

1 **SECTION 11H.19.(b)** This section becomes effective October 1, 2017, and applies
2 to providers who are placed on prepayment review on or after that date and written notices
3 provided to providers on or after that date.
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5 **MEDICAID ELIGIBILITY MONITORING**

6 **SECTION 11H.20.(a)** Article 2 of Chapter 108A of the General Statutes is
7 amended by adding a new section to read:

8 **"§ 108A-55.5. Eligibility monitoring for medical assistance.**

9 (a) On at least a quarterly basis, the Department shall review information concerning
10 changes in circumstances that may affect medical assistance beneficiaries' eligibility to receive
11 medical assistance benefits. The Department shall share the information directly with, or make
12 the information available to, the county department of social services that determined the
13 beneficiary's eligibility.

14 (b) The information reviewed by the Department shall include all of the following:

15 (1) Earned and unearned income.

16 (2) Employment status and changes in employment.

17 (3) Residency status.

18 (4) Enrollment status in other State-administered public assistance programs.

19 (5) Financial resources.

20 (6) Incarceration status.

21 (7) Death records.

22 (8) Lottery winnings.

23 (9) Enrollment status in public assistance programs outside of this State.

24 (c) A county department of social services shall promptly review the information
25 provided or made available by the Department in accordance with subsection (a) of this section
26 to determine if the information indicates a change in circumstances that may affect a medical
27 assistance beneficiary's eligibility to receive medical assistance benefits and take one of the
28 following actions:

29 (1) If a review of the information does not result in the county department of
30 social services finding a discrepancy or change in a beneficiary's
31 circumstances that may affect that beneficiary's eligibility to receive medical
32 assistance benefits, the county department of social services shall take no
33 further action.

34 (2) If a review of the information does result in the county department of social
35 services finding a discrepancy or change in a beneficiary's circumstances
36 that may affect that beneficiary's eligibility for medical assistance benefits,
37 the county department of social services shall provide written notice to the
38 beneficiary that describes in sufficient detail the circumstances of the
39 discrepancy or change in circumstances that would affect the beneficiary's
40 eligibility for medical assistance benefits. The notice must include the
41 following information:

42 a. The beneficiary will have 12 calendar days from the time of mailing
43 to respond.

44 b. A response from the beneficiary must be in writing.

45 c. Self-declarations made by the beneficiary will not be accepted as
46 verification of information in the response.

47 d. The consequences of taking no action.

48 (d) After the expiration of 12 calendar days from the time of mailing the notice required
49 under subsection (c) of this section, the county department of social services shall take one of
50 the following actions:

- 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.
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