March 21, 2011

Re: Clarification Regarding Increased Federal Matching Funds for Translation and Interpretation Services under Medicaid and CHIP

Dear County Director of Social Services,

The letter from the Division of Medical Assistance dated January 13, 2011 noted increased Federal matching funds for translation and interpretation services under Medicaid and Health Choice. The Division has since received additional guidance from the Centers for Medicare and Medicaid Services (CMS) regarding applying the increased FMAP policy to particular situations. This letter provides additional guidance on this matter.

The second page of the January 13, 2011 letter states: “If local DSS staff works with non-English speaking Medicaid or Health Choice clients, either speaking non-English with them or speaking English in the course of enrollment, eligibility maintenance or service access, all the time that the staff devotes to these activities can qualify for the enhanced match.” CMS states that the focus of the new enhanced FMAP option is on the actual provision of translation and interpretation services. This is a requirement for the enhanced match to be available. Therefore, it is not appropriate or allowable for 100% of the time spent on the non-English speaking caseload to be claimed at the higher match. Only the administrative activities involving translation or interpretation are eligible for the enhanced rate.

Administrative activities such as eligibility maintenance, enrollment or services access which involve no translation or interpretation are claimable at 50% FMAP for Medicaid or the prevailing Health Choice FMAP. Therefore, the January 13, 2011 letter incorrectly stated that the enhanced FMAP was allowable for English-spoken activities for non-English speaking applicants during enrollment, eligibility maintenance or service access.

Additionally, when more than one staff is involved in an activity requiring translation or interpretation, only one staff may claim the enhanced FMAP. The staff person who is actively engaged in providing the translation or interpretation should claim the enhanced FMAP time. Doing otherwise would constitute double counting of time, which is not allowable.

As a reminder, the State is required to assure that there is adequate source documentation to support payments. Day sheets should clearly reference the time spent in allowable interpretation or translation services.
We hope this additional guidance is helpful and we are sorry for any confusion. If you have questions about the information in this letter, please contact Darlene Creech at 919-855-4148 or Darlene.Creech@dhhs.nc.gov. If you have questions regarding reporting procedures, please contact your Business Liaison or County Administration Accounting Unit at (919) 733-2306.

Sincerely,

[Signature]

Craigan L. Gray, MD, MBA, JD

CLG/dc

CC: DHHS Controller’s Office  
Division of Social Services  
DMA Eligibility  
DMA Budget Management  
DMA Audit  
Local Business Liaisons  
Medicaid Program Representatives