

**SUBCHAPTER 23G – MEDICAID CERTIFICATION, CORRECTION OF ELIGIBILITY AND  
REDETERMINATION OF ELIGIBILITY**

**SECTION .0100 – MEDICAID CERTIFICATION**

**10A NCAC 23G .0101 CERTIFICATION AND AUTHORIZATION**

*History Note: Authority G.S. 108A-54; 42 C.F.R. 435.112; 42 C.F.R. 435.914;  
Eff. September 1, 1984;  
Amended Eff. March 1, 1993; August 1, 1990;  
Transferred from 10A NCAC 21B .0405 Eff. May 1, 2012;  
Repealed Eff. June 1, 2019.*

**SECTION .0200 – CORRECTION OF ERRONEOUS ELIGIBILITY**

**10A NCAC 23G .0201 GENERAL**

(a) The county department of social services shall correct prior actions according to Rules .0202 and .0203 in this Section when the county department of social services discovers that prior actions were eligibility errors, as defined by 42 CFR 431.804, which is incorporated by reference with subsequent amendments and editions, available free of charge at <https://www.ecfr.gov/>, or the recipient's circumstances have changed from the last eligibility determination.

(b) Information leading to corrections may be reported by the recipient, medical providers, State agencies, or any other source with knowledge about the recipient's circumstances that impact eligibility.

*History Note: Authority G.S. 108A-54; 108A-54.1B; 42 C.F.R. 431.246; 42 C.F.R. 435.916;  
Eff. September 1, 1984;  
Amended Eff. June 1, 1990;  
Transferred from 10A NCAC 21A .0601 Eff. May 1, 2012;  
Readopted Eff. June 1, 2019.*

**10A NCAC 23G .0202 CORRECTIVE ACTIONS**

- (a) Corrections in an applicant's or recipient's case shall be made by the county department of social services when:
- (1) An individual was discouraged from filing an application, as described in 10A NCAC 23C .0101;
  - (2) An appeal or court decision overturns an earlier adverse decision;
  - (3) The certification periods of financially responsible persons need to be adjusted to coincide with the individual's certification period;
  - (4) Information received from any source undergoes verification, as defined in 10A NCAC 23A .0102, by the county department of social services and is found to change the amount of the recipient's deductible, patient liability, authorization period, or otherwise affect the recipient's eligibility status;
  - (5) Additional medical bills or medical expenses that are verified by the county department of social services establish an earlier Medicaid effective date;
  - (6) The agency made an administrative error including:
    - (A) An eligibility error, as defined by 42 CFR 431.804, that resulted in assistance being incorrectly terminated or denied;
    - (B) Failure to act on information received; or
    - (C) Incorrect determination of the authorization period, Medicaid effective date, or erroneous data entry;
  - (7) Monitoring of application processing by the Division of Health Benefits (Division), as required by 42 C.F.R. 431, Subpart P, shows an application was denied, withdrawn, or a person was discouraged from applying for assistance; or
  - (8) The Division determines the county failed to follow federal regulations or State rules to authorize eligibility.
- (b) Corrections in an applicant's or recipient's case shall be made by the Division when:
- (1) Information is received from county departments of social services, medical providers, the public, clients, or Division staff showing that a terminated case has errors in the Medicaid eligibility

- segments, Medicare Buy-In effective date, eligible household members, Community Alternatives Program (CAP) indicators and effective dates, or other data that is causing valid claims to be denied;
- (2) The county department of social services fails to take required corrective actions; or
- (3) An audit report from State auditors or the Division shows verified errors in the Medicaid eligibility history.

*History Note: Authority G.S. 108A-54; 108A-54.1B; 42 C.F.R. 431.246; 42 C.F.R. 431, Subpart P; 42 C.F.R. 435.903; Eff. June 1, 1990; Temporary Amendment Eff. March 1, 2003; Amended Eff. August 1, 2004; Transferred from 10A NCAC 21A .0602 Eff. May 1, 2012; Readopted Eff. June 1, 2019.*

### **10A NCAC 23G .0203 TIME LIMITS FOR CORRECTIONS**

- (a) The county department of social services and Division shall make corrections required by Rule .0202 of this Section within 30 days after discovery of the need for action unless good cause exists to extend the time limit.
- (b) For the purposes of this Rule, "good cause" is limited to:
  - (1) The need of the county department of social services to obtain verification, as defined at 10A NCAC 23A .0102, of other conditions of eligibility before authorizing eligibility;
  - (2) The county department of social services is unable to locate the applicant or recipient; or
  - (3) The county department of social services disagrees with a decision requiring corrective action and requests administrative review by the Division. In the case of disagreement under Rule .0202(a)(2) of this Section, administrative review by the Division shall be limited to decisions issued pursuant to G.S. 108A-79(j).
- (c) To receive State and federal financial participation in any benefits authorized retroactively by corrective actions, the effective date of the correction must correspond with the date assistance would have been effective but may be no earlier than the following dates:
  - (1) Retroactive to the date ordered by the appeal or court decision if all eligibility conditions are met, including any legal retroactive coverage period associated with the adverse action;
  - (2) Retroactive to the date that all requirements of eligibility are met but no earlier than the 12<sup>th</sup> month immediately preceding the month the change is reported or the administrative error was discovered; or
  - (3) Retroactive to the date required for corrective action due to errors cited from monitoring under application processing standards in 10A NCAC 23C .0202.
- (d) If the change is adverse to the recipient, it shall be effective the first calendar month following expiration of the 10 business day advance notice period, as defined in 10A NCAC 23A .0102.

*History Note: Authority G.S. 108A-54; 108A-54.1B; 42 C.F.R. 431.246; 42 C.F.R. 431.250; 42 C.F.R. 435.903; Eff. June 1, 1990; Temporary Amendment Eff. March 1, 2003; Amended Eff. August 1, 2004; Transferred from 10A NCAC 21A .0603 Eff. May 1, 2012; Readopted Eff. August 1, 2019.*

### **10A NCAC 23G .0204 RESPONSIBILITY FOR ERRORS**

- (a) The Division shall be financially responsible for costs resulting from the erroneous issuance of benefits and Medicaid claims payments when:
  - (1) Policy guidance given by the Division or its agents is erroneous and the Division determines that is the sole cause of any erroneous benefits or payments;
  - (2) A systems failure at the State computer center occurs on the last cutoff date of the month preventing the county DSS from data entering case terminations or adverse actions; or
  - (3) Any other failure or error the Division determines is attributable solely to the State occurs.
- (b) The county department of social services shall be financially responsible for costs resulting from the erroneous issuance of benefits and Medicaid claims payments when it:

- (1) Authorizes retroactive eligibility outside the dates permitted by federal regulations or Rule .0203 of this Section;
- (2) Fails to send required notices of patient liability or deductible balance to medical providers;
- (3) Fails to end-date special coverage indicators such as Community Alternatives Program (CAP) in the State eligibility information system;
- (4) Enters an authorization date in the eligibility system that is earlier than the effective date of eligibility;
- (5) Fails to determine the availability of or fails to enter data on third-party resource information in the State eligibility information system;
- (6) Terminates a case or individual after the Medicaid ID card has been issued;
- (7) Fails to initiate application for Medicare Part B coverage for recipients who are eligible, but refuse or are unable to apply for themselves; or
- (8) Takes any other action that requires payment of Medicaid claims for an ineligible individual, for ineligible dates, or for an amount that includes a recipient's liability and for which the State cannot claim federal participation.

(c) The amounts to be charged back shall be determined pursuant to G. S. 108A-25.1A(c).

*History Note:* Authority G.S. 108A-25.1A; 108A-54; 108A-54.1B; 42 C.F.R. 433.32; 42 C.F.R. 435.903; Eff. June 1, 1990;  
Amended Eff. May 1, 1992;  
Transferred from 10A NCAC 21A .0604 Eff. May 1, 2012;  
Readopted Eff. June 1, 2019.

## **SECTION .0300 – REDETERMINATION OF ELIGIBILITY AND CHANGE IN SITUATION**

### **10A NCAC 23G .0301 TIME AND CONTENT**

*History Note:* Authority G.S. 108A-54; 42 C.F.R. 435.916;  
Eff. September 1, 1984;  
Amended Eff. August 1, 1990;  
Transferred from 10A NCAC 21B .0501 Eff. May 1, 2012;  
Expired Eff. August 1, 2016 pursuant to G.S. 150B-21.3A.

### **10A NCAC 23G .0302 INTERVIEW**

A redetermination interview shall be conducted with the client or his representative in either the client's place of residence or the county agency office. During the interview, all eligibility requirements, rights and responsibilities and referrals for other agency services are explained.

*History Note:* Authority G.S. 108A-54; 42 C.F.R. 435.916;  
Eff. September 1, 1984;  
Amended Eff. August 1, 1990;  
Transferred from 10A NCAC 21B .0502 Eff. May 1, 2012;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 23, 2016.

### **10A NCAC 23G .0303 RECOMMENDATION**

*History Note:* Authority G.S. 108A-54; 42 C.F.R. 435.919;  
Eff. September 1, 1984;  
Amended Eff. August 1, 1990;  
Transferred from 10A NCAC 21B .0503 Eff. May 1, 2012;  
Repealed Eff. June 1, 2019.

### **10A NCAC 23G .0304 CHANGE IN SITUATION**

(a) For the purposes of this Rule, a "change in situation" includes:

- (1) Change of address;

- (2) Change in living arrangement;
- (3) Adding or deleting a budget unit member;
- (4) Increase or decrease in income;
- (5) Change in reserve;
- (6) Cessation of disability or blindness;
- (7) Parent or parents are no longer incapacitated or unemployed;
- (8) Change in responsible relative; or
- (9) Change in Medicaid program category.

(b) The Medicaid client or his or her representative shall report any change in situation in the budget unit or household as defined by 42 C.F.R. 435.603 that affects eligibility to the county department of social services within 10 calendar days of knowledge of the change. 42 C.F.R. 435.603 is incorporated by reference, including subsequent amendments and editions, available and free of charge at <https://www.ecfr.gov>.

(c) Once the county department of social services learns from any source that there has been a change in situation that affects eligibility, it shall verify that information by reviewing its files or electronically as defined by 42 C.F.R. 435.949, which is incorporated by reference including subsequent amendments and editions, and available free of charge at <https://www.ecfr.gov>. When the change in situation cannot be verified from its files or electronically, it shall send a notice of the need to obtain verification, as defined by 10A NCAC 23A .0102, of the change. No notice shall be sent if the change in situation can be verified in the county department of social services' files or electronically.

(d) For Medicaid applications, the application processing standards set forth in 10A NCAC 23C .0201 shall apply.

(e) For an active case with an ongoing certification period, once the county department of social services learns from any source that there has been a change in situation, it shall review the case and determine eligibility. Processing shall be completed within 30 calendar days after the agency learns of the change.

*History Note: Authority G.S. 108A-54; 108A-54.1B; 42 C.F.R. 435.603; 42 C.F.R. 435.916; 42 C.F.R. 435.949; Eff. September 1, 1984; Amended Eff. August 1, 1990; Temporary Amendment Eff. August 22, 1996; Amended Eff. August 1, 1998; Transferred from 10A NCAC 21B .0409 Eff. May 1, 2012; Readopted Eff. October 1, 2019.*