



NC DEPARTMENT OF
**HEALTH AND
HUMAN SERVICES**
Division of Health Benefits

ROY COOPER • Governor
KODY H. KINSLEY • Secretary
DAVE RICHARD • Deputy Secretary, NC Medicaid

February 21, 2023

RE: Merit Based Requirements for Eligibility Determination Functions

Dear County Directors of Social Services:

We are all aware of the national workforce shortage and that in the midst of these challenges, DSS agencies are facing increased work with the unwinding of the federal Public Health Emergency. As counties evaluate staffing needs, we want to provide you with the most updated information regarding the federal merit requirements and flexibilities for staff performing eligibility determinations for Medicaid and Food and Nutrition Services (FNS).

As a reminder, both the Centers for Medicare and Medicaid Services (CMS) and the United States Department of Agriculture (USDA) continue to require that only Social Services employees meeting merit-based requirements may perform eligibility determination functions for both the Medicaid and FNS programs. The merit principles set forth in these federal regulations cover:

- Recruitment, selection, and advancement,
- Equitable and adequate compensation,
- Training,
- Retention,
- Equal employment opportunity and fair treatment, and
- Guidance on political activity.

Medicaid:

For Medicaid, CMS provided additional details that outline what functions merit based and non-merit-based staff can do. Local agencies may utilize contractors and other non-merit-based staff, to support administrative functions of the eligibility and enrollment processes that do not require discretion.

NC MEDICAID
NC DEPARTMENT OF HEALTH AND HUMAN SERVICES • DIVISION OF HEALTH BENEFITS

LOCATION: 79 T.W. Alexander Drive, Durham, NC 27709
MAILING ADDRESS: 2501 Mail Service Center, Raleigh NC 27699-2501
www.ncdhhs.gov • TEL: 919-813-5340 • FAX: 919-224-1070

AN EQUAL OPPORTUNITY / AFFIRMATIVE ACTION EMPLOYER

Merit Functions:

Discretion includes:

- Evaluating eligibility,
- Evidence submitted to resolve inconsistencies between the applicant/beneficiary's attestation and electronic data sources,
- Determining if the applicant/beneficiary is eligible for Medicaid based on a disability determination, or
- Determining if financial resources should be included in the eligibility determination.

Non-merit-based staff working in Medicaid may perform the following tasks:

- Intake of applications (keying applications into NC FAST and checking eligibility)
- Renewal forms (obtaining voice signature if applicable)
- Following up on income and resource verifications from requests for information sent by the local agency
- Call center support to answer questions related to the status of an application or renewal and any other administrative tasks
- Document scanning
- Data entry that does not require client contact
- Providing general information
- Responding to requests for blank applications
- Providing read-only information from the system (case status, application status receipt of documents, benefit amounts and issuance dates, case denial reasons)

Food and Nutrition Services:

For FNS, USDA has provided [additional guidance](#) that outlines what functions merit based and non-merit based staff can do.

Non-merit-based staff working in FNS may perform the following tasks:

- Document scanning
- Data entry that does not require client contact

- Providing general information
- Providing locations and referrals
- Responding to requests for blank applications
- Providing read-only information from the system (case status, application status, receipt of documents, benefit amounts and issuance dates, case denial reasons)

Federal Supplemental Nutrition Assistance Program (SNAP) rules require merit-based staff to complete certification activities. The following activities can only be performed by merit-based personnel in the FNS program: interviews, determining eligibility and benefit amounts, handling client appeals and/or complaints regarding eligibility and/or benefits, recording client information or accepting reported changes that could impact eligibility and/or benefit levels. NCDHHS continues efforts to explore additional FNS flexibilities for staffing with the USDA.

Counties have also depended on temporary staff to assist with growing workloads. Temporary non-merit staff may be used to assist with several programs such as the Crisis Intervention Program (CIP) and the Low-Income Energy Assistance Program (LIEAP).

Questions regarding meeting merit requirements and delineating tasks that can be performed by non-merit employees can be directed to [Susan Osborne](#), Assistant Secretary for Human Services or at 919-527-6336.

Sincerely,

DocuSigned by:

08565C1C2A8F4C8...

Jay Ludlam

Deputy Secretary, NC Medicaid

DocuSigned by:

45A8654FA28C41F...

Susan Osborne

Assistant Secretary for County Operations,
Department of Social Services