



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

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Secretary DHHS

Robin Gary Cummings, M.D.  
Deputy Secretary for Health Services  
Director, Division of Medical Assistance

August 28, 2014

Dear County Department of Social Services Director:

Over the past three months County Departments of Social Services have made dramatic progress in reducing the number of untimely Medicaid applications from a high of 104,000 to just over 26,000 and we are well on the way to meet the August time frame we established to complete the ACA back log. DHHS commends each of you and your staff for the hard work and commitment that has been devoted to this important task.

As stated previously during conference calls, North Carolina has received approval from the Centers for Medicare and Medicaid Services (CMS) for County Departments of Social Services to receive 75% reimbursement for Medicaid eligibility functions performed in the Eligibility Information System (EIS). This approval is retroactive to June 1, 2014. On August 25, 2014, SIS change notice #04-14 was sent out providing instructions for coding time in EIS to 75% reimbursement retroactive to the June service month. As we complete hard launch over the next few months, counties can expect to be able to claim 75% reimbursement for Medicaid eligibility functions throughout SFY 2014-2015 and ongoing.

In response to the June 13, 2014 Dear County Director Letter, every county has submitted an Accelerated Medicaid Processing Plan (AMPP). While each of these plans remains in force, we do note that almost every county has relied on compensatory time and/or paid overtime to reduce the number of overdue Medicaid applications. We have heard from many of you that the stress on staff has increased over the past few months. Continuing to rely on compensatory or paid overtime alone does not constitute a sustainable plan for managing the present and future workload.

We strongly encourage counties to evaluate your current staffing situation and determine staffing needs going forward. The approval from CMS for 75% reimbursement in EIS is based upon our counties investing savings in needed resources to "successfully conquer the challenges of ACA MAGI application backlogs, MAGI recertifications and the rollout of NC FAST." Decisions about staffing must take into account the increase in applications expected during each annual ACA open enrollment period.

Department staff will be contacting you to discuss your plans reflecting the resources needed to successfully prepare for and meet the challenges that lie ahead. These plans are critical to NC's success and must reflect each county's on-going capacity for:

1. Maintaining the Food and Nutrition Services workload for both applications and recertifications,
2. Eliminating all untimely Medicaid applications;
3. Eliminating all untimely Medicaid recertifications;

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4. Successful implementation of the next phases of hard launch as scheduled with NC FAST;
5. Preparation for the **November 15, 2014** Annual Open Enrollment Period for Healthcare.gov and the anticipated next wave of Medicaid applications being transferred to North Carolina;
6. Preparation for full conversion to NC FAST with the CMS waiver for MAGI recertifications in EIS **ending on December 31, 2014**;
7. Achieving a sustainability plan for timely and accurate processing of applications and recertifications for all programs, maintenance of quality customer service, and implementation of effective work support strategies on an ongoing basis.

NC FAST is working to implement the recommendations provided through the DSS Directors Association, strengthen the Help Desk, reduce the number of system defects and enhance user experience with the software. A fully functional Operational Support Team is trained and ready to assist counties with policy and business process support. Our Local Support Managers and leadership of our Division and Department are available to provide guidance and support.

With the full implementation of NC FAST, we are creating a new landscape for the administration of public assistance programs in North Carolina. New business processes will increase the efficiency of our operations and our capacity to provide assistance in a timely and accurate manner. It is imperative that every county reinvest in the resources that will help sustain the accomplishments that have been made over the past months.

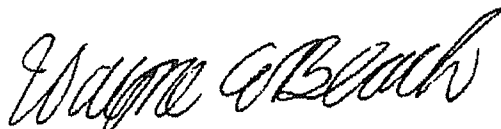
Please contact us with questions or for assistance in assessing and planning for needed resources to sustain success in meeting future challenges. You may contact our Local Support Managers, Christy Nash (252) 375-0553 or Darrell Renfroe (828) 230-1912; or Sheila Platts (DMA) at (919) 855-4023 or Wayne Black (DSS) at (919) 527-6336.

Thank you for your continued commitment to the provision of timely and efficient services to the residents of North Carolina.

Sincerely,



Robin Gary Cummings, MD  
Deputy Secretary for Health Services  
Director, Division of Medical Assistance



Wayne E. Black  
Director, Division of Social Services