



North Carolina
Department of Health and Human Services
Division of Medical Assistance
Quality Assurance - 18

1985 Umstead Drive - 2501 Mail Service Center - Raleigh, N.C. 27699-2501

Michael F. Easley, Governor
Dempsey Benton, Secretary

Tara R. Larson, Acting Director

November 13, 2008

**Re: Revised Medicaid Eligibility
Quality Control Error Forms
and Procedures**

Dear County Director of Social Services:

Effective November, 2008, Quality Assurance will be implementing new notification of errors and corrective action procedures. Additionally, new forms have been developed and the DMA-7045, Medicaid Quality Control Report of Error Finding, DMA-7078, Corrective Action Plans for Medicaid Eligibility Cases, and DMA-7084, Report of County Contact Re: MEQC Error, are obsolete and replaced with the following forms:

DMA-7001, Notice of Active Case Potential Error
DMA-7002, Active Case Error Final Report
DMA-7003, Corrective Action Report
DMA-7004, Negative Case Error Final Report

Your Medicaid Program Representative will continue to monitor the county agency Medicaid Eligibility Corrective Action process; however, completion of forms will be the responsibility of county agencies. If you have questions concerning errors, please continue to request assistance from your Medicaid Program Representative when needed.

The new procedure for Error Notification and Corrective Action is as follows:

ERROR NOTIFICATION:

Active Case Errors:

- When case review findings identify an "agency" or combination of "agency" and "client" potential error, a DMA-7001, Notice of Active Case Potential Error, will be faxed to the county agency. The error will be described and the appropriate manual citations will be identified. If the county agency concurs with the QC findings, "Concur with Finding" should be checked, the form signed, dated, and faxed to Quality Control.
- When the county agency does not concur with the findings, they can challenge findings of "agency" errors. If the county agency does not concur with the QC findings, "Rebut" should be checked and explanation completed. When an agency

rebutts factual circumstances, the burden of proof rests with the county agency. When a rebuttal deals with policy interpretation or application, the request must cite manual references. The county agency must fax the DMA-7001, Notice of Active Case Potential Error, to Quality Assurance within three work days. If the DMA-7001, Notice of Potential Error, is not received by the deadline, the error stands.

- When the error is finalized, a DMA-7002, Active Case Error Final Report, will be sent to the county agency, along with a DMA-7003, Corrective Action Report.
- Active case “client” errors cannot be rebutted by the county agency. When case review findings identify a “client” only error, the DMA-7002, Notice of Active Case Potential Error, is not faxed to county agencies. The error is final, and a DMA-7002, Active Case Error Final Report, along with a DMA-7003, Corrective Action Report, will be sent.

Negative Case Errors:

- When the case review findings identify an error, a DMA-7004, Negative Case Error Final Report will be sent to the county agency, along with a DMA-7003, Corrective Action Report.
- Negative errors cannot be rebutted by the county agency.

CORRECTIVE ACTION:

Active Cases:

- When Quality Assurance identifies an active case eligibility error, the county agency must take action to correct the error(s) identified.
- Corrective action to reduce future errors and to prevent misspent Medicaid dollars must be developed and implemented. The DMA-7003, Corrective Action Report, must be completed and returned to Quality Assurance and your MPR within 60 calendar days.

Negative Cases:

- When Quality Assurance identifies a negative case error, the county agency must take action to correct the error(s) identified.
- Corrective action to reduce future errors and to prevent misspent Medicaid dollars must be developed and implemented. The DMA-7003, Corrective Action Report, must be completed and returned to Quality Assurance and your MPR within 60 calendar days.

If you have any questions regarding this information, please contact your Medicaid Program Representative. For any issues that are not able to be handled through that venue, Jeryl Z.

Anderson, Program Administrator, Quality Assurance Section, will be your point of contact and can be reached at (919) 647-8000.

Sincerely,

Tara R. Larson

Attachments

North Carolina Division of Medical Assistance - Quality Assurance

NOTICE OF ACTIVE CASE POTENTIAL ERROR

Response due by

FAX TO: (919) 715-7706, ATTENTION:

***If this form is not received by the due date, the error stands as described below.

Date: _____

To: _____

_____ County Department of Social Services

Case Name:	EIS Case #:
QC Review Month:	QC Review #:
Program/Category:	Last Action: Eff. Date:

- Entire Case Ineligible Ineligible for but eligible for
 Certain Persons Ineligible Liability Overstated Liability Understated

DESCRIPTION OF PRIMARY ERROR: Agency Error Client Error

Manual Citation(s):

DESCRIPTION OF SECONDARY ERROR: Agency Error Client Error

Manual Citation(s):

**If additional space is needed, please continue on next page.*

Reviewer: _____, Quality Assurance Analyst _____, Quality Assurance Supervisor

COUNTY'S RESPONSE: (Check One) Concur with Finding Rebut (Explain)
**Note: Please fax proof/documentation/verification, etc. to support rebuttal.*

Signature: _____ **Date:** _____

**If additional space is needed, please continue on next page.*

cc: _____, MPR
Jon York, MPR Field Supervisor

**NOTICE OF ACTIVE CASE POTENTIAL ERROR
CONTINUATION PAGE**

CONTINUATION OF DESCRIPTION OF PRIMARY ERROR:

CONTINUATION OF DESCRIPTION OF SECONDARY ERROR:

CONTINUATION OF COUNTY'S RESPONSE:

North Carolina Division of Medical Assistance - Quality Assurance

ACTIVE CASE ERROR FINAL REPORT

Date: _____

To: _____

_____ County Department of Social Services

Case Name:	EIS Case #:	Program/Category:
QC Review Month:	QC Review #:	
Program/Category:	Last Action:	Eff. Date:

- Entire Case Ineligible Ineligible for _____ but eligible for _____
 Certain Persons Ineligible Liability Overstated Liability Understated

DESCRIPTION OF PRIMARY ERROR: AGENCY ERROR CLIENT ERROR

Manual Citation(s):

DESCRIPTION OF SECONDARY ERROR: AGENCY ERROR CLIENT ERROR

Manual Citation(s):

**If additional space is needed, please continue on next page.*

SUGGESTED CORRECTIVE ACTION:

Reviewer: _____, Quality Assurance Analyst _____, Quality Assurance Supervisor

cc: _____, MPR
Jon York, MPR Field Supervisor
_____, QCA

**ACTIVE CASE ERROR FINAL REPORT
CONTINUATION PAGE**

CONTINUATION OF DESCRIPTION OF PRIMARY ERROR:

CONTINUATION OF DESCRIPTION OF SECONDARY ERROR:

**DEPARTMENT OF SOCIAL SERVICES
CORRECTIVE ACTION REPORT**

***Please complete this report and return to Quality Assurance by _____.

County:	Date:
Case Name:	EIS Case #:
QC Review Month:	QC Review #:

Error Corrected: **Yes**, If checked, describe action taken
 No, If checked, explain why no correction made

Corrective Action Taken: **Yes**, If checked, describe action taken
 No, If checked, explain why no action taken

Signature: _____ **Date:** _____

Submit to:

Jeryl Z. Anderson, Program Administrator
NC Division of Medical Assistance
Quality Assurance Section - 18
2501 Mail Service Center
Raleigh, NC 27699-2501

***Note: A copy must also be sent to your Medicaid Program Representative.**

Although evidence of corrective action taken by the county will not change the initial error findings of the case, the action taken to correct the case will be reflected in the Corrective Action Measures Taken by the County in the final evaluation of the case.

North Carolina Division of Medical Assistance - Quality Assurance

NEGATIVE CASE FINAL ERROR REPORT

Case Name:	EIS Case #:
QC Review Month:	QC Review #:
Program/Category:	County:

Advance Notice Requirements: N/A
 Met
 Not Met

Case Record Indicates: Correct Action

Correct Action; however,
 Documentation Problems Found
 Verification Problems Found
 Policy Problems Found
 Other; Explain: _____

Incorrect Action, due to:
 Application Denied in Error
 Case Terminated in Error

DESCRIPTION OF ERROR:

MANUAL CITATION(S):

Reviewer: _____, Quality Assurance Analyst
_____, Quality Assurance Supervisor Date: _____

cc: _____, MPR
Jon York, MPR Field Supervisor
_____, QCA