



North Carolina Department of Health and Human Services
Division of Medical Assistance

Pat McCrory
Governor

Aldona Z. Wos, M.D.
Ambassador (Ret.)
Secretary DHHS

Sandra Terrell, MS, RN
Acting Director

January 6, 2014

Dear County Directors of Social Services:

Effective January 1, due to new eligibility rules and requirements under the Affordable Care Act (Obamacare), 70,253 children were switched from NC Health Choice to Medicaid. As a result, the N.C. Department of Health and Human Services (DHHS) had to issue new Medicaid identification (ID) cards to these children, and it has been determined that 48,752 cards were mailed to the incorrect parent or responsible adult of these recipients. The incorrect card shows the child's name, Medicaid identification number, date of birth and primary care physician's name and physician's address. **NO SOCIAL SECURITY NUMBERS WERE RELEASED.**

In light of this mistake, many clients began to contact your offices with questions about a child's Medicaid ID card. If you receive phone calls from clients asking what to do, please inform them that DHHS will send a letter to the parent or responsible adult of all affected recipients with an explanation and notifying them that they will be receiving a new Medicaid ID card with a new Medicaid ID number in approximately three weeks.

Please advise any clients who call with questions that until a new Medicaid ID card is issued, Medicaid eligible children impacted by this incident may continue to access medical services by using their NC Health Choice ID number or card. DHHS is also working with providers and provider associations to remind them of their obligation to verify a Medicaid beneficiary's eligibility and identity each time a service is rendered. DHHS is also taking steps to flag the affected Medicaid ID numbers within its computer systems to carefully monitor their use.

Clients who received an incorrect card are being advised to immediately destroy it by shredding or cutting it into small pieces. They are also being advised that they can turn in the card to their county department of social services if they prefer. If a client returns an incorrect Medicaid ID card, please verify that it is not, in fact, their child's Medicaid card and please take immediate and appropriate steps to destroy it by shredding it.

www.ncdhhs.gov • www.ncdhhs.gov/dma
Tel 919-855-4100 • Fax 919-733-6608

Location: 1985 Umstead Drive • Dorothea Dix Hospital Campus • Raleigh, NC 27603
Mailing Address: 2501 Mail Service Center • Raleigh, NC 27699-2501
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Please find an attached FAQ document to help answer any questions.

A handwritten signature in black ink, appearing to read "Sandra Terrell". The signature is fluid and cursive, with a large initial 'S' and a long, sweeping underline.

Sandra Terrell,
Acting Medicaid Director

CC:

Wayne Black, Director of the Division of Social Services
Sherry Bradsher, Deputy Secretary of Human Services
Mark Payne, DHHS Chief of Staff
Emery Milliken, DHHS General Counsel
Ricky Diaz, DHHS Communications Director
Tammy Schrenker, County Director's Association

Frequently Asked Questions – Medicaid Cards Incorrectly Mailed to Recipients

Q: Who is impacted by this error and why?

A: To comply with new requirements of the Affordable Care Act eligibility rules, 70,253 children were switched from NC Health Choice to Medicaid. As a result, the N.C. Department of Health and Human Services (DHHS) issued new Medicaid cards to recipients who transitioned from NC Health Choice to Medicaid. DHHS has determined 48,752 of these new Medicaid cards were mailed to the incorrect recipients on December 30, 2013.

Q: What information was on the Medicaid cards?

A: The incorrect card shows the child's name, Medicaid identification number, date of birth and primary care physician name and physician address. Social Security numbers are not on the Medicaid ID card and were not disclosed.

Q: What went wrong?

A: The mistake occurred because of human error in computer programming and the quality assurance process in printing the new Medicaid identification cards. A program was developed to extract the information from the eligibility database to generate the mailing, but utilized the incorrect name and address for the parent or responsible adult. DHHS knows exactly which Medicaid cards were sent to which addresses, and is rapidly working to issue correct Medicaid ID cards with new Medicaid ID numbers.

Q: When will I get my correct Medicaid ID card?

A: You will receive a new Medicaid ID card in the mail in approximately three weeks with a new Medicaid ID number printed on it. Issuing new Medicaid ID numbers means the mistakenly sent Medicaid ID cards will be invalid, helping to mitigate any misuse.

Q: Who has my child's Medicaid ID card?

A: Some Medicaid cards were mistakenly sent to the wrong address. DHHS knows exactly which Medicaid ID cards were sent to which addresses. Issuing new Medicaid ID cards are issued with new Medicaid ID numbers, the mistakenly sent cards will be invalid.

Q: Was this incident related to NCFast and/or NCTracks?

A: No.

Q: What do I do with the mistakenly sent Medicaid ID card?

A: Immediately destroy the mistakenly sent Medicaid ID card by shredding or cutting it into small pieces. If you prefer, you can also take the card to your county department of social services. Find an office here: <http://www.ncdhhs.gov/dss/local/>.

Q: Do Medicaid eligible individuals impacted still have Medicaid coverage?

A: Yes, this incident should not affect Medicaid coverage or benefits. In the meantime, Medicaid eligible children needing services without a correct Medicaid ID card may use their NC Health Choice ID number or card. Providers are also able to verify Medicaid eligibility through the usual means in order to deliver services to patients.

Q: What is a Medicaid identification number?

A: A Medicaid identification number is found on your Medicaid ID card, and is similar to a health insurance policy number. It cannot be used to find out your social security number.

Q: Is DHHS worried about Medicaid fraud?

A: DHHS is always concerned about Medicaid fraud and is working to flag the affected Medicaid ID numbers within its computer systems to treat them with extra scrutiny and caution. DHHS will be alerted if affected cards are used.

Q: What is DHHS doing to mitigate the potential for fraudulent activities to occur as a result of this incident?

A: DHHS is in the process of issuing new Medicaid ID cards with new Medicaid ID numbers, and has also communicated with providers and provider associations to remind them of their obligation to verify a Medicaid beneficiary's eligibility and identity each time a service is rendered. DHHS will also flag the affected Medicaid ID numbers within its computer systems to carefully monitor their use. Remember – using or allowing someone to use a Medicaid card for someone other than the individual named on the Medicaid card is fraudulent.

Q: Who can I contact if I have questions?

A: If impacted individuals have questions, they are advised to call the DHHS Customer Service Center telephone number located on the front of their Medicaid or N.C. Health Choice card, 1-800-662-7030. The DHHS Customer Service Center is open during normal business hours, Monday – Friday, 8:00am – 5:00pm.