counties. In addition, the audit found that counties did not receive any guidance on optimal staffing levels needed to make timely determinations, which resulted in strains on the process in some counties (NC OSA 2017).

Each county in North Carolina determines its own staffing levels, salaries, and benefits of the staff performing eligibility determination functions. While many counties have adopted a combined application (allowing individuals who apply in person to either use ePASS kiosks or speak to one county worker and apply for multiple programs), other counties have not. Respondents indicated that both the volume of the applications a county receives and the makeup of the local workforce affected county decisions about which application and eligibility processes to streamline. One small, rural county explained, “Some counties have transitioned over to more of a universal intake process. For us in our county, we felt that it was too much to ask the average worker to know policy in regards to all economic benefit programs....Because of the volume, that seems to work the best for us, and also helps our clients get that one-on-one attention that they need.”

One respondent observed that the skill level of the local workforce pool played an important role in whether a county's adoption of NC FAST went smoothly, explaining: "I think just the reality of what counties face in the way of—these are entry level positions, they have a high degree of attrition, they're not always computer savvy. So it's just again, that workforce impact."

### **State policy requiring two forms of residency verification made it hard, if not impossible, to accomplish automatic enrollment for MAGI Medicaid**

North Carolina's state statute requires that Medicaid beneficiaries provide two forms of verification of state residency (NC SL § 11H.21 2017). All respondents to whom we spoke indicated that the policy hinders their ability to further streamline automatic enrollment processes for Medicaid. While a no-touch application determination is not prohibited, the ability to electronically verify residency from two sources is extremely limited. (As was noted in **Table 2** above, the state only has an electronic connection to the DMV to verify residency.) One interviewee explained, "Our legislature passed about six or seven years ago that we have to have two verifications of state residency and [were] very specific in setting out what we can accept. And you can't accept more than one item in one category. So we are trying to match as much as possible in the system by using, say, our Division of Motor Vehicles. So if we can match the address there, we do try. But it's not so simple necessarily to get two of the kinds that are required. Because one of the categories is like rent, mortgage, utility or whatever. We have no [electronic] access to those kinds of things." The Division of Medical Assistance has tried in the past to seek a legislative change to modify the requirement from two sources down to just one, but to date this has not been successful.

### **State policy requiring counties to be financially responsible for inaccurate Medicaid determinations affected the timeliness of determinations**

Respondents spoke to the tension between taking steps to streamline the application process for MAGI Medicaid beneficiaries and making sure determinations were accurate. Recently, this tension has been felt more acutely due to a state law that took effect in 2017 requiring counties to repay the state for any health care costs accrued as a result of an erroneous Medicaid determination (NC SL 10 § 108A-24 2014).<sup>5</sup>

One interviewee explained the negative effect this policy has had on county workers: "Really it's very—it's very nerve wracking for the worker, in all honesty, to know that...a simple human error, or...misinterpreting policy or putting on somebody eligible who's not eligible, it puts a tremendous amount of pressure on the worker to ensure that everything is correct....Say, that is, a newborn who was a premature child, baby, who has an astronomical bill for that month that the county is now on the hook for. We are an extremely small county, so the thoughts of us having to up-front a costly bill as a result of incorrect eligibility determination is very scary."

Respondents indicated that as a result of this policy, counties put in place a number of additional quality assurance measures and second-party reviews prior to case processing, all of which have slowed down final determination decisions. One key informant explained, "You have to wait for that individual, whoever's doing the second party, whether it's the supervisor, the lead worker, or this new position [recently implemented to just perform Medicaid reviews] that will be in the budget as of July 1. You have to wait for them to check the case, and if you're doing a quality second party review, that doesn't—that's not just 10-15 minutes. You're really getting in there, and you're looking at the case, and you're making sure everything's correct. It takes time to make sure every form is signed and everything that could potentially impact eligibility is looked at. So yes, that—that extra added quality assurance will slow down this processing time frame."

<sup>5</sup> The Division of Medical Assistance already had authority to assume Medicaid eligibility administration for counties that were failing to meet determination accuracy standards, but the legislation passed in 2017 added language requiring that county Department of Social Services would also be financially responsible for overpayments for the erroneous issuance of Medicaid and CHIP benefits.

## LOOKING FORWARD

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As interviewees reflected on North Carolina's MAGI Medicaid enrollment and renewal practices, they identified several ongoing process and system changes which they were monitoring closely.

### **Efforts to improve ePASS usability continue**

Key informants reported that work is underway to enhance the usability of ePASS for applicants. The state is exploring additional self-service case management and document management features, as well as mobile tools that would make it easier for individuals to submit applications and update information via smartphone. The state is also soliciting citizen feedback on the wording of application questions and looking at options to incorporate additional smart logic so that applicants can answer fewer questions. Although beneficiaries can already opt-in to receive Medicaid notices electronically via a secure inbox through the ePASS portal, take up has been low and respondents indicated the state is exploring approaches to increase the use of that feature.

### **Continued NC FAST enhancements include more automated verification processes and increased training for county workers**

Technical enhancements and continuous quality improvement efforts to improve the usability of NC FAST continue to be a focus for DHHS and county workers. For example, the state is currently in the process of developing an automatic interface between NC FAST and the DMV to allow for real-time, no-touch verification of residency information. In response to the state's two audits examining Medicaid eligibility determinations and the implementation of the NC FAST system, DHHS has begun reporting eligibility determination timeliness by county, and developed a more in-depth, centralized training program for county caseworkers.

Respondents indicated that they were hopeful that future technical assistance provided to the counties would continue to further integrate policy and information technology assistance. Some respondents felt that in the past, the two sides of Medicaid that provide technical assistance (the software and computer staff at the NC FAST helpdesk and the staff who provide policy guidance) had not always coordinated their messages, which caused confusion for workers. One interviewee explained, "They speak two different languages....We don't function in two separate worlds at the county level any longer. Policy affects how you key things in NC FAST, and how you key things in NC FAST affects policy."

In spite of these challenges, all respondents were optimistic that the state continues to make progress with its shared eligibility system. One interviewee responded, "I would just end with, I think we're getting there. We went through a rough patch and I think with any new process I think it's extremely difficult. I think we took on an extremely difficult [effort] to pioneer...you know, just completely change our process. So, we've had mass exit of retirements, and turnover as a result of this being a big project to take on. But I would end with, we are so much better than where we were, and we're only getting better. And I think that eventually this is going to be a really good process."



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## **APPENDIX**

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### **PRE-TELEPHONE DISCUSSION DATA COLLECTION FORM**



## MACPAC ELIGIBILITY, ENROLLMENT, & RENEWAL PROCESSES AND SYSTEMS STUDY

### PRE-TELEPHONE DISCUSSION DATA COLLECTION FORM: NORTH CAROLINA

We realize that your agency is extremely busy. In order to maximize our time together on the telephone, we are requesting that you review this form to verify blue text or enter in the blue shaded areas information about your current Medicaid program and supporting eligibility systems. Please make any corrections directly on/in the document. This form should take about 10 minutes to complete.

1) **Name of Medicaid Agency:** NC Department of Health and Human Services

2) **What is the PRIMARY agency responsible for Medicaid eligibility determination at ENROLLMENT if different from Medicaid agency above:**

County Departments of Social Services

3) **What is the PRIMARY agency responsible for Medicaid eligibility determination at RENEWAL (if different from #3):**

4) **Please confirm other governmental or quasi-governmental agencies/organizations/programs that regularly work with the PRIMARY agency above on Medicaid eligibility determination:**

Agency Name	Agency Type	Involved at Enrollment (Check if yes)	Involved at Renewal (Check if yes)
	Separate CHIP	<input type="checkbox"/>	<input type="checkbox"/>
	Other State Agencies	<input type="checkbox"/>	<input type="checkbox"/>
N/A	State-based Marketplace	<input type="checkbox"/>	<input type="checkbox"/>
Healthcare.gov	Federally Facilitated Marketplace	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Enter specific areas if not statewide:	County or City Agencies, e.g., Departments of Social Services	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Enter name:	Other	<input type="checkbox"/>	<input type="checkbox"/>

5) **Please identify and describe the primary computer or information technology (IT) system currently used by agency staff to support individual Medicaid eligibility determination, re-determination, and/or tracking for North Carolina's MAGI Medicaid populations.**

System Name: North Carolina Families Accessing Services through Technology (NC FAST)

Year System Implemented: 2013

If not replaced in the last 10 years: Major System Modification? Yes  No  N/A

Year of Major System Modification:

Vendor(s) Used for Recent System Replacement/Major Modification:

System Statewide: Yes  No

If no, please describe geography covered: ---

- 6) Please identify the other programs/benefits for which individual eligibility is determined and/or tracked through the primary Medicaid eligibility system named in Question #6 above.

Name of Program/Benefit	Type of Program/Benefit	Integrated at Application (Check if yes)	Integrated at Renewal (Check if yes)
Health Choice for Children (NCHC)	CHIP	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Other Non-MAGI Medicaid programs	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
	Other non-Medicaid health insurance programs (marketplace, commercial plans, etc.)	<input type="checkbox"/>	<input type="checkbox"/>
Food and Nutrition Services	SNAP	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Work First Cash Assistance	TANF	<input checked="" type="checkbox"/>	<input type="checkbox"/>
NC Child Care	Child care	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Child support	<input type="checkbox"/>	<input type="checkbox"/>
Enter name: Heating Assistance, Special Assistance, and Refugee Assistance	Other non-health programs/benefits	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- 7) Please provide an estimate (in Column A) of the timeliness of MAGI Medicaid eligibility determination at application and the extent to which renewal is automated in North Carolina. Alternatively, please verify the survey data (in Column B) from the source cited below.

	A. Percent of Applications (estimate)	B. Percent of Applications (Kaiser/Georgetown Survey)*
MAGI eligibility determinations are completed within <b>24 hours</b> of application	N/A	Not Reported
MAGI eligibility determinations are completed within <b>one week</b> of application	N/A	
MAGI cases are <b>auto-renewed</b> (also known as ex parte renewal, passive renewal, or administrative renewal)	N/A	50-75

\*Source: Brooks, T., Wagnerman, K., Artiga, S., and Cornachione, E. 2018. Medicaid and CHIP Eligibility, Enrollment, Renewal, and Cost-Sharing Policies as of January 2018: Findings from a 50-State Survey. Washington, DC: Georgetown University Center for Children and Families and Kaiser Commission on Medicaid and the Uninsured. <http://files.kff.org/attachment/Report-Medicaid-and-CHIP-Eligibility-Enrollment-Renewal-and-Cost-Sharing-Policies-as-of-January-2018>.

- 8) Please confirm that the Medicaid/CHIP Eligibility Verification Plan for North Carolina on record with CMS is up to date. The information we have for North Carolina from 5/26/16 is found here:

<https://www.medicaid.gov/medicaid/program-information/eligibility-verification-policies/downloads/north-carolina-verification-plan-template-final.pdf>

Is this the most current verification plan? Yes  No

If not, where can we access the current verification plan?

Please provide link or attach with date.

9) Please indicate which IT resources are used to support eligibility determination and renewal for North Carolina's MAGI Medicaid populations.

Information Technology Resources	Start Year	MAGI Medicaid only? (Check if yes)	Is this resource used at application (Check if yes)	Is this resource used at renewal (Check if yes)
Multi-benefit/combined online application for <u>health insurance</u> programs		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Multi-benefit/combined online application for <u>health and non-health insurance</u> (e.g., food stamps) programs	2013	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Online eligibility screening tools		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Self-service case management for clients, e.g., to check application status, report changes, renew	In process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Document management or imaging tools for clients, e.g., to support upload and routing	In process	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Mobile applications for clients		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Document management or imaging tools for staff		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Staff portals		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Navigator/assister portals		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Business rules engines to automate calculations based on rules and logic		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Eligibility system interface with MMIS, e.g., claims		<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
Other IT resources, e.g., applications/tools, online accounts or portals, system modifications or interfaces				
<i>Specify other IT resource:</i>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
<i>Specify other IT resource:</i>		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

10) Of the IT resources listed above, which would you describe as most critical to supporting MAGI Medicaid eligibility determination and renewal? Rank the top three.

- #1 **Multi-benefit combined online application for health and non-health insurance**
- #2 **Business rules to automate calculations based on rules and logic**
- #3 **Eligibility system interface with MMIS, e.g. claims**

*Thank you for your time!*