



North Carolina Department of Public Safety



Adult Correction and Juvenile Justice

Roy Cooper, Governor
Erik A. Hooks, Secretary

Todd E. Ishee, Commissioner of Prisons
Chris Holland, Deputy Secretary

MEMORANDUM

TO: Joint Legislative Oversight Committee on Justice and Public Safety

FROM: Erik A. Hooks, Secretary 
Todd E. Ishee, Commissioner of Prisons 

RE: Submission Criteria of Medicaid Applications/Electronic Submission of Applications

DATE: October 1, 2019

Pursuant to Session Law 2019-135, Section 3.(c), by October 1, 2019, the Department of Public Safety shall report to the Joint Legislative Oversight Committee on Justice and Public Safety on the implementation of the documentation of criteria for the submission of Medicaid applications and the electronic submission of Medicaid applications.

Please find the report attached.

MAILING ADDRESS:
4201 Mail Service Center
Raleigh, NC 27699-4201
www.ncdps.gov



An Equal Opportunity Employer

OFFICE LOCATION:
512 N. Salisbury Street
Raleigh, NC 27604
Telephone: (919) 825-2760

(1) Session Law 2019-135, Section 3.(c) directs reporting on General Statutes 143B-707.5.(b) which stipulates the following documentation to be reported:

(a) The criteria used by the social worker when deciding to submit an application for Medicaid and when deciding not to submit an application for Medicaid, including any information the social worker believes disqualifies the inmate for Medicaid benefits.

Individuals must meet all eligibility requirements. Inmates who are not under the age of 21, pregnant, or over the age of 65 must meet Social Security disability requirements. DPS staff are familiar with the basic disability requirements and understand that many admissions are due to temporary conditions that would not meet the Social Security Administration's definition of disability. The pre-screening process by DPS prevents an undue burden on state Medicaid staff to determine Medicaid eligibility for all inmates.

The DPS Medicaid Program adheres to Medicaid/Disability criteria of NCDHHS Adult Medicaid Manual MA 2525. The Social Security Administration (SSA) defines disability as the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment, or combination of impairments, that is expected to result in death, or which has lasted or is expected to last for a continuous period of not less than 12 months. In addition, DPS Medicaid Program Medicaid Disqualifiers based on our unique incarceration population are the following:

DPS Medicaid Disqualifiers

Acute Care
Detainee
Income/Reserves Over the Limit
Inpatient Stay Less than 24 Hour Period
Medicaid Not Accepted (Example: Kindred Hospital)
No Social Security Number
Observation
Released/Uncooperative
Safe Keepers
Temporary Acute Care Condition/Symptoms
UR Listed Hospitalization Past Retroactive Period
Working/Program

(b) An indication in the social worker's data entry of an inmate's Medicaid eligibility as determined by the inmate's county department of social services.

DPS Medicaid Program Facilitators/Social Workers record Medicaid Approvals as well as Denials determined by the NC DHHS County Department of Social Services – Division of Medicaid Assistance (DMA) in DPS' Healthcare Electronic Records for Offenders (HERO) system.

(c) The number of 24-hour community provider stays prescreened for potential applications, the number of applications submitted, and the number and percentage of applications approved, denied, and withdrawn, which shall be reported to the Health Services Section Director on a monthly basis.

Medicaid Application packet submissions are sent to NC DHHS County DSS – Division of Medicaid Assistance (DMA) for a Medicaid outcome determination decision of either Medicaid Approved (Eligible) or Medicaid Denied (Ineligible); Medicaid Withdrawals are not generally practiced.

DPS Opus system generates the number of potential community hospital stays imputed into the system by Utilization Review Team are prescreened for potential Medicaid applications. This number constantly varies as Utilization Review updates Opus system on a daily basis.

The following table provides an overview of FY 2019 pre-screening for potential Medicaid applications.

<u>Medicaid Review</u>	<u>Admits</u>	<u>%</u>
Eligible	789	39%
Ineligible	679	33%
Pending	55	2%
Under Review	120	6%
Not Referred	404	20%
TOTAL	2047	100%

Categorical descriptions are as follows:

The number of 24-hour community hospital stays captured and prescreened for potential Medicaid applications = 2047

The total of Medicaid application packet submissions to NC DHHS County DSS – Division of Medicaid Assistance (DMA) were determined Medicaid Approved means Medicaid Eligible = 789

The total of Medicaid application packet submissions to NC DHHS County DSS – Division of Medicaid Assistance (DMA) were determined Medicaid Denied means Medicaid Ineligible = 679

The total of Medicaid application referrals Pending Review (Potential Medicaid Referrals – Not Assigned Yet); or either Released Offenders or Deceased Offenders will both remain in either Referred or Pending Status until NC County DSS – Division of Medicaid Assistance (DMA) renders a Medicaid Outcome Decision of either: Medicaid Approved (Eligible) or Medicaid Denied (Ineligible) = 55

The total of potential Medicaid applications Under Review have been referred to a Medicaid Program Facilitator/Social Worker who will facilitate the Medicaid Application submissions to NC DHHS County DSS – Division of Medicaid Assistance (DMA) for an outcome determination decision of either: Medicaid Approved (Eligible) or Medicaid Denied (Ineligible) = 120

The total of potential Medicaid applications that were Not Referred based on twelve Medicaid Disqualifiers = 404

- (2) Session Law 2019-135, Section 3.(c) directs reporting on General Statutes 143B-707.5(c) which requires the Department of Public Safety, Health Services Section, to submit Medicaid applications and any supporting documents electronically through the ePass portal in the Department of Health and Human Services or through other electronic means, unless paper copies are required by federal law or regulation.**

Submitting Medicaid applications and any supporting documents electronically through DHHS' ePass portal would likely delay the approval process offsetting anticipated efficiency gains. If DPS were to submit applications through ePass, the applications would go into a queue with all other electronic applications. Inmate applications would not be tracked separately. Furthermore, verification of DPS as an inmate's authorized representative is not currently possible through ePass. The electronic submittal process would still require that paperwork, such as medical records, would need to be matched with the electronic application.



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

ROY COOPER • Governor

MANDY COHEN, MD, MPH • Secretary

DAVE RICHARD • Deputy Secretary, NC Medicaid

To: Joint Legislative Oversight Committee on Justice and Public Safety
Joint Legislative Oversight Committee on Medicaid and North Carolina Health Choice

From: Dave Richard 

Date: October 1, 2019

Subject: Session Law 2019-135

This memorandum is submitted pursuant to Session Law 2019-135 Section 3(a) and (b). This law seeks to improve inmate health reimbursement and internal processes.

Under current law, the Department of Public Safety cannot be reimbursed if its social workers perform administrative activities related to Medicaid eligibility for inmates because they are not authorized to make actual eligibility determinations.

Federal regulations stipulate that there be a single State agency for the Medicaid program (42 CFR 431.10) and that agency "is responsible for determining eligibility for all individuals applying for or receiving benefits..." (42 CFR 431.10(b)(3)). Our State Plan designates the Department of Health and Human Services as the single State agency.

State law vests the Secretary of the Department of Health and Human Services with the power and duty to administer and operate the Medicaid and NC Health Choice programs and delegate eligibility administration to the county department of social services. N.C. Gen. Stat. §§108A-54(e)(1 and 25(b). It does not permit the Secretary to delegate to any other entity. Since Department of Public Safety social workers are not authorized to determine eligibility their administrative activities are not eligible for federal reimbursement.

Additionally, internal processes at the Department of Public Safety would not be improved by submitting applications via ePass portal. Currently ePass portal does not have the capability to upload verifications or accept medical records electronically. Therefore, submission of an application in ePass would result in processing inefficiency since the application is not complete without the necessary medical records or other verifications. The administrative burden of matching electronic applications with separately mailed records would result in costly administrative burden and significantly delay the application processing times for inmates.

I am happy to address any questions that arise from this memorandum.

NC MEDICAID

NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS

LOCATION: 1985 Umstead Drive, Kirby Building, Raleigh NC 27603
MAILING ADDRESS: 2501 Mail Service Center, Raleigh NC 27699-2501
www.ncdhhs.gov • TEL: 919-855-4100 • FAX: 919-733-6608

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER