



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

Pat McCrory
Governor

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

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

October 21, 2014

Dear County Department of Social Services Director:

Counties have worked very hard over an extended period of time to meet case processing challenges in Food and Nutrition Services (FNS) and Medicaid. As reflected in the Accelerated Medicaid Processing Plans (AMPP) all 100 counties relied on compensatory time and/or overtime to help meet these unprecedented challenges. The purpose of this letter is to detail the challenges that lie ahead and to emphasize the need for all counties to reinvest county savings that will accrue from the retro and ongoing 75 percent Medicaid administrative reimbursement.

All counties must plan for needed resources to achieve and maintain both timeliness and accuracy in administering major public assistance programs. County Directors, County Managers and governing bodies need to consider the following factors in planning and budgeting for needed staff and other resources.

- **FNS case processing requirements for applications and recertifications**
USDA requires that timely FNS recertifications be processed by the **last working day of the month**. At the present time a significant growing number of recertifications are not being processed in accordance with USDA requirements. While this does not mean that households are not receiving their benefits by the issuance date, USDA holds North Carolina accountable for meeting these standards as a condition of receiving administrative reimbursement. Failure to achieve and maintain timeliness standards could result in suspension of Federal administrative reimbursement to counties.
- **Medicaid Applications**
We must continue to focus on eliminating untimely Medicaid applications. While counties have done a great job of pulling resources together and significantly reducing the over 104,000 overdue Medicaid applications since May 2014, approximately 12,000 untimely applications remain to be processed.
- **Healthcare.gov Open Enrollment**
It is important to note that the Annual Open Enrollment Period for Healthcare.gov begins **November 15, 2014** and runs through **February 15, 2015**. We must anticipate a next wave of Medicaid applications being transferred to North Carolina. More than 90,000 applications were received from the Federally Facilitated Marketplace (FFM) during the last enrollment period. Adequate resources are essential to assure timely processing of these additional applications.

It is also important to remember that Open Enrollment for ACA will continue to occur on an annual basis, creating a spike in the Medicaid workload for several months each year.

www.ncdhhs.gov

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- **Medicaid Recertifications**

We must continue to eliminate untimely Medicaid recertifications. The approval from CMS for 75% reimbursement in NC FAST and EIS is based upon counties investing savings in needed staff to “successfully conquer the challenges of ACA MAGI application backlogs, MAGI recertifications and the rollout of NC FAST.” The CMS waiver for MAGI recertifications in EIS **ends on December 31, 2014**, at which time untimely Medicaid recertifications are to be completed. Counties are averaging completing approximately 82,000 reviews each month. There are currently approximately 380,000 recertifications that are due to be completed by the December deadline.

- **NC FAST Hard Launch**

By early November, all counties will have completed the next phase of hard launch as scheduled in NC FAST. Counties are finding that the time needed for full conversion of cases from the EIS legacy system to NC FAST prior to processing recertifications takes up to 2 ½ hours. As cases come up for review over the next year, this additional workload will extend as the full conversion from EIS to NC FAST is completed. This is a one-time effort but does require a significant investment of staff time to complete the conversion process. We continue to encourage counties that have not Hard Launched to enter all new applications in NC FAST and to work down all pending applications and recertifications in EIS.

- **Sustainability Planning**

It is necessary that each county develop a sustainability plan for timely and accurate processing of applications and recertifications for all income support programs, assuring quality customer service, and implementation of effective work support strategies on an ongoing basis.

The attached chart documents the increase in eligible recipients for both FNS and Medicaid over the past several years. As noted previously, many counties have seen dramatic increases in the caseloads of both programs. As we continue to work through the backlog of cases in FNS and Medicaid, every county has relied on compensatory time and/or paid overtime to reduce the number of overdue applications. We have heard from many of you that the stress on staff has increased over the past several months. Comparing growth in program eligibles vs. staffing since August 2008, is a critical and necessary step in evaluating resources needed.

County directors should work with their Boards and County management leadership to assess their ongoing staffing. Continuing to rely on compensatory or paid overtime alone does not constitute a sustainable plan for managing the present and future workload.

Counties should take into consideration the nearly 90,000 Medicaid applications that came in from Healthcare.gov. Processing the applications added significantly to the county workload. In addition, the impact of many incomplete applications coming in from Healthcare.gov and ePASS, and the staff time needed to contact clients and gather necessary information, should also be considered in planning for needed resources.

- **Customer Service**

We continue to receive complaints from customers who are unable to speak with DSS staff. We encourage you and your staff to make a renewed commitment to providing excellent customer service. Several counties have added call centers or dedicated staff to answer customer phone calls.

DHHS is continuing to focus on areas of support for county departments of social services, including, strengthening the NC FAST Help Desk, working to reduce the number of system defects and enhancing user experience with the software. DHHS has a fully staffed Operational Support Team (OST). The OST is available to assist counties with policy and business process support. The priority for the OST for the next couple of months will be assisting the NC FAST Help Desk with policy, supporting counties in answering policy questions and conducting training and webinars on Medicaid and MAGI. Local Support Managers and Local Business Liaisons are also available to assist counties. In addition, NC FAST has added a report entitled, "Total Pending FNS and Medicaid Work by County" which provides the status of pending applications and recertifications by county for each program. Staff from the Division of Medical Assistance and the Division of Social Services is available to provide guidance and support in assisting Directors in determining agency needs.

If you have any questions concerning these instructions or need assistance in determining your agency's needs, you may contact either the Local Support Managers, Christy Nash at 252-375-0553 or Darrell Renfroe at 828-230-1912; or DMA Assistant Director Sheila Platts at 919-855-4023 or DSS Director Wayne Black 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, M.D.
Deputy Secretary for Health Services
Director, Division of Medical Assistance



Wayne E. Black
Director, Division of Social Services

Attachment

cc: Rebecca Troutman
County Managers
County Finance Officers
County Human Services Directors or Asst. County Managers for Human Services

COMPARISON OF ELIGIBLES FOR THE SERVICE MONTH OF AUGUST

COUNTY	Medicaid - Includes TANF, HC and SA Recipients							Food & Nutritional Services							
	Eligibles In August of Indicated Year							Eligibles In August of Indicated Year							
	2008	2009	2010	2011	2012	2013	Percentage change from 2008 to 2013	2008	2009	2010	2011	2012	2013	2014	Percentage change from 2008 to 2014
ALAMANCE	22,791	24,890	26,322	26,801	28,591	29,171	0.280	13,736	18,547	22,087	24,488	25,010	25,710	24,800	0.805
ALEXANDER	5,709	6,270	6,670	6,771	6,910	6,887	0.206	3,777	4,783	5,723	6,339	6,328	5,895	5,701	0.509
ALLEGHANY	2,157	2,281	2,324	2,396	2,382	2,413	0.119	1,155	1,463	1,592	1,868	1,909	2,016	1,876	0.624
ANSON	6,261	6,505	6,479	6,666	6,858	6,818	0.089	4,989	5,702	6,314	6,941	7,180	6,938	6,975	0.398
ASHE	4,941	5,250	5,362	5,370	5,405	5,402	0.093	2,727	3,530	3,904	4,591	4,754	4,986	4,724	0.732
AVERY	3,026	3,206	3,202	3,254	3,318	3,306	0.093	1,513	1,932	2,270	2,553	2,570	2,521	2,469	0.632
BEAUFORT	10,133	10,518	10,838	10,950	11,193	11,444	0.129	6,334	7,468	8,731	9,540	10,217	10,034	10,259	0.620
BERTIE	5,746	5,848	5,950	5,860	5,857	5,760	0.002	4,282	4,802	5,324	5,987	6,164	6,176	6,038	0.410
BLADEN	8,929	9,178	9,307	9,433	9,493	9,254	0.036	5,758	6,545	7,973	8,764	8,951	8,747	8,892	0.544
BRUNSWICK	15,539	17,033	17,488	18,204	19,038	19,262	0.240	8,627	11,577	13,853	16,328	16,862	17,233	17,181	0.992
BUNCOMBE	37,256	39,226	40,743	41,965	43,768	43,527	0.168	21,455	27,612	34,133	39,156		38,772	38,481	0.794
BURKE	15,823	17,076	17,600	17,926	18,353	18,566	0.173	9,722	12,528	14,561	16,130	16,750	14,662	15,713	0.616
CABARRUS	22,774	25,217	27,109	28,218	30,210	30,394	0.335	15,202	19,425	23,513	26,494	26,833	18,571	24,705	0.625
CALDWELL	15,067	16,342	16,997	17,478	18,043	17,571	0.166	10,832	13,744	15,510	17,451	17,288	11,683	15,277	0.410
CAMDEN	1,040	1,143	1,177	1,206	1,231	1,252	0.204	632	774	935	1,038	1,136	1,076	1,008	0.595
CARTERET	8,687	9,566	9,831	9,672	9,930	10,214	0.176	5,127	6,932	7,817	8,589	1,909	8,958	9,154	0.785
CASWELL	4,898	5,158	5,290	5,230	5,217	5,179	0.057	3,743	4,188	4,712	5,185	5,167	5,172	5,167	0.380
CATAWBA	24,793	26,513	27,382	28,162	29,618	29,876	0.205	17,505	22,431	25,937	29,008	4,108	29,128	28,225	0.612
CHATHAM	7,279	7,774	8,074	8,100	8,329	8,508	0.169	3,507	4,460	5,335	6,238	6,388	7,414	6,662	0.900
CHEROKEE	5,282	5,675	5,806	5,769	5,834	5,810	0.100	2,868	3,722	4,364	5,007	5,075	4,959	5,026	0.752
CHOWAN	3,188	3,316	3,496	3,492	3,496	3,340	0.048	2,486	2,900	3,254	3,556	3,598	3,445	3,379	0.359
CLAY	1,877	2,024	2,067	2,131	2,151	2,164	0.153	1,372	1,802	2,064	2,203	2,183	2,097	1,946	0.418
CLEVELAND	21,476	22,889	23,702	23,825	24,544	24,631	0.147	15,643	19,589	22,480	24,426	24,921	24,383	24,804	0.586
COLUMBUS	16,068	16,567	16,818	16,760	17,066	16,864	0.050	9,937	11,378	13,178	14,536	14,745	13,142	13,687	0.377
CRAVEN	14,940	15,847	16,416	16,449	16,958	16,883	0.130	10,056	12,331	14,144	15,961	16,380	15,170	16,733	0.664
CUMBERLAND	53,850	57,613	60,448	63,205	65,449	65,808	0.222	43,513	51,338	59,973	66,807	67,957	64,888	71,501	0.643
CURRITUCK	2,456	2,721	2,803	2,782	2,850	2,772	0.129	1,496	1,863	2,230	2,404	2,426	2,465	2,444	0.634

COUNTY	Medicaid - Includes TANF, HC and SA Recipients						
	Eligibles In August of Indicated Year						
	2008	2009	2010	2011	2012	2013	Percentage change from 2008 to 2013
DARE	3,297	3,753	4,012	4,216	4,527	4,595	0.394
DAVIDSON	27,339	29,232	30,227	30,981	31,831	31,709	0.160
DAVIE	5,026	5,741	6,183	6,280	6,435	6,387	0.271
DUPLIN	11,473	12,086	12,659	12,839	13,529	13,862	0.208
DURHAM	36,804	41,353	43,573	45,330	49,191	49,712	0.351
EDGECOMBE	16,567	17,424	17,977	18,217	18,456	18,568	0.121
FORSYTH	52,620	56,832	59,124	61,855	64,905	66,703	0.268
FRANKLIN	10,235	10,849	11,473	11,653	12,072	12,169	0.189
GASTON	37,294	40,206	42,367	43,924	45,212	45,088	0.209
GATES	1,848	1,885	1,958	1,945	2,019	1,968	0.065
GRAHAM	2,065	2,142	2,234	2,284	2,298	2,315	0.121
GRANVILLE	8,471	9,084	9,453	9,588	10,004	10,002	0.181
GREENE	4,408	4,666	4,782	4,847	4,901	4,841	0.098
GUILFORD	71,212	75,477	77,953	80,012	86,971	89,317	0.254
HALIFAX	15,981	16,562	16,636	16,825	16,795	16,535	0.035
HARNETT	18,604	20,089	20,800	20,893	22,565	22,635	0.217
HAYWOOD	10,194	10,887	11,412	11,479	11,906	11,748	0.152
HENDERSON	13,949	15,088	15,941	16,557	17,272	17,562	0.259
HERTFORD	6,394	6,522	6,484	6,508	6,654	6,601	0.032
HOKE	8,405	8,946	9,236	9,814	10,423	10,658	0.268
HYDE	1,242	1,220	1,207	1,178	1,208	1,231	(0.009)
IREDELL	20,582	22,980	23,540	24,218	25,029	25,035	0.216
JACKSON	5,283	5,672	6,026	6,279	6,716	6,574	0.244
JOHNSTON	27,699	30,449	32,056	33,456	34,827	35,791	0.292
JONES	2,042	2,116	2,148	2,155	2,269	2,256	0.105
LEE	10,466	11,538	11,797	12,459	13,049	13,398	0.280
LENOIR	14,256	15,173	15,476	15,522	15,806	15,746	0.105
LINCOLN	11,037	12,232	12,627	12,612	12,942	12,979	0.176
MACON	5,727	6,057	6,451	6,633	6,686	6,675	0.166

Food & Nutritional Services							
Eligibles In August of Indicated Year							
2008	2009	2010	2011	2012	2013	2014	Percentage change from 2008 to 2014
1,322	2,166	2,701	3,170	3,470	3,828	3,448	1.608
19,167	23,762	27,532	31,344	31,804	31,204	30,282	0.580
3,207	4,232	5,099	5,809	5,946	5,601	5,229	0.630
6,036	7,020	8,685	9,989	10,501	11,413	11,201	0.856
24,586	30,370	36,601	43,074	45,551	44,615	43,673	0.776
12,887	14,421	16,309	17,584	18,652	18,330	18,267	0.417
31,902	40,642	47,389	53,675	56,223	53,768	57,397	0.799
6,628	8,024	9,521	10,962	11,514	11,869	11,480	0.732
26,506	34,719	40,663	44,794	45,002	42,794	43,659	0.647
1,286	1,549	1,709	1,908	1,945	1,959	1,937	0.506
1,064	1,304	1,524	1,688	1,634	1,667	1,772	0.665
4,861	5,975	7,322	8,568	8,875	8,924	8,705	0.791
3,487	3,872	4,350	4,540	4,415	4,567	4,592	0.317
52,912	65,853	75,700	88,035	24,633	90,126	97,002	0.833
13,324	14,614	16,043	17,284	17,438	17,143	17,196	0.291
12,727	16,199	19,053	21,394	22,357	21,875	21,717	0.706
6,513	8,206	9,487	10,360	10,547	9,894	10,689	0.641
6,554	8,871	11,420	13,280	13,833	13,521	12,990	0.982
4,790	5,366	5,965	6,489	6,677	6,413	6,568	0.371
6,360	7,550	9,019	10,621	10,688	10,997	11,145	0.752
825	849	905	963	1,020	983	961	0.165
10,780	14,468	16,135	19,150	18,967	14,678	16,425	0.524
3,063	3,841	4,845	5,755	6,038	5,532	5,730	0.871
16,349	20,672	25,437	29,235	7,335	31,689	31,023	0.898
1,373	1,697	2,135	2,321	2,407	2,419	2,339	0.704
6,112	8,368	9,223	10,917	11,797	12,895	12,133	0.985
10,348	12,291	13,624	14,777	14,722	14,455	15,036	0.453
7,186	9,719	10,848	12,196	12,397	10,313	11,639	0.620
3,323	4,388	5,754	6,571	6,768	6,725	6,041	0.818

COUNTY	Medicaid - Includes TANF, HC and SA Recipients						
	Eligibles In August of Indicated Year						
	2008	2009	2010	2011	2012	2013	Percentage change from 2008 to 2013
MADISON	4,163	4,412	4,390	4,461	4,616	4,657	0.119
MARTIN	6,047	6,220	6,489	6,315	6,487	6,264	0.036
MCDOWELL	8,661	9,573	9,852	10,246	10,555	10,737	0.240
MECKLENBURG	115,809	129,353	141,163	149,114	160,907	162,817	0.406
MITCHELL	3,152	3,383	3,453	3,352	3,421	3,390	0.076
MONTGOMERY	6,640	6,864	7,001	7,109	7,328	7,246	0.091
MOORE	11,713	12,431	13,099	13,368	13,891	13,962	0.192
NASH	17,582	18,947	19,885	20,570	21,883	21,881	0.245
NEW HANOVER	24,953	26,675	28,041	29,364	30,688	30,679	0.229
NORTHAMPTON	5,974	6,135	6,135	6,209	6,229	5,955	(0.003)
ONslow	18,392	19,427	19,969	20,358	22,141	23,290	0.266
ORANGE	10,726	11,573	12,140	12,650	13,400	13,575	0.266
PAMLICO	2,262	2,304	2,406	2,379	2,326	2,342	0.035
PASQUOTANK	7,534	7,774	7,878	7,860	8,218	8,055	0.069
PENDER	8,117	8,737	9,282	9,578	10,427	10,528	0.297
PERQUIMANS	2,535	2,662	2,601	2,558	2,682	2,715	0.071
PERSON	7,019	7,293	7,606	7,603	7,965	7,958	0.134
PITT	25,860	27,649	28,429	29,826	31,071	31,065	0.201
POLK	2,529	2,831	2,967	3,028	3,144	3,051	0.206
RANDOLPH	25,112	27,381	28,019	28,401	28,939	29,215	0.163
RICHMOND	12,621	13,172	13,498	13,665	14,217	14,191	0.124
ROBESON	39,961	41,978	43,895	44,673	45,966	45,945	0.150
ROCKINGHAM	18,365	19,516	19,701	20,049	20,502	20,675	0.126
ROWAN	23,872	26,339	27,296	28,226	29,532	29,388	0.231
RUTHERFORD	13,281	14,583	14,996	15,035	15,488	15,772	0.188
SAMPSON	15,511	16,609	16,978	17,238	17,936	17,803	0.148
SCOTLAND	11,109	11,176	11,125	11,220	11,625	11,669	0.050
STANLY	9,915	10,729	11,290	11,459	11,786	11,743	0.184
STOKES	6,842	7,093	7,335	7,572	7,859	7,868	0.150

Food & Nutritional Services							
Eligibles In August of Indicated Year							
2008	2009	2010	2011	2012	2013	2014	Percentage change from 2008 to 2014
2,450	3,137	3,764	4,238	4,320	4,009	3,842	0.568
4,155	4,655	5,324	5,755	6,029	5,539	6,066	0.460
5,006	6,671	7,720	9,092	9,791	10,038	9,609	0.919
89,710	117,822	137,066	155,316	157,499	150,125	163,087	0.818
1,755	1,949	2,213	2,526	2,584	2,721	2,583	0.472
4,040	4,626	5,273	5,898	6,002	5,951	5,513	0.365
7,105	8,293	9,504	10,713	10,912	11,192	11,094	0.561
11,664	13,984	16,531	18,400	18,931	16,109	18,265	0.566
15,939	19,222	23,830	27,935	29,543	29,606	30,304	0.901
4,742	5,349	5,933	6,443	6,447	6,024	6,019	0.269
12,547	14,164	16,013	18,260	19,730	18,265	22,214	0.770
6,847	8,499	9,915	11,509	12,170	12,793	12,113	0.769
1,455	1,652	1,950	2,124	2,051	1,791	1,991	0.368
5,120	5,953	6,881	7,974	8,336	8,185	8,253	0.612
5,239	6,459	8,087	8,991	9,416	9,545	9,425	0.799
1,924	2,290	2,442	2,757	2,776	2,711	2,745	0.427
5,017	5,860	6,991	7,665	7,831	7,630	7,693	0.533
20,972	24,582	27,880	32,451	34,262	29,050	33,053	0.576
1,611	2,099	2,519	2,861	2,863	2,805	2,725	0.691
16,175	20,068	22,890	26,337	26,914	26,068	25,662	0.587
8,798	10,294	11,815	13,280	13,959	12,960	14,009	0.592
28,744	33,999	40,147	45,970	46,429	44,807	45,026	0.566
10,785	13,478	15,645	17,837	18,384	17,543	18,556	0.721
14,386	18,949	22,753	26,211	26,997	25,419	25,792	0.793
8,894	11,270	13,684	15,179	15,651	15,341	15,400	0.732
9,201	11,207	13,030	14,622	14,722	15,768	14,420	0.567
8,780	9,527	10,631	11,493	11,731	10,740	11,555	0.316
6,429	7,949	9,325	10,630	10,720	8,964	10,589	0.647
3,987	4,848	5,728	6,846	7,068	6,607	6,872	0.724

COUNTY	Medicaid - Includes TANF, HC and SA Recipients						
	Eligibles In August of Indicated Year						
	2008	2009	2010	2011	2012	2013	Percentage change from 2008 to 2013
SURRY	14,660	15,477	15,980	16,319	16,583	16,442	0.122
SWAIN	3,282	3,585	3,749	3,804	3,855	3,926	0.196
TRANSYLVANIA	4,797	5,051	5,140	5,222	5,431	5,455	0.137
TYRRELL	940	949	970	969	903	883	(0.061)
UNION	19,930	22,694	24,054	24,789	26,020	26,664	0.338
VANCE	13,991	14,250	14,468	14,760	15,064	15,032	0.074
WAKE	80,002	87,977	94,570	99,037	105,657	108,116	0.351
WARREN	5,124	5,441	5,599	5,680	5,769	5,650	0.103
WASHINGTON	3,837	3,880	3,855	3,780	3,802	3,671	(0.043)
WATAUGA	3,899	4,116	4,303	4,233	4,432	4,423	0.134
WAYNE	24,499	25,411	26,492	27,294	28,641	28,896	0.179
WILKES	13,506	14,190	14,613	14,764	14,999	14,931	0.106
WILSON	17,206	17,980	18,629	19,039	19,738	19,698	0.145
YADKIN	5,919	6,500	6,851	7,004	7,320	7,330	0.238
YANCEY	3,566	3,807	3,824	3,817	3,941	3,925	0.101
	1,483,921	1,596,034	1,665,529	1,712,631	1,791,974	1,805,214	

Statewide increase from 8/2008 to 8/2013: 21.65 percent

2014 Medicaid Eligible data is not provided due to NC Fast Transition.

SOURCE:

Food Stamp Data obtained Statistical Reports Section on DSS Website.

Medicaid Data obtained from Data Warehouse Queries.

Food & Nutritional Services							
Eligibles In August of Indicated Year							
2008	2009	2010	2011	2012	2013	2014	Percentage change from 2008 to 2014
9,307	11,246	12,786	14,454	14,960	15,175	14,187	0.524
2,046	2,354	2,992	3,193	3,121	2,791	2,703	0.321
3,040	4,041	4,685	5,518	5,768	5,531	5,514	0.814
718	822	941	950	852	855	819	0.141
11,883	16,945	21,183	24,810	25,554	26,475	24,914	1.097
11,151	12,588	14,024	15,298	15,670	15,174	15,388	0.380
48,253	60,746	71,862	81,724	86,678	70,759	83,041	0.721
3,603	4,149	4,814	5,382	5,521	5,468	5,369	0.490
2,664	2,911	3,184	3,530	3,632	3,599	3,492	0.311
2,003	2,709	3,430	4,090	4,076	4,130	3,733	0.864
15,657	18,344	22,532	25,223	26,134	24,860	26,798	0.712
8,762	11,007	13,307	14,687	15,290	14,440	14,854	0.695
11,008	13,104	15,760	17,617	17,650	18,512	18,257	0.659
3,328	4,510	5,261	6,078	6,286	6,075	5,658	0.700
2,709	3,163	3,496	3,756	3,788	3,685	3,369	0.244
993,081	1,231,868	1,442,650	1,633,664	1,519,013	1,602,273	1,665,674	

Statewide increase from 8/2008 to 8/2014: 68 percent

For August, 2012, counties highlighted in green are undercounted due to transition to NC FAST from FSIS May-August 2012.

Buncombe County is 100% NCFAST.