

CHANGE NOTICE FOR MANUAL

DATE: November 19, 2003

MANUAL: EIS

CHANGE NO.: 04-04 NEW NCHC MEDICAID CLASS AND CO-PAY CHANGES

TO: COUNTY DIRECTORS OF SOCIAL SERVICES

This change notice transmits revisions to the EIS Manual. Revisions are effective December 1, 2003, unless noted otherwise.

I. NEW NC HEALTH CHOICE MEDICAID CLASSIFICATION

A. Background

Ratified House Bill 397 from the 2003 General Assembly session authorized a co-payment for outpatient prescription drugs in the North Carolina Health Choice for Children program regardless of family income. This co-payment change for NC Health Choice will be effective February 1, 2004, for all children. However, this policy change is effective December 1, 2003, because you must begin entering data in EIS in December to support this change.

Families whose income is at or below 150% of the federal poverty level will pay a co-payment for prescription drugs. There will be a one-dollar (\$1.00) fee for any outpatient generic prescription drug and for each outpatient brand-name prescription drug for which there is no generic substitution available. There will be a three-dollar (\$3.00) fee for each outpatient brand-name prescription drug for which there is a generic substitution available. If the family is at or below the 150% income limit there shall be no additional deductibles, co-payments, or other cost-sharing charges.

Families whose income is above one hundred fifty percent (150%) of the federal poverty level will see a change in drug co-payments. There will be a one-dollar (\$1.00) fee for each outpatient generic prescription drug and for each outpatient brand-name prescription drug with no generic substitution available. The fee for each outpatient brand name prescription drug for which there is a generic substitution available is ten dollars (\$10.00).

Members of federally recognized Indian tribes and Alaskan Natives are exempt from enrollment fees and co-payments regardless of family income. The two Indian tribes in North Carolina are the Catawba and the Cherokee.

A new NC Health Choice classification of "A" has been created to identify NC Health Choice recipients that are members of a federally recognized Indian tribe and whose family income is at or below 150% of the federal poverty level. The new classification code "A" must be used for these individuals to exempt them from the drug co-payments.

B. Effective Date

The changes in co-payments are effective February 1, 2004. However, policy and procedures to support this change are effective December 2003. You must enter data in EIS in December

2003 to support these changes. Refer to implementation instructions below.

C. Implementation

Any "J" class NC Health Choice case that includes federally recognized Indian tribe members must be updated to display the new Medicaid class "A" no later than December 15, 2003. Failure to change these cases by the December 15th deadline will result in the recipients receiving an incorrect NCHC card, causing them to incorrectly have a drug co-payment.

Beginning December 1, 2003, EIS will accept the classification code "A".

1. Re-enrollments Completed Prior To December 1, 2003
 - a. If the child(ren) is a member of a federally recognized American Indian tribe and the family income is at or below 150% of the federal poverty level, enter the re-enrollment in EIS with a "J" classification.
 - b. Flag the case for December 1, 2003.
 - c. On or after December 1, 2003, but no later than December 15, 2003, enter an "A" classification with a Medicaid Effective Date of January 1, 2004.
2. Re-enrollments Completed On or After December 1, 2003

If the child(ren) is a member of a Federally recognized American Indian tribe and the family income does not exceed 150% of the federal poverty level, enter the re-enrollment with a classification code "A" and the correct Medicaid effective date.
3. Applications Approved Prior to December 1, 2003
 - a. If the child(ren) is a member of a Federally recognized American Indian tribe and the family income is at or below 150% of the federal poverty level, enter the approval in EIS with a "J" classification.
 - b. Flag the case for December 1, 2003.
 - c. On or after December 1, 2003, but no later than December 15, 2003, enter an "A" classification code with a Medicaid effective date of January 1, 2004.
4. Applications Approved On or After December 1, 2003

If the child(ren) is a member of a Federally recognized American Indian tribe and the family income is at or below 150% of the Federal poverty level, enter the approval with a classification code "A" and the correct Medicaid effective date. This date may be before December 1.

II. MANUAL SECTION CHANGES

Volume IV

- A. EIS 4000 - CODES APPENDIX
 1. Changed reference to AFDC to Work First.

2. Added the new NC Health Choice Classification code "A".
- B. EIS 4300 - PART ONE - NC HEALTH CHOICE INTRODUCTION
1. Updated to add information about the changes in the co-payments for all groups.
 2. Added the new Classification Code "A" to be used for Federally Recognized Native American Tribes that are at or below 150% of the poverty income level and exempt from the new co-payments.
- C. EIS 4300 - PART TWO - COMPLETING AN APPLICATION FORM
1. Added the new Classification Code "A" to the second "NOTE" under Section III.
 2. Added links to other sections listed in the text.
- D. EIS 4300 - PART FOUR - APPLICATION DISPOSITIONS
- Added the new Classification Code "A" in Section III.K.5.
- E. EIS 4300 - PART FIVE - ONGOING CASE MAINTENANCE
- Added new Classification Code "A" in Sections VII.A.,C., XIII.A.,B.4.,5.
- F. EIS 4300 - PART SEVEN - REPORTS
- Added new Classification Code "A" in Sections III.A., D., VI.A.1., C.5., VII.A.1., C.5., XI.A., XVI.A., and sample reports.

III. EIS MANUAL INSTRUCTIONS

| SECTION | REMOVE PAGES | INSERT PAGES | ONLINE CHANGE |
|---------------------------------|---------------------------|---------------------------|---|
| Volume IV | | | |
| 4000 | 7-8 | 7-8 | NC Health Choice Class "A" |
| 4300-Part One | 1-2 | 1-2 | Co-Payment Change, Class "A" |
| 4300-Part Two | 1-2 | 1-2 | NC Health Choice Class "A" |
| 4300-Part Four | 9-16 | 9-16 | III.K.5.a |
| 4300-Part Five | 3-4, 7 | 3-4, 7 | VII.A.C., XIII.A., B.4, 5 |
| 4300-Part Seven | 7-10, 13-16, 23-24, 33-36 | 7-10, 13-16, 23-24, 33-36 | III.A.,D. VI. A.1., C.5., VII.A.1., C.5., XI.A., XVI.A. |
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If you have any questions, please contact your Medicaid Program Representative.

Sincerely,

Gary Fuquay, Acting Director
Division of Medical Assistance

(This material was researched and prepared by Debbie Daniels and Jan McElroy,
EIS Program Consultants.)