

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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SENATE BILL 422

Short Title: Eligibility Reform/Medicaid/SNAP. (Public)

Sponsors: Senators Krawiec, Pate, Hise (Primary Sponsors); Brock and Rabin.

Referred to: Rules and Operations of the Senate

March 29, 2017

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FOR REGULAR ELIGIBILITY MONITORING FOR THE MEDICAID PROGRAM, TO REQUIRE APPLICANTS FOR FOOD AND NUTRITION BENEFITS TO COOPERATE WITH THE CHILD SUPPORT ENFORCEMENT PROGRAM AS A CONDITION OF ELIGIBILITY FOR BENEFITS, AND TO LIMIT THE MEANS BY WHICH A PERSON MAY BE GRANTED CATEGORICAL ELIGIBILITY FOR PURPOSES OF RECEIVING FOOD AND NUTRITION BENEFITS UNDER THE SUPPLEMENTAL NUTRITION AND ASSISTANCE PROGRAM (SNAP).

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** Article 2 of Chapter 108A of the General Statutes is amended by adding a new section to read:

**"§ 108A-55.5. Eligibility monitoring for medical assistance.**

(a) On at a least a quarterly basis, the Department shall review information concerning changes in circumstances that may affect medical assistance beneficiaries' eligibility to receive medical assistance benefits. The Department shall share the information directly with, or make the information available to, the county department of social services that determined the beneficiary's eligibility.

(b) The information reviewed by the Department shall include all of the following:

- (1) Earned and unearned income.
- (2) Employment status and changes in employment.
- (3) Residency status.
- (4) Enrollment status in other State-administered public assistance programs.
- (5) Financial resources.
- (6) Incarceration status.
- (7) Death records.
- (8) Lottery winnings.
- (9) Enrollment status in public assistance programs outside of this State.

(c) A county department of social services shall promptly review the information provided or made available by the Department in accordance with subsection (a) of this section to determine if the information indicates a change in circumstances that may affect a medical assistance beneficiary's eligibility to receive medical assistance benefits and take one of the following actions:

- (1) If a review of the information does not result in the county department of social services finding a discrepancy or change in a beneficiary's circumstances that may affect that beneficiary's eligibility to receive medical



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1 assistance benefits, the county department of social services shall take no  
2 further action.

3 (2) If a review of the information does result in the county department of social  
4 services finding a discrepancy or change in a beneficiary's circumstances  
5 that may affect that beneficiary's eligibility for medical assistance benefits,  
6 the county department of social services shall provide written notice to the  
7 beneficiary that describes in sufficient detail the circumstances of the  
8 discrepancy or change in circumstances that would affect the beneficiary's  
9 eligibility for medical assistance benefits. The notice must include the  
10 following information:

11 a. The beneficiary will have 10 business days from the time of mailing  
12 to respond.

13 b. A response from the beneficiary must be in writing.

14 c. Self-declarations made by the beneficiary will not be accepted as  
15 verification of information in the response.

16 d. The consequences of taking no action.

17 (d) After the expiration of 10 business days from the time of mailing the notice required  
18 under subsection (c) of this section, the county department of social services shall take one of  
19 the following actions:

20 (1) If a beneficiary did not respond to the notice, the county department of social  
21 services shall redetermine the beneficiary's eligibility for medical assistance  
22 benefits and provide the beneficiary with proper notice under G.S. 108A-79.

23 (2) If a beneficiary responds to the notice and disagrees with the information in  
24 the notice, the county department of social services shall reinvestigate the  
25 matter and take one of the following actions:

26 a. If the county department of social services determines that there has  
27 been an error and the beneficiary's eligibility to receive medical  
28 assistance benefits is not affected, then no further action shall be  
29 taken.

30 b. If the county department of social services determines that there is no  
31 error, the county department of social services shall redetermine the  
32 beneficiary's eligibility for medical assistance benefits and provide  
33 the beneficiary with proper notice under G.S. 108A-79.

34 (3) If a beneficiary responds to the notice and confirms the information in the  
35 notice is correct, then the county department of social services shall  
36 redetermine the beneficiary's eligibility for medical assistance benefits and  
37 provide the beneficiary with proper notice under G.S. 108A-79.

38 If, at any time after receiving a beneficiary's response to the notice, the county department  
39 of social services determines that there is a risk of fraud or misrepresentation or inadequate  
40 documentation, then the county department of social services may request additional  
41 documentation from the beneficiary.

42 (e) Nothing in this section shall preclude the Department or any county department of  
43 social services from receiving or reviewing additional information related to a beneficiary's  
44 eligibility for medical assistance benefits that is obtained in a manner other than that provided  
45 for under this section."

46 **SECTION 1.(b)** The Department of Health and Human Services may sign a  
47 memorandum of understanding with any department, agency, or division of the State to obtain  
48 information concerning individuals enrolled in Medicaid that indicates a change in  
49 circumstances that may affect the individuals' eligibility to receive Medicaid benefits under  
50 G.S. 108A-55.5(a).

1           **SECTION 1.(c)** The Department of Health and Human Services may contract with  
2 one or more vendors to provide information concerning individuals enrolled in Medicaid that  
3 indicates a change in circumstances that may affect the individuals' eligibility to receive  
4 Medicaid benefits under G.S. 108A-55.5(a). Any contract entered into under this subsection  
5 shall establish annualized savings to the State that exceed the combined total of (i) the cost of  
6 the contract to the State and (ii) the expenditures by the State, net any receipts, for the period  
7 since eligibility was last determined for the individuals enrolled in Medicaid who had an  
8 identifiable change in circumstances affecting the individuals' eligibility to receive Medicaid  
9 benefits under G.S. 108A-55.5(a).

10           **SECTION 1.(d)** The Department of Health and Human Services (Department)  
11 shall investigate joining any multistate cooperative to identify individuals who are also enrolled  
12 in public assistance programs outside of this State, including the National Accuracy  
13 Clearinghouse. No later than three months after the effective date of this act, the Department  
14 shall report to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice  
15 any findings that explain the reasons for joining or not joining any multistate cooperative, and,  
16 if a determination has been made to join the multistate cooperative, a date when membership is  
17 expected.

18           **SECTION 2.** G.S. 108A-52 reads as rewritten:

19       "**§ 108A-52. Determination of ~~eligibility~~; cooperation with child support**  
20       **program as a condition of eligibility; limitation on categorical eligibility.**

21       (a) Any person who believes that he or another person is eligible to receive electronic  
22 food and nutrition benefits may apply for such assistance to the county department of social  
23 services in the county in which the applicant resides. The application shall be made in such  
24 form and shall contain such information as the Social Services Commission may require. Upon  
25 receipt of an application for electronic food and nutrition benefits, the county department of  
26 social services shall make a prompt evaluation or investigation of the facts alleged in the  
27 application in order to determine the applicant's eligibility for such assistance and to obtain  
28 such other information as the Department may require. Upon the completion of such  
29 investigation, the county department of social services shall, within a reasonable period of time,  
30 determine eligibility.

31       (b) The Department shall require applicants for electronic food and nutrition benefits to  
32 cooperate with the Child Support Enforcement Program in accordance with Article 9 of  
33 Chapter 110 of the General Statutes as a condition of eligibility for food and nutrition benefits  
34 pursuant to 7 C.F.R. § 273.11(o) and (p).

35       (c) Notwithstanding any provision of law to the contrary, the Department shall not  
36 grant a person categorical eligibility under 7 U.S.C. § 2014(a) for the food and nutrition  
37 services program based on noncash, in-kind, or other benefit unless expressly required by  
38 federal law."

39           **SECTION 3.** Section 1(a) of this act becomes effective January 1, 2018. The  
40 remainder of this act is effective when it becomes law.