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*Division of Institutions*  
*Policy and Procedure*

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**Chapter:** S  
**Section:** .2400  
**Title:** Medicaid Application Process  
**Issue Date:** December 1, 2012  
**Supersedes:** None – New Policy

I. PURPOSE

- A. “Section 1905 (a) (A) of the Social Security act does not specify or imply that Medicaid eligibility is precluded for those individuals who are offenders of a public institution. Accordingly, offenders of a public institution may be eligible for Medicaid if the appropriate eligibility criteria are met. Federal Financial Participation (FFP) is available for offenders who are admitted as an inpatient in a hospital, nursing facility, juvenile psychiatric facility, or intermediate care facility. FFP is available for any Medicaid covered services provided to an offender while an inpatient in these facilities provided the services are included under the State’s Medicaid plan and the offender is Medicaid eligible. We adhere to the policy that FFP is unavailable for any medical care provided on the greater premises of the prison grounds where security is maintained by the governmental unit (i.e. North Carolina Department of Adult Correction (DAC)). (HCFA Program Issuance Region IV MCD-05-08).” DAC, pursuant to Senate Bill 897, Section 19.6 (c) shall consult with the Department of Health and Human Services (DHHS) Division of Medical Assistance (DMA) to develop protocols for offenders who would be eligible for Medicaid if they were not incarcerated to access Medicaid while in custody or under extended limits of confinement.
- B. DAC has initiated efforts to reduce the costs of medical care for offenders by requiring hospitals and other medical providers to bill Medicaid for offenders who are eligible as the result of a hospitalization outside the department. DAC has implemented procedures and designated personnel to determine Medicaid eligibility by identifying offenders who meet eligibility criteria and enrolling them in Medicaid.

II. POLICY

DAC will coordinate with DHHS/DMA and local Department of Social Services (DSS) Directors to place Medicaid of newly incarcerated offenders into suspension and initiate eligibility proceedings for offenders who are potentially eligible for Medicaid. DAC will charge Medicaid for inpatient hospitalizations and concurrent ancillary medical services that occur in facilities outside the department for offenders deemed Medicaid eligible.

III. PROCEDURES

- A. The initial identification of Medicaid eligibility begins at processing. The Correctional Case Analyst is tasked with asking the offender the following questions:
1. Have you ever or are you currently receiving Medicaid?

2. Have you been determined to be disabled?
3. If female, Are you pregnant?

The Correctional Case Analyst enters the offender's (Y/N) responses onto the OR24 (Social History) screen.

- B. Hospital stays for DAC offenders in hospital facilities outside the department are listed as they occur on OPUS. Each unique admission appears on the HS80 screen. The HS80 screen displays a listing of each offender's name, identifying information, unit, date, time of admission, and admitting hospital. From the HS80 screen, the offender's individual hospital admission may be viewed via the HS81 screen. The HS81 screen displays the offender's identifying information, unit, demographics, projected release date, date of hospital admission, admitting hospital, a link to the Utilization Review (UR) for that admission, the admitting diagnosis, and the offender's prior Medicaid history. The Medicaid history, if applicable, includes the most recent Medicaid certification period, type of Medicaid received (MAA, MAD, PW, MAF, MIC), and, if available, the confirmed Medicaid number. Confirmed Medicaid numbers may also be viewed on each offender's OR34 screen. The status of the offender at this point is pending (P). The purpose of the HS81 screen is to provide information regarding an offender's outside hospital admission to assist in determining the appropriate disposition relative to the potential for eligibility. By entering the F11 on the HS81 screen, the UR report for that particular admission can be viewed. The UR report typically covers the admitting diagnosis, the diagnostic history, treatments provided, the discharge diagnosis, and prognosis.
- C. In order for an offender to meet eligibility requirements in addition to an outside DAC hospitalization, they must have a severe medical impairment (physical or mental) that is expected to prevent the offender from doing "substantial" work for a year or more, have a condition that is expected to result in death, are under age 21, are age 65 or older, are pregnant, or blind. They must live in North Carolina and provide proof of residency and have a social security number or have applied for one.
- D. Information to assist in the determination potential eligibility may be obtained via reviewing several OPUS screens or via OPUS on the Web screens that provide a more comprehensive picture of the offender's medical, mental, occupational, and treatment histories. Examples of these screens might include the Health Classification and Considerations screen (HS50 and HS51), Health Problem List (MS08), Mental Health Diagnostic Changes (MH20), Inmate Activity History (IJ10), Problems List, Offender's Employment/Training/Military History, External Medical Claims, and Testing History (OR50). For those offenders who have been deemed eligible, certification dates may be obtained via OPUS on the Web utilizing the Medicaid Review screen.
- E. An offender's outside hospital admission may result in either referral to a Social Worker (the HS81 status is then changed to R) or a prima fascia determination of eligibility (E) or ineligibility (I). Offenders who do not meet criteria for age, disability, blindness, or pregnancy may be determined to be ineligible. Offenders who meet criteria, have been approved for Medicaid previously, and have a current eligibility certification date may be deemed eligible. Offender's who meet criteria

and for whom an application to determine eligibility must be completed are referred to an onsite Social Worker at the offender's respective housing facility or directly to a Medicaid Social Worker/Facilitator. In conjunction with the assignment of the case to a facility Social Worker, a Medicaid Social Worker/Facilitator is also assigned to that case to facilitate the ongoing application process. The assigned onsite Social Worker is able to view the referral on their Mental Health Appointment Roster Screen (MH32). The onsite Social Worker is expected to complete a Medicaid Application (DMA 5000), Authorizations to Release Information (DMA 5028), or Health Choice Application (DMA 5063). The type of application to be completed is contingent on the special characteristics of the individual offender (i.e. disability, age, pregnancy, etc.)

- F. The responsibilities relative to reviewing eligibility criteria, case assignment, tracking, and finalizing eligibility in OPUS are duties of the Medicaid Program Supervisor.
- G. The assigned onsite Social Worker (or a Medicaid Program Supervisor/Facilitator) interviews the offender in order to compile information pertinent to the Medicaid application and to complete documents necessary for the application. Applications for offenders who are unable or unwilling to cooperate with the process can be completed by the designated Social Worker and are referred to the Medicaid Program Supervisor who completes a cover letter designed to inform the county DSS Medicaid office of the offender's refusal to cooperate and requests the agency's assistance in expediting and forwarding the application to DHHS/DMA.
- H. Medicaid applications are aid program/category specific with differing sets of documents required for each Medicaid category. These applications are completed according to predetermined instructions and utilizing the forms as directed in the North Carolina Adult Medicaid Manual section MA-2525 and are as follows:
  - 1. Medicaid for the Disabled
    - a) Disability Application (DMA 037);
    - b) Medicaid Application (DMA 5000); and
    - c) Five Release of Information (ROI) forms (DMA 5028) signed by the offender.
  - 2. Aid for the Aged and Medicaid for Infants and Children  
  
Medicaid Application (DMA 5000)
  - 3. Medicaid for Pregnant Women
    - a) Medicaid Application (DMA 5000);
    - b) Five Release of Information (ROI) forms (DMA 5028) signed by the offender;
    - c) Completed Health Choice Application; and
    - d) Verification of birth or pregnancy form signed by a physician.
- I. Medicaid for the Disabled applications require one year, if available, of health and/or mental health records. The type of records required is a function of the presenting or disabling diagnosis.

Supporting documentation will include admission notes, doctor's notes, nursing notes, lab reports, medication administration records, and discharge summaries. Documents will include DAC information as well as information obtained from the admitting outside hospitals. The document package should reflect all relevant care records for one calendar year from the date of application. All Medicaid applications require a copy of the offender's trust fund for the three months prior to the date of application. The trust fund and medical/mental health records are forwarded along with the Medicaid application to the offender's county of residence at the time of conviction. Offenders who are determined to have resided out of state prior to their conviction have the county of conviction designated as their county of residence.

- J. DAC specific requirements for the DMA 5000 are that the document contain income from incentive wage and work release earnings along with trust fund and work release account balances.
- K. For the rare circumstance when medical/mental health records are unavailable at the mailing of an application, the Medicaid Facilitator is required to send a cover letter with the available documents to the respective county DSS explaining the delay and expected time of the submission of supporting information. The expected timeframe to acquire the supporting information is from five to 10 working days.
- L. The application is copied, and the copies placed in the Offender Health Record, Section I by the onsite Social Worker. Originals are to be faxed to the Medicaid office at (919) 715-9534. Originals are then to be sent to the Medicaid office wither via the mailing address, DAC Medicaid Office, 831 West Morgan Street, Raleigh, NC 27603, or Courier # 53-71-00.
- M. Medicaid Facilitators are responsible for acquiring financial information, completing the Medicaid application (DMA 5000) in its entirety, and obtaining and maintaining all supporting documents. They use this information to complete the application by ensuring all necessary and required documentation is included in each packet submitted.
- N. The complete application with all supporting documents is mailed to local DSS Medicaid Sections by the assigned Medicaid Facilitator. The transaction is documented on OPUS by the Medicaid Facilitator on the MH61 screen which details, date, Social Worker, and county of application for tracking purposes. All documents sent to and received from DSS agencies are copied and added to an offender's Medicaid folder. Once received by the appropriate local DSS office, the application is logged into their tracking system. The date of receipt at DSS becomes the official date of application for Medicaid. Medicaid application times after receipt at the local DSS agency are 90 days for Medicaid for the disabled and 45 days for all other applications.
- O. The Medicaid Facilitators ensure there is a collaborative effort in the processing of Medicaid applications to determine eligibility status. Medicaid Facilitators provide ongoing support and liaison to DSS, DMA, and the onsite Social Workers at each of the DAC facilities during the approval process. They track and record all correspondence between agencies and individuals. They process and track requests for additional information, requests for assistance, and changes of eligibility status. They provide information to the Medicaid Program Supervisor and the Social

Work Program Director regarding problems in the application process and regarding interagency interactions.

- P. The assigned onsite Social Worker or a Medicaid Program Supervisor/Facilitator interviews the offender to compile information pertinent to the Medicaid application and to complete documents necessary for the application. As previously noted, applications for offenders who are unable or unwilling to cooperate with the process can be completed by the designated Social Worker and are acceptable to DHHS/DMA per agency agreement provided there is sufficient information to determine eligibility status.
- Q. Medicaid applications are disability specific with differing sets of documents required for each Medicaid category. These applications are completed according to predetermined instructions and utilizing the forms as directed in the Adult Medicaid Manual section MA-2525.

1. Medicaid Application for the Disabled Adult

Medicaid for the Disabled applications require a require a Disability Application (DMA 37), Medicaid Application (DMA 5000), and five Release of Information (ROI) forms (DAM 5028) signed by the offender.

- a) Case is assigned to an onsite Social Worker by the Medicaid Supervisor. An email is sent to the Social Worker and copied to the assigned Facilitator. The onsite Social Worker completes a DMA 5000 and the DMA 5028 forms.
- b) The Medicaid Facilitator will print the email from the Program Supervisor assigning the offender to a Social Worker as a means of tracking the initial 30 days allotted to complete the application from that date.
- c) The Medicaid Facilitator creates a file folder and attaches the tracking form to the front of the new folder and reviews the address history to assess the designated county DSS.
- d) The Medicaid Facilitator will print the OPUS Offender Information Screen and place it into the folder.
- e) The Medicaid Facilitator will request the offender's trust fund information for a three month period from DAC Fiscal staff via email. Print the email request and place it in the folder.
- f) The Medicaid Facilitator will request copies of the offender's medical records from the offender's current housing facility. You need to request a one year history that includes all inpatient hospitalizations (both inside and outside the department), physicals, Physician notes (and Psychiatric/mental health notes if offender has a mental health diagnosis), medications, consultations, recommendations, and discharge summaries.

- g) Follow up will be initiated with the onsite Social Worker by the Medicaid Facilitator within a two week period of assignment if documentation is not received to ensure turnaround timeline is met. Document all contacts with Social Workers and DSS case workers on the MH02 screen describing your contacts in the comments section. Print out any item you document and place the printout in the file folder.
  - h) Once all documentation needed is received and verified, the Medicaid Facilitator will then complete a Social History Summary for the Disabled form (DMA 5009). The Medicaid application, social history, medical records, trust fund, and two copies of the DMA 5028 are the basic elements of the application packet.
  - i) The Medicaid Facilitator will complete additional documents needed, which include a cover letter to the county DSS, a copy of the Forms Not Needed sheet, a signed North Carolina Residency Applicant Declaration (DMA 5153), and a signed Estate Recovery form (DMA 5051). Be certain to designate yourself as a representative of the offender on these forms.
  - j) The Medicaid Facilitator will copy everything and place copies in the file.
  - k) The Medicaid Facilitator will update the MH61 screen and the file tracking form and document all contacts with the offender and outside agencies on the MH02 screen as a Social Work Assessment.
  - l) The Medicaid Facilitator will mail the completed application packet to the DSS in the county of residence.
2. Medicaid Application for Aid for the Aged and Medicaid for Infants and Children
- a) Case is assigned to an onsite Social Worker by the Medicaid Supervisor. An email is sent to the Social Worker and copied to the assigned Facilitator. The onsite Social Worker completes a DMA 5000.
  - b) The Medicaid Facilitator will print the email from the Program Supervisor assigning the offender to a Social Worker as a means of tracking the initial 30 days allotted to complete the application from that date.
  - c) The Medicaid Facilitator creates a file folder and attaches the tracking form to the front of the new folder and reviews the address history to assess the designated county DSS.
  - d) The Medicaid Facilitator will print the OPUS Offender Information Screen and place it into the folder.
  - e) The Medicaid Facilitator will request the offender's trust fund information for a three month period from DAC Fiscal staff via email. Print the email request and place it in the folder.

- f) The Medicaid Facilitator will document all contacts with Social Workers and DSS case workers on the MH02 screen describing your contacts in the comments section. Print out any item you document and place the printout in the file folder.
  - g) The Medicaid application and the trust fund document are the basic elements of this type of application packet.
  - h) The Medicaid Facilitator will complete additional documents needed, which include a cover letter to the county DSS, a copy of the Forms Not Needed sheet, a signed North Carolina Residency Applicant Declaration (DMA 5153), and a signed Estate Recovery form (DMA 5051). Be certain to designate yourself as a representative of the offender on these forms.
  - i) The Medicaid Facilitator will copy everything and place copies in the file.
  - j) The Medicaid Facilitator will update the MH61 screen and the file tracking form and document all contacts with the offender and outside agencies on the MH02 screen as a Social Work Assessment.
  - k) The Medicaid Facilitator will mail the completed application packet to the DSS in the county of residence.
3. Medicaid Applications for Pregnant Women
- a) Case is assigned to an onsite Social Worker by the Medicaid Supervisor. An email is sent to the Social Worker and copied to the assigned Facilitator. The onsite Social Worker completes a DMA 5000, a DMA 5203, the DMA 5028 forms, and the Verification of Pregnancy document.
  - b) The Medicaid Facilitator will print the email from the Program Supervisor assigning the offender to a Social Worker as a means of tracking the initial 30 days allotted to complete the application from that date.
  - c) The Medicaid Facilitator creates a file folder and attaches the tracking form to the front of the new folder and reviews the address history to assess the designated county DSS.
  - d) The Medicaid Facilitator will print the OPUS Offender Information Screen and place it into the folder.
  - e) The Medicaid Facilitator will request the offender's trust fund information for a three month period from DAC Fiscal staff via email. Print the email request and place it in the folder.

- f) The Medicaid Facilitator will document all contacts with Social Workers and DSS case workers on the MH02 screen describing your contacts in the comments section. Print out any item you document and place the printout in the file folder.
  - g) The Medicaid application, Health Choice form (DMA 5023), two copies of the DMA 5028, Verification of Pregnancy document, and trust fund document are the basic elements of the application packet.
  - h) The Medicaid Facilitator will complete additional documents needed, which include a cover letter to the county DSS, a copy of the Forms Not Needed sheet, a signed North Carolina Residency Applicant Declaration (DMA 5153), and a signed Estate Recovery form (DMA 5051). Be certain to designate yourself as a representative of the offender on these forms.
  - i) The Medicaid Facilitator will copy everything and place copies in the file.
  - j) The Medicaid Facilitator will update the MH61 screen and the file tracking form and document all contacts with the offender and outside agencies on the MH02 screen as a Social Work Assessment.
  - k) The Medicaid Facilitator will mail the completed application packet to the DSS in the county of residence.
- R. Once a final determination of eligibility has been received, the Medicaid Program Supervisor reviews the documents and enters the corresponding results on the offender's HS81 screen. If the offender has been deemed eligible, the dates of eligibility are reviewed to make certain that coverage of the dates of service match. The eligibility documentation contains the offender's Medicaid number. This number is entered onto the offender's OR34 screen. Offenders deemed ineligible may have their case appealed if there is sufficient documentation to prove eligibility or if it is ascertained that the determination process may have been flawed. The Medicaid Social Worker and Medicaid Program Supervisor, in conjunction with the Social Work Program Director, will make a determination regarding those case that will be contested.
- S. Redetermination of eligibility may be necessary when a Medicaid eligible offender is re-hospitalized, and their eligibility dates have expired. The redetermination process is similar to the application process with the exception that medical records only have to cover the period since the original Medicaid application was forwarded to the county.
- T. The Social Work Program Director and the Medicaid Program Supervisor will work closely with DHHS/DMA representatives to address and implement refinements in the process of the determination of eligibility and to integrate steps to suspend rather than terminate Medicaid benefits for incarcerated individuals.

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