



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

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Beverly Eaves Perdue, Governor
Albert A. Delia, Acting Secretary

Michael Watson, Director

MEMORANDUM

To: CAP/DA Lead Agencies

Through: WRenia Bratts-Brown, CAP/DA Manager

From: Joseph Breen, MS, Chief
Division of Medical Assistance-Home and Community Care Section

Date: June 29, 2012

Subject: CAP/DA transition plan to the State's Due Process and Prior Approval Procedure

The Division of Medical Assistance (DMA) has implemented **new Due Process and Prior Approval Procedures** applicable to all provider types and to all medical services, procedures and supplies which require prior approval. The goal of these procedures is to provide uniformity across the Medicaid programs, eliminate situations where a Medicaid recipient experiences an interruption in service and ensure that Medicaid recipients are provided with the Due Process to which they are entitled under federal and state law. The new procedure also ensures that when providers submit timely requests for reauthorization, the request is entered into the System.

As part of Medicaid's response to the class action law suit on due process, all CAP/DA Lead Agencies were scheduled to transition to this new due process procedure on July 1, 2012. The transition to the State imposed Due Process procedures has been extended. This transition will begin on October 1, 2012. DMA will implement a four-part phase in process for CAP/DA Lead Agencies to transition to the new Due Process and Prior Approval Procedures. The phase in process will start in October 2012 and go through January 2013. For each month starting on October 1, 2012 and ending on January 1, 2013, a total of 25 randomly selected CAP/DA Lead Agencies will transition into the new Due Process procedures. Included in this memorandum is the transition schedule; each Lead Agency will be notified by their assigned consultant one month prior of their transition. To assure a smooth transition into the new Due Process procedure, the State CAP/DA unit has established the following protocol for each Lead Agency:

1. Effective immediately, update current internal CAP/DA Appeals and Hearing Policies to align with the new Due Process and Prior Approval Procedures implemented on May 1, 2011. Refer to Due Process policy listed on DMA's website at: <http://www.ncdhhs.gov/dma/provider/URVendorInstruct.pdf> and well as CAP/DA specific Due Process procedures.
2. By August 15, 2012, forward your CAP/DA updated Due Process and Prior Approval Procedures to the assigned CAP/DA consultant for a determination of policy compliance and final approval by DMA. The updated policy should include processes of:
 - a. Acting upon a CAP/DA request within 15 business days of receipt
 - b. Requesting and retrieving additional information for the completion of a request
 - c. Utilizing timely and trackable notices



- d. Mailing and tracking notices
 - e. Using legal authority citation to support adverse decisions
 - f. Uploading documents to Medicaid Document Management System
 - g. Authorizing and reauthorizing waiver services
 - h. Instituting Maintenance of Service
 - i. Participating in mediation and OAH hearings
 - j. Understanding of the appeal and hearing time line
3. On July 1, 2012- October 1 2012, continue to follow the usual procedure of the CAP/DA appeal and hearing policy identified within CAP/DA instructional manual dated March 2000. Updated procedures to the appeal and hearing policy have been updated through memorandums from 2000-present.
 4. On October 1, 2012-January 1, 2013, follow the listed transition schedule below to make the transition to the Due Process and Prior Approval Procedures. Upon your Lead Agency's transition month, continue to follow the usual procedure of the CAP/DA appeal and hearing policy identified within CAP/DA instructional manual dated March 2000.
 5. Prior to your Lead Agency's transition month to the new Due Process procedure, DMA will provide a refresher training to assure processes of policy compliance.
 6. Throughout this transition period and thereafter, DMA will monitor performance and provide coaching to assure a smooth transition into the new Due Process and Prior Approval Procedures.

Lead Agency Transition Schedule

Month	Lead Agency Counties
October 2012	Alexander, Avery, Bladen, Brunswick, Caldwell, Chatham, Davie, Duplin, Franklin, Harnett, Haywood, Lenoir, Montgomery, Randolph, New Hanover, Northampton, Person, Pitt, Polk, Rutherford, Swain, Transylvania, Tyrell, Warren, Washington
November 2012	Alamance, Ashe, Beaufort, Bertie, Buncombe, Catawba, Craven, Cherokee, Chowan, Cleveland, Cumberland, Halifax, Henderson, Hertford, Gates, Granville, Forsyth, Iredell, Jackson, Madison, Orange, Robeson, Rockingham, Surry, Watauga
December 2012	Alleghany, Anson, Burke, Camden, Cabarrus, Caswell, Clay, Currituck, Dare, Davidson, Durham, Henderson, Lincoln, Mecklenburg, Moore, Onslow, Pasquotank, Perquimans, Swain, Scotland, Union, Vance, Wilson, Yadkin, Yancey,
January 2013	Carteret, Columbus, Edgecombe, Gaston, Graham, Greene, Guilford, Hoke, Hyde, Johnston, Jones, Lee, Macon, Martin, McDowell, Mitchell, Nash, Pamlico, Richmond, Rowan, Sampson, Stanly, Stokes, Wake, Wayne

cc: CAP/DA Consultants

Jane Plaskie, Manager Medicaid Appeals and EPSDT

