

**Fiscal Impact Analysis of
Permanent Rule Readoption – 10A NCAC 21B**

Agency Proposing Rule Change

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

Contact Persons

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Impact Summary

Federal Government:	No Impact
State Government:	No Impact
Local Government:	No Impact
Private Individuals/Entities:	No Impact
Substantial Impact:	No

Title of Rules Changes and Statutory Citations

10A NCAC 21B – Eligibility Determination

Section .0200 – Application Process

- 10A NCAC 21B .0204 Effective Date of Assistance (Readopt)

Section .0300 – Conditions for Eligibility

- 10A NCAC 21B .0311 Transfer of Resources (Repeal)

See proposed rule text in the Appendix 1.

Statutory Authority

N.C.G.S. §§ 108A.54, 108A.54.1B

Background

Under authority of NCGS § 150B-21.3A, periodic review and expiration of existing rules, the Department of Health and Human Services, Rule Review Commission, and the Joint Legislative Administrative Procedure Oversight Committee approved the subchapter report with classifications for the rules located at 10A NCAC. 21B –Eligibility Determination. The following two rules were classified as necessary with substantive public interest: 10A NCAC 21B .0204 and .0311.

The agency is presenting 10A NCAC 21B .0204 for readoption with minor changes and 10A NCAC 21B .0311 for repeal. Since, pursuant to NCGS § 150B-21.4(d), agencies are not required to prepare a fiscal note when proposing to repeal an existing rule, this fiscal note addresses the change to 10A NCAC 21B .0204.

Rule Summary and Anticipated Fiscal Impact

Rule .0204 - Effective Date of Assistance

The agency is proposing to readopt this rule with one minor substantive change. The groups previously identified in paragraph (b)(2) of the rule are now identified in the Medicaid State Plan in Attachment 2.6A, Page 24a and Supplement 8B to Attachment 2.6-A, Page 1. All other changes to this rule are minor technical changes intended to clarify language and update rule formatting.

Fiscal Impact

There is no fiscal impact associated with this substantive change because, pursuant to NCGS § 108A-54.1B(d), the Medicaid State Plan separately has the force and effect of administrative rule. All other changes to this rule are a minor, non-substantive, technical changes. For that reason, there is no fiscal impact to federal government, state government, local governments, or private industry associated with the readoption of this rule.

1 10A NCAC 21B .0204 is proposed for readoption with substantive changes as follows:

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3 **10A NCAC 21B .0204 EFFECTIVE DATE OF ASSISTANCE**

4 (a) The first month of Medicaid coverage shall be:

5 (1) ~~the~~The month of application, or for SSI recipients, the month of application for SSI; ~~or~~

6 (2) ~~as~~As much as three months prior to the month of application when the client received medical
7 services covered by the program and was eligible during the month or months of medical need; or

8 (3) ~~if~~ the client applies prior to meeting a non-financial requirement, no earlier than the calendar
9 month in which all non-financial requirements are met.

10 (b) Assistance shall be authorized beginning on the first day of the month except when:

11 (1) ~~the~~The client's income exceeds the income level and he or she must spenddown the excess income
12 for medical care. The assistance shall be authorized on the day his or her incurred medical care
13 costs equal the amount of the excess income; or income.

14 (2) ~~For groups identified in Rule .0311, Sub item (3)(a) of this Subchapter, the client shall be authorized~~
15 ~~on the day the reserves are reduced, or incurred medical care costs equal the amount of the excess~~
16 ~~income, whichever occurs later, otherwise stated in the Medicaid State Plan.~~

17 (c) Medicaid coverage shall end on the last day of the last month of eligibility except for those individuals eligible
18 for emergency conditions only as described in 10A NCAC 23E .0102. The last month of eligibility shall be the month
19 in which notice of termination expires. ~~be:~~

20 (1) ~~The month in which timely notice of termination expires; or~~

21 (2) ~~The month in which adequate notice of termination expires.~~

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23 *History Note: Authority G.S. 108A-54; 108A-54.1B; 42 C.F.R. 435.915; ~~435.914~~; ~~42 C.F.R. 435.919~~; *Alexander*
24 *v. Bruton Consent Order dismissed Effective February 1, 2002;**

25 *Eff. September 1, 1984;*

26 *Amended Eff. January 1, 1995; October 1, 1991; August 1, 1990;*

27 *Temporary Amendment Eff. March 1, 2003;*

28 *Amended Eff. August 1, 2004; ~~2004~~.*

29 *Readopted Eff. March 31, 2018.*

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1 10A NCAC 21B .0311 is proposed for readoption as a repeal as follows:

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3 **10A NCAC 21B .0311 TRANSFER OF RESOURCES**

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5 *History Note: Authority G.S. 108A-54; 108A-58; P.L. 100-360; P.L. 100-485; 42 U.S.C. 1396p(c); 42 C.F.R.*

6 *435.121; 42 C.F.R. 435.840; 42 C.F.R. 435.841; 42 C.F.R. 435.845; S.L. 2002-126;*

7 *Eff. September 1, 1984;*

8 *Amended Eff. December 1, 1991; August 1, 1990;*

9 *Temporary Amendment Eff. April 21, 2003; March 1, 2003;*

10 *Amended Eff. August 1, 2004; ~~2004~~.*

11 *Repealed Eff. March 31, 2018.*



DEPARTMENT OF HEALTH AND HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE

ROY COOPER
GOVERNOR

MANDY COHEN, MD, MPH
SECRETARY

DAVE RICHARD
DEPUTY SECRETARY FOR MEDICAL ASSISTANCE

MEMORANDUM

TO: Office of State Budget and Management

FROM: Virginia R. Niehaus, DMA Rulemaking Coordinator

DATE: October 25, 2017

RE: Federal Certification for N.C. Department of Health and Human Services,
Division of Medical Assistance (DMA) Rule Readoption
Subchapter 21B – Eligibility Determination

Rule-making Coordinator's Certificate

As Required by GS 150B-19.1(g)
For Proposed Permanent and Temporary Rules Adopted to
Implement a Federal Law or which upon Receipt of Federal Funds is Conditioned

10A NCAC 21B .0204 is proposed for readoption to be compatible with federal regulations governing the effective dates of Medicaid coverage. This rule applies to Medicaid applicants who have been determined eligible for Medicaid as well as beneficiaries who have been determined no longer eligible.

Regulation by the State of North Carolina of effective dates of Medicaid coverage is subject to the provisions of 42 CFR § 435.915 (Effective date). The readoption of the above-named rule is necessary to comply with this federal regulation.