
NC HEALTH CHOICE - INTRODUCTION - PART ONE

EIS 4300 - NC HEALTH CHOICE - INTRODUCTION PART ONE
REISSUED 10/01/12 - CHANGE NO. 01-13

INTRODUCTION

Title XXI of the Social Security Act created the Children's Health Insurance Program. Legislation was passed to implement and fund the program effective October 1, 1998. The program is known as North Carolina Health Choice for Children. The program is administered by the North Carolina Department of Health and Human Services, Division of Medical Assistance, but is not a Medicaid "entitlement" program.

NC Health Choice covers uninsured low-income children from age 6 thru age 18. Applicants are not eligible for NC Health Choice if they have comprehensive health insurance or are eligible for "full" Medicaid coverage.

The income requirement is 200% of the Federal Poverty Level (FPL). Applicants whose income is more than 150% but less than 200% of the FPL are required to pay an enrollment fee of \$50 per NC Health Choice eligible child, not to exceed \$100 per family. Families with income over 150% of the FPL are also required to participate in cost sharing for services received. This cost along with the enrollment fee cannot exceed 5% of the family's income.

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 two-dollar (\$2.00) 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 five-dollar (\$5.00) 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 have a two-dollar (\$2.00) 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.

NC Health Choice applications are registered in EIS as MIC. An indicator on the DSS-8124 screen distinguishes between a regular MIC application and a NC Health Choice application. Medicaid classifications for NC Health Choice are different from MIC classifications.

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INTRODUCTION (CONT'D)

Classification codes for NC Health Choice are:

1. "A" for cases with income of 150% or less of the poverty income level and are members of a Federally Recognized Native American Tribe or Alaskan Native.
2. "J" for cases with income of 150% or less of the poverty income level.
3. "K" for cases with income in excess of 150% up to 200% of the poverty income level.
4. "S" for cases with income in excess of 150% up to 200% of the poverty income level and are members of a Federally Recognized Native American Tribe or Alaskan Native.
5. "L" as an optional extended coverage for cases with income in excess of 200% up to 225 % of the poverty income level.

Benefits for NC Health Choice recipients are administered by the Division of Medical Assistance (DMA). Recipients will receive a NC Health Choice ID card. DMA issues an identification card to each recipient when the application for NC Health Choice is approved.

An application (DMA-5063) has been developed and is accepted as a mail-in application for NC Health Choice. There is a 45-day time standard to process the application.

NCHC applicants/recipients are required to provide or apply for a social security number for the children.