

STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

ROY COOPER
GOVERNOR

KODY H. KINSLEY
SECRETARY

July 8, 2024

SENT VIA ELECTRONIC MAIL

Mr. Brian Matteson, Director
Fiscal Research Division
Suite 619, Legislative Office Building
Raleigh, NC 27603-5925

Dear Director Matteson:

North Carolina General Statute 108A-70.51 requires the Department of Health and Human Services to submit an annual report detailing accuracy and quality assurance standards audit information for county departments of social services. The Department shall include in its report a description of how the Department plans to assist county departments of social services in accuracy and quality assurance standards for Medicaid applications when the county's performance metrics do not show significant improvements compared to the previous audit. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

Should you have any questions regarding this report, please contact Karen Wade, Director of Policy, at Karen.Wade@dhhs.nc.gov.

Sincerely,

DocuSigned by:
 on behalf of Kody H. Kinsley
06565C1C2A8F4C8...
Kody H. Kinsley
Secretary



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DEPARTMENT OF HEALTH AND HUMAN SERVICES

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SENT VIA ELECTRONIC MAIL

The Honorable Jim Burgin, Chair
Joint Legislative Oversight
Committee on Medicaid
North Carolina General Assembly
Room 620, Legislative Office Building
Raleigh, NC 27603

The Honorable Donny Lambeth, Chair
Joint Legislative Oversight
Committee on Medicaid
North Carolina General Assembly
Room 303, Legislative Office Building
Raleigh, NC 27603

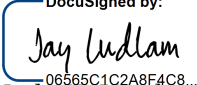
The Honorable Larry Potts, Chair
Joint Legislative Oversight
Committee on Medicaid
North Carolina General Assembly
Room 307B1, Legislative Office Building
Raleigh, NC 27603

Dear Chairmen:

North Carolina General Statute 108A-70.51 requires the Department of Health and Human Services to submit an annual report detailing accuracy and quality assurance standards audit information for county departments of social services. The Department shall include in its report a description of how the Department plans to assist county departments of social services in accuracy and quality assurance standards for Medicaid applications when the county's performance metrics do not show significant improvements compared to the previous audit. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

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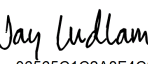
Ms. Jessica Holmes
NC State Auditor
2 South Salisbury St.
Raleigh, NC 27601

Dear Auditor Holmes:

North Carolina General Statute 108A-70.51 requires the Department of Health and Human Services to submit an annual report detailing accuracy and quality assurance standards audit information for county departments of social services. The Department shall include in its report a description of how the Department plans to assist county departments of social services in accuracy and quality assurance standards for Medicaid applications when the county's performance metrics do not show significant improvements compared to the previous audit. Pursuant to the provisions of law, the Department is pleased to submit the attached report.

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Kody H. Kinsley
Secretary

**Medicaid Recipient Eligibility Determinations Audit
CY 2023**

NCGS 108A-70.51



**Report to the
Joint Legislative Oversight Committee on Medicaid
Fiscal Research Division**

State Auditor

by

North Carolina Department of Health and Human Services

July 8, 2024

Contents

I. Introduction	3
II. Methodology	4
III. Cycle II – Year 2 Accuracy and Quality Assurance Results.....	4
IV. Cycle II – Year 2 Summary.....	9
V. Recommendation.....	9
VI. Appendices	11
Appendix A: Medicaid Eligibility Determinations Accuracy and Quality Assurance	11
Appendix B: Quality Assurance Standard	12
Appendix C: County Audit Results for Medicaid Eligibility by County.....	13
Appendix D: Accuracy Improvement Intervention Results.....	14
Appendix E: Joint State/Local Agency Accuracy Improvement Plan.....	15

I. Introduction

North Carolina General Statute 108A-70.51, as amended by Session Law 2018-5, Section 11H.5.(c) (see **Appendix A**), requires the North Carolina Department of Health and Human Services (the Department) to annually audit all county Departments of Social Services (DSS) for compliance with the accuracy standards adopted under G.S. 108A-70.47 for Medicaid eligibility determinations made within a 12-month period.

The Department consulted with the North Carolina Office of the State Auditor to develop a fair and equitable Medicaid eligibility sample size and agreed on an acceptable error rate by adopting the Centers for Medicare & Medicaid Services (CMS) eligibility error rate of 3.2%.

The error rate threshold is applied as follows:

- Error rate threshold of 3.2% per fiscal year for each county for accuracy errors that cause Medicaid applicants to be approved for Medicaid benefits when the applicants are truly ineligible.
- Error rate threshold of 3.2% per fiscal year for each county for accuracy errors that cause Medicaid applicants to be denied Medicaid benefits when the applicants are truly eligible.
- Error rate threshold of 10.0% per fiscal year for each county for internal control errors made during the eligibility determination process that did not impact the outcome of the eligibility determination decision.

Additionally, due to the effort required to conduct an effective review, each audit cycle of the 100 counties is divided over a three-year period.

The resulting audit is referred to as the NC Medicaid Recipient Eligibility Determinations Audit (“REDA”).

This report reflects the results of Year 2 (CY 2023) of the 2022-2024 audit cycle (Cycle II).

II. Methodology

The audit plan was developed and executed by the NC Medicaid Office of Compliance & Program Integrity Member Compliance unit (OCPI QA). The OCPI QA staff has significant experience in eligibility determinations in the county setting and as compliance analysts with the State, including conducting eligibility reviews for the CMS Medicaid Eligibility Quality Control audits.

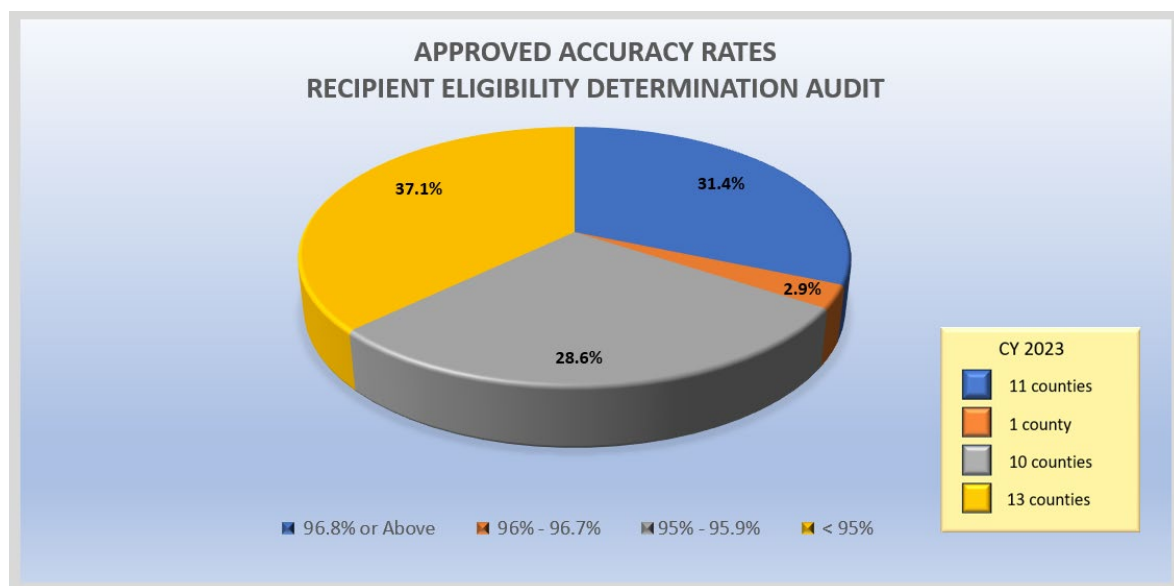
As previously noted, each audit cycle of the 100 counties is divided over a three-year period, as follows: Year 1 includes 30 counties; Year 2 includes 35 counties; and Year 3 covers the remaining 35 counties. A sample size of 200 eligibility determinations made in a 12-month period is audited for each county. The sample includes 100 Medicaid eligibility approvals and 100 Medicaid denials/terminations. The audit procedures are designed to determine the county DSS's compliance with the following accuracy standards:

- Only eligible applicants are approved for Medicaid benefits 96.8% of the time.
- Eligible applicants are not denied/terminated 96.8% of the time.
- The eligibility determination process is free of technical errors, that do not change the outcome of the eligibility determination, 90.0% of the time.

III. Cycle II – Year 2 Accuracy and Quality Assurance Results

1. Statewide annual percentage of county DSSs that met the accuracy standards

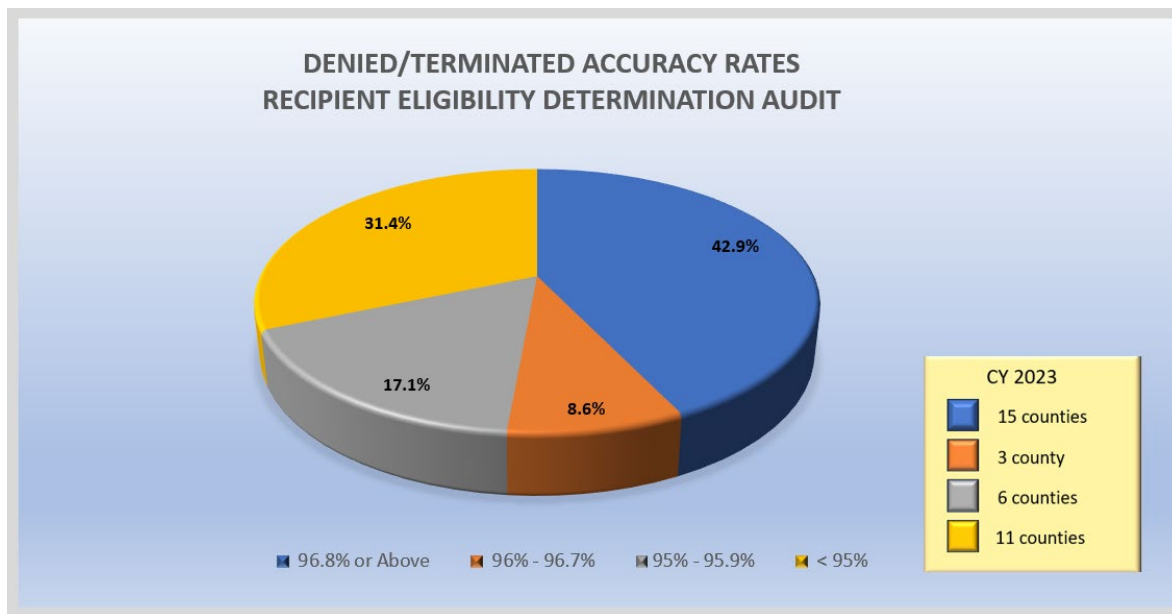
- A. Approved – The overall accuracy rate for Cycle II – Year 2 is 94.6%. The Department reviewed 35 counties in Year 2 for Medicaid eligibility determination accuracy. The 96.8% accuracy rate of approved determinations was met by 11 counties (31.4%). 1 county (2.9%) fell just shy of the standard, achieving an accuracy rate between 96.0% to 96.7%. Another 10 counties (28.6%) achieved 95.0% to 95.9% with the remaining 13 counties (37.1%) below a 95.0% accuracy rate.



The Department has seen a slight decrease in the accuracy rate for approvals from Cycle I to Cycle II for the counties reviewed in Year 2. Although holding consistent for approvals, the Department continues to work with counties on improvement

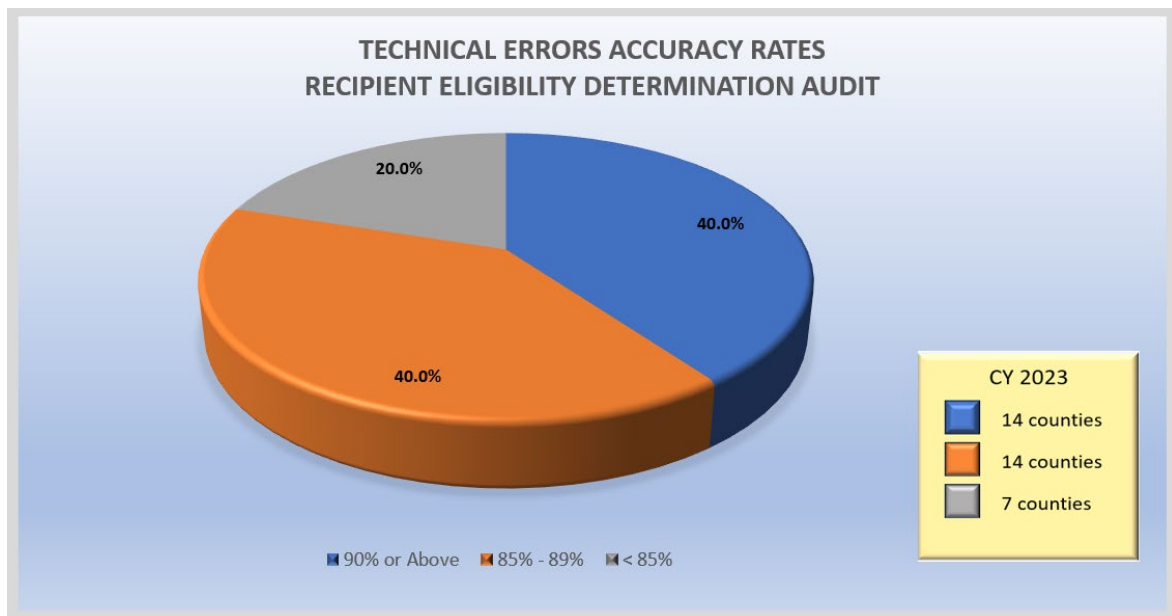
measures for errors identified at approval actions in order to meet or exceed the 96.8% accuracy standard.

- B. Denied/Terminated – The overall accuracy rate for Cycle II – Year 2 is 95.6%. The 96.8% accuracy rate of denied/terminated determinations was met by 15 counties (42.9%). 3 counties (8.6%) fell just shy of the standard, achieving an accuracy rate between 96.0% to 96.7%. Another 6 counties (17.1%) achieved 95.0% to 95.9% with the remaining 11 counties (31.4%) below a 95.0% accuracy rate.



The Department has seen a marked increase in the denial/termination accuracy rate from Cycle I to Cycle II for the counties reviewed in Year 2. The increased accuracy rate demonstrates the Department's and counties' commitments via collaboration, policy updates and training, and system enhancement toward achieving accurate eligibility determination. Although marked improvement is noted during Cycle II – Year 2, the Department continues to work with counties on improvement measures for errors identified at denial/termination in order to meet or exceed the 96.8% accuracy standard.

- C. Technical Errors – The overall technical accuracy rate for Cycle II – Year 2 is 87.8%. The 90.0% accuracy rate was met by 14 counties (40.0%). Another 14 counties (40.0%) fell shy of the standard, achieving between 85.0% to 89.0% with the remaining 7 counties (20.0%) below an 85.0% accuracy rate.



The Department has seen a decrease in the technical errors accuracy rate from Cycle I to Cycle II for the counties reviewed in Year 2. The most prevalent trend involves improper or inadequate applicant/beneficiary requests for information. Inappropriate applicant/ beneficiary notification follows closely behind the leading error trend. The accuracy rate decrease can also be attributed to the increased denied/terminated accuracy rate. Technical errors denote no impact to eligibility; therefore, fewer errors impacting eligibility may result in an increased impact to the technical rate. Although there is no impact to eligibility, the Department continues to collaborate with counties on implementing improvement measures to prevent technical errors from becoming errors that impact eligibility determinations. The Department is also working toward increased system improvements that will assist in alleviating inappropriate notifications to applicants and beneficiaries.

2. Statewide percentage of county DSSs that met the quality assurance standards adopted under G.S. 108A-70.48 in the prior fiscal year

The quality assurance standards issued by the Department direct the county to conduct second party quality assurance reviews quarterly and submit review details to the State in a quarterly report. The requirements for compliance include documenting the review on the State-issued template, using a minimum sample size as designated by the State, and taking corrective action based on an analysis of the review results.

The State is pleased to note that 100% of the 35 Cycle II – Year 2 counties successfully completed and met the Medicaid quality assurance minimum standards for calendar year 2023. Minimum sample sizes are based on county population. (see **Appendix B: Quality Assurance Standards**). OCPI QA reviewed the county submitted templates and noted the following prominent issues identified by the counties:

- Income is not consistently calculated/budgeted or verified correctly.
- Resources (assets) are not consistently calculated/budgeted or verified correctly.
- Improper or inadequate requests for information being sent to applicants and/or beneficiaries.

Although notices do not impact eligibility, counties also reported notification

issues to applicants and beneficiaries regarding eligibility disposition. Counties performed corrective action by using the review findings to conduct in-house Medicaid policy training via individual staff training, unit meetings, and/or agency-wide training.

3. The annual audit results for each standard (eligible or ineligible) for each county DSS are as follows:

The Cycle II – Year 2 review of Medicaid eligibility determinations actions conducted by the county DSSs was completed for calendar year 2023 in April 2024. For this cycle, 6,998 eligibility actions were tested to verify Medicaid eligibility determinations were performed accurately and timely. (see **Appendix C: Annual Recipient Eligibility Determination Audit results by county**).

4. The number of years in the preceding five-year period that each county DSS failed to meet the standards in G.S. 108A-70.47 or G.S. 108A-70.48.

The State is in its 2nd cycle reviewing county Medicaid eligibility determination decisions under G.S. 108A 70.48. The Cycle II – Year 2 chart below provides the percentage differences from Cycle I to Cycle II. As noted below, the approval rate shows a slight decrease by 1.1% demonstrating relatively steady performance when approving Medicaid benefits. However, the denial/termination rate demonstrates marked improvement with an increase of 3.2%. The accuracy rate for technical errors decreased by 5.6%. as counties appeared to focus on improving improper denials/terminations at the expense of maintaining focus on technical items that do not impact final eligibility decisions.

Eligibility Standards	Cycle I, Year 2 CY 2020	Cycle II, Year 2 CY 2023	Difference
Approvals	95.7%	94.6%	decrease 1.1%
Denials/Terminations	92.4%	95.6%	increase 3.2%
Technical	93.4%	87.8%	decrease 5.6%

5. Corrective action activities conducted by the Department and county DSSs.

Early in the CY 2022 audit, the Department enhanced REDA audit protocol by implementing the Accuracy Improvement Plan (AIP) process during the audit cycle rather than at the conclusion of the annual audit. By introducing an immediate AIP, collaboration between the state and county DSS agencies results in immediate improvement measures to achieve increased accuracy in the eligibility determination space to positively impact the quality of eligibility determinations.

Continuing the approach in the CY 2023 audit has allowed for continued success and quality improvements. The statistics projected that 28 counties would have been required to undergo a formal AIP; however, due to the state's early intervention, only 6 counties require a focused, formal AIP at the conclusion of the CY 2023 audit. Based on the proven success of this initiative, this approach will continue for future years/cycles.

Furthermore, the Cycle II – Year 2 counties (6) who failed to meet the state accuracy rates for CY 2023 will be placed under an Accuracy Improvement Plan (AIP) according to the requirements of G.S. 108A-70.49. (see **Appendix D**). The AIP includes County leadership, the County Department of Social Services Director, County Manager, Chair of County Commissioners (or designee), Social Services Board Chair or other Board Member and other attendees requested by the county working

toward quality standards.

The Department continues to update Medicaid policy and provide Medicaid formal policy training through the NC FAST Learning Gateway portal. To further ensure that Medicaid policies are understood and adhered to at the county level, the Department has instituted the NC FAST Certification program. Certification results are provided to the state to verify the process is in place to monitor actions. Additionally, as part of a corrective action plan, the Department created and mandated training to the counties in January 2023. Training courses titled “MAGI Budgeting: Income Determination Course” and “Medicaid ABD Financial Resources Course” were uploaded and made available in the NC FAST Learning Gateway.

NC FAST has continued to implement system enhancements to aid in streamlining workflows and mitigating risks in the eligibility determination process as identified via audit findings. Such enhancements include:

- Effective April 1, 2023, straight through processing for all MAGI applications to include applications submitted electronically via ePASS, the FFM, and applications submitted into the NC FAST eligibility system by county staff.
- Effective for MAGI recertification actions with certification periods ending in April 2023 forward, systematic evaluation utilizing Supplemental Nutritional Assistance Program (SNAP) (e)14 waiver criteria. NC FAST then administers the straight through processing batch for MAGI recertifications not completed via the SNAP (e)14 waiver batch.
- Integration to a Federally Facilitated Marketplace Eligibility Determination (FFM-D) state as of February 1, 2024. FFM-D states allow the FFM to make eligibility determinations for individuals who apply for coverage through the Federal Marketplace. NC residents who apply for Medicaid through the FFM (HealthCare.gov) and are determined fully eligible for Medicaid by the FFM will no longer require eligibility determination by the county DSS. Once the Department receives the notification of eligibility, NC FAST assesses the case to determine which full MAGI benefit program the individual is eligible for and provides appropriate beneficiary notification.

Along with continued automated electronic verification, the above approaches provide for increased accuracy for eligibility decisions by reducing manual caseworker keystrokes. Such enhancements are expected to reduce county staff workload activities and reduce findings of eligibility errors.

In August 2023, the Department conducted a Social Services Institute workshop titled “Stronger Together: We CARE (Collaboration Achieves Risk Elimination)”. The presentation was given to county DSS staff to emphasize and train on internal controls for compliance and utilizing self-assessments to mitigate risk. The State continues to share training on the importance of compliance plans, the seven basic elements from the Office of Inspector General, and the internal control design and purpose. This training material is posted on the [NCACDSS website](#) for reference and training for those counties subject to an Accuracy Improvement Plan.

- 6. For every county in which the performance metrics for processing Medicaid applications in an accurate manner do not show significant improvement compared to the previous fiscal year, a description of how the Department plans to assist county departments of social services in accuracy and quality assurance standards for Medicaid applications.**

The Department will continue to enhance Medicaid policy manuals, provide counties access to training modules, continue with state/county collaboration on compliance internal controls and improvement measures, and execute additional system automation processes to assist counties in improving the overall eligibility and technical accuracy rates. As noted above, for specific counties reflecting unsatisfactory performance issues, the Department will implement the AIP process.

IV. Cycle II – Year 2 Summary

The overall eligibility accuracy rates for Cycle II – Year 2 are 94.6% for approvals and 95.6% for denials/terminations. The Department continues to update and issue policy guidance and clarification while the counties focus on implementing the Department's recommendations for enhancing their internal control processes. As eligibility determination is a shared responsibility between the Department and County DSSs, the audit identified opportunities for improvement for both. The common and significant challenge for both the Department and the counties is a shortage of qualified staff. The Department has a shortage of qualified staff to write, maintain, and adequately train counties on eligibility policy, while counties continually experience a shortage of qualified staff to execute policy against the thousands of Medicaid applications received annually. Additionally, some counties struggle with maintaining strong internal controls over the eligibility determination process.

As noted above in Section III. Item 5, the Department and counties are working diligently to strengthen the eligibility process overall, despite staffing and resource challenges. The Department continues to invest in the NC FAST system to implement automation enhancements to streamline the eligibility determination process, including electronic source verifications and straight through processing.

V. Recommendation

County Investment: As counties continue efforts under the COVID-19 PHE unwinding as well as the recent Medicaid Expansion, the Department recognizes the need to provide enhanced support to the county DSS agencies in their efforts to manage the volume and accuracy of Medicaid eligibility determinations. The Department continues a commitment to partnering with the county DSS agencies to ensure Medicaid beneficiaries receive accurate and timely eligibility services. The legislature should consider providing additional funding to counties to enhance their ability to stabilize staff turnover and enhance technology in the county DSS offices to increase productivity and efficiency.

Department Investment: The Department has implemented policy changes to reduce County staff workloads; provided additional financial support to County DSS agencies to bolster Medicaid expansion efforts; increased system automation for eligibility determinations; and prioritized training and engagement with County DSS staff for increased training opportunities and technical assistance. The Department continues to prioritize technical assistance, technology improvements, training, and increased support. With the high demands, limited staff, and pressing need for intensive collaboration with county staff and supplemental audit functions, the Department continues to request additional resources to fulfill the stated need while maintaining the required audit effort. Allocation of funding for investment in automation will allow the Department to engage in process standardization as well as

provide opportunities to reduce administrative burden on county agencies by centralizing certain county functions (ex. return mail processing, call center activities, etc.). Additional funding will enhance the audit staff's ability to increase the level of technical support and compliance oversight necessary to ensure Medicaid eligibility determinations are conducted accurately and, in turn, safeguard North Carolina's Medicaid program and expenditures.

VI. Appendices

Appendix A: Medicaid Eligibility Determinations Accuracy and Quality Assurance

Session Law 2017-57, Section 11.H.22(c)

SECTION 11H.22.(c) Article 2 of Chapter 108A of the General Statutes is amended by adding a new Part to read: "Part 11. Medicaid Eligibility Determinations Accuracy and Quality Assurance"
"§ 108A-70.51. Reporting.

Beginning with the calendar year 2020, no later than March 1 of each year, the Department shall submit a report to the Joint Legislative Committee on Medicaid and NC Health Choice, the Fiscal Research Division, and the State Auditor that contains the following information about the prior calendar year:

- a. The annual statewide percentage of county departments of social services that met the accuracy standards adopted under G.S. 108A-70.47 in the prior fiscal year.
- b. The annual statewide percentage of county departments of social services that met the quality assurance standards adopted under G.S. 108A-70.48 in the prior fiscal year.
- c. The annual audit result for each standard adopted under G.S. 108A-70.47 for each county of department services.
- d. The number of years in the preceding five-year period that each county department of social services failed to meet the standards in G.S. 108A-70.47 or G.S. 108A-70.48.
- e. A description of all corrective action activities conducted by the Department and county departments of social services in accordance with G.S.108A-70.49.
- f. For every county in which the performance metrics for processing Medicaid applications in an accurate manner do not show significant improvement compared to the previous fiscal year, a description of how the Department plans to assist county departments of social services in accuracy and quality assurance standards for Medicaid applications."

Session Law 2018-5, Section 11.H.5(c)

G.S. 108A-70.51 reads as rewritten: Beginning with the calendar year 2020, no later than March 1 of each year, the Department shall submit a report to the Joint Legislative Committee on Medicaid and NC Health Choice, the Fiscal Research Division, and the State Auditor that contains the following information about the prior calendar year:

- (1) The ~~annual statewide~~ percentage of audited county departments of social services that met the accuracy standards adopted under G.S. 108A-70.47 in the prior fiscal year.
- (2) The ~~annual statewide~~ percentage of audited county departments of social services that met the quality assurance standards adopted under G.S. 108A-70.48 in the prior fiscal year.
- (3) The ~~annual~~ audit result for each standard adopted under G.S. 108A-70.47 for each county of department ~~services in the prior fiscal year.~~
- (4) The number of years in the preceding ~~five-year~~ 10-year period that ~~each~~ any county department of social services failed to meet the standards in G.S. 108A-70.47 or G.S. 108A-70.48.
- (5) A description of all corrective action activities conducted by the Department and county departments of social services in accordance with G.S. 108A-70.49.
- (6) For every county in which the performance metrics for processing Medicaid applications in an accurate manner do not show significant improvement compared to the previous ~~fiscal year~~ audit of that county, a description of how the Department plans to assist county departments of social services in accuracy and quality assurance standards for Medicaid applications."

Appendix B: Quality Assurance Standard

2nd Party Medicaid Eligibility Corrective Action, CY 2023
Number of Cases Reviewed by REDA Cycle II – Year 2 Counties

County	Minimum Quarterly Sample Size	Quarter 1	Quarter 2	Quarter 3	Quarter 4	CY 2023 Cases Reviewed	Difference (+/-)
Alexander	73	243	207	105	155	710	418
Alleghany	30	58	36	35	30	159	39
Anson	73	91	168	80	229	568	276
Ashe	57	84	95	87	80	346	118
Avery	32	32	32	32	32	128	0
Bertie	58	60	58	87	71	276	44
Bladen	96	112	105	112	103	432	48
Buncombe	232	260	268	237	238	1003	75
Burke	104	141	143	143	143	570	154
Cabarrus	180	362	326	417	335	1440	720
Caswell	56	62	61	60	60	243	19
Cherokee	70	89	96	95	123	403	123
Cumberland	401	678	605	541	451	2275	671
Currituck	30	30	30	30	30	120	0
Dare	49	126	58	57	50	291	95
Davidson	168	255	307	288	252	1102	430
Davie	71	73	72	71	80	296	12
Halifax	85	128	135	149	97	509	169
Hoke	132	351	395	394	274	1414	886
Lenoir	87	333	309	224	184	1050	702
McDowell	110	110	110	110	111	441	1
Moore	74	137	111	87	74	409	113
Nash	122	123	185	280	146	734	246
Pasquotank	95	103	97	95	108	403	23
Perquimans	30	72	56	36	41	205	85
Person	88	104	89	179	105	477	125
Polk	33	99	102	124	110	435	303
Rutherford	81	272	195	132	84	683	359
Sampson	94	94	119	185	130	528	152
Scotland	60	146	121	81	60	408	168
Transylvania	61	66	65	90	65	286	42
Vance	84	84	90	90	90	354	18
Washington	39	355	260	297	308	1220	1064
Watauga	45	45	45	45	45	180	0
Wilson	112	718	785	659	610	2772	2324
Statewide	3212	6096	5936	5734	5104	22870	10022

Appendix C: County Audit Results for Medicaid Eligibility by County

Recipient Eligibility Determination Audit (REDA) - Cycle II - Year 2 CY 2023 – 35 Counties			
Accuracy Standards			
County	Approved 96.8%	Denied/ Terminated/Inquiries 96.8%	Technical Errors 90.0%
Alexander	96.0%	97.0%	84.5%
Alleghany	99.0%	93.0%	92.5%
Anson	98.0%	98.0%	96.5%
Ashe	97.0%	98.0%	92.0%
Avery	95.0%	93.9%	86.9%
Bertie	97.0%	99.0%	92.0%
Bladen	98.0%	95.0%	80.5%
Buncombe	87.0%	96.0%	87.0%
Burke	99.0%	96.0%	89.5%
Cabarrus	94.0%	95.0%	92.0%
Caswell	94.0%	94.0%	92.0%
Cherokee	95.0%	97.0%	92.5%
Cumberland	95.0%	94.0%	79.5%
Currituck	98.0%	97.0%	87.0%
Dare	95.0%	99.0%	92.5%
Davidson	93.0%	95.0%	81.0%
Davie	93.0%	94.0%	86.5%
Halifax	97.0%	98.0%	88.5%
Hoke	95.0%	98.0%	93.0%
Lenoir	90.0%	95.0%	89.0%
McDowell	97.0%	95.0%	92.0%
Moore	95.0%	95.0%	86.5%
Nash	86.0%	92.0%	79.5%
Pasquotank	100.0%	97.0%	90.0%
Perquimans	95.0%	96.0%	89.5%
Person	94.0%	90.0%	71.5%
Polk	82.0%	89.0%	76.0%
Rutherford	95.0%	98.0%	91.0%
Sampson	95.0%	99.0%	85.0%
Scotland	94.0%	94.0%	89.0%
Transylvania	95.0%	97.0%	86.0%
Vance	94.0%	98.0%	87.0%
Washington	99.0%	99.0%	95.0%
Watauga	91.0%	91.0%	88.5%
Wilson	94.0%	94.0%	90.0%

Appendix D: Accuracy Improvement Intervention Results

Cycle II, Year 2 – Immediate AIP Impact – Resulting Accuracy Rates		
County	AIP Alternate ACTIVE Accuracy Rate	AIP Alternate NEGATIVE Accuracy Rate
Alexander	98.0%	97.0%
Alleghany	100.0%	99.0%
Anson	98.0%	100.0%
Ashe	100.0%	100.0%
Avery	98.0%	99.0%
Bertie	100.0%	100.0%
Bladen	100.0%	97.5%
Buncombe	100.0%	100.0%
Burke	100.0%	99.0%
Cabarrus	98.0%	95.0%
Caswell	97.0%	100.0%
Cherokee	98.0%	97.0%
Cumberland	98.0%	97.0%
Currituck	100.0%	100.0%
Dare	97.0%	100.0%
Davidson	98.0%	98.0%
Davie	93.0%	93.3%
Halifax	100.0%	100.0%
Hoke	97.0%	99.0%
Lenoir	99.0%	98.0%
McDowell	97.0%	100.0%
Moore	98.0%	98.0%
Nash	99.0%	98.0%
Pasquotank	100.0%	100.0%
Perquimans	98.0%	97.0%
Person	99.0%	95.0%
Polk	88.0%	100.0%
Rutherford	98.0%	99.0%
Sampson	100.0%	100.0%
Scotland	94.0%	99.0%
Transylvania	100.0%	97.0%
Vance	99.0%	97.5%
Washington	100.0%	100.0%
Watauga	95.0%	96.8%
Wilson	97.0%	97.0%
AIP TOTALS	4	3
	Counties under Active AIP	Counties under Negative AIP

Appendix E: Joint State/Local Agency Accuracy Improvement Plan

Joint State/Local Agency Accuracy Improvement Plan
 _____ County Department of Social Services
 Date AIP Developed between County DSS and State's AIP Representative: _____

REQUIREMENT: Accurate processing of Medicaid applications/redeterminations to meet the State standards.

ACCURACY STANDARDS

- Only eligible applicants are approved for Medicaid benefits 96.8% of the time.
- Eligible applicants are not denied/terminated 96.8% of the time.

Note: The eligibility determination process is free of technical errors that do not change the outcome of the eligibility determination 90% of the time.

STATE POINT OF CONTACT	COUNTY POINT OF CONTACT
Name: _____ E-mail address: _____ Phone number: _____	Name: _____ E-mail address: _____ Phone number: _____
County Metrics	County Self-Assessment and/or Audit Findings
<i>[List programs and months out of compliance and associated accuracy metrics]</i> Approval Actions = _____ % Denial/Termination Actions = _____ % Technical Errors = _____ %	<i>[Brief summary of county self-assessment and/or audit findings listing reasons for failure to meet accuracy standards]</i>
Initiatives Currently Underway Prior to AIP	
<i>[Initiatives/improvements currently underway to address accuracy issues; steps already taken in months prior to implementing AIP]</i> 	

ACTION PLAN

KEY GOAL: Meet or exceed the 96.8% eligibility accuracy standard.

Strategies & Actions for Improvement

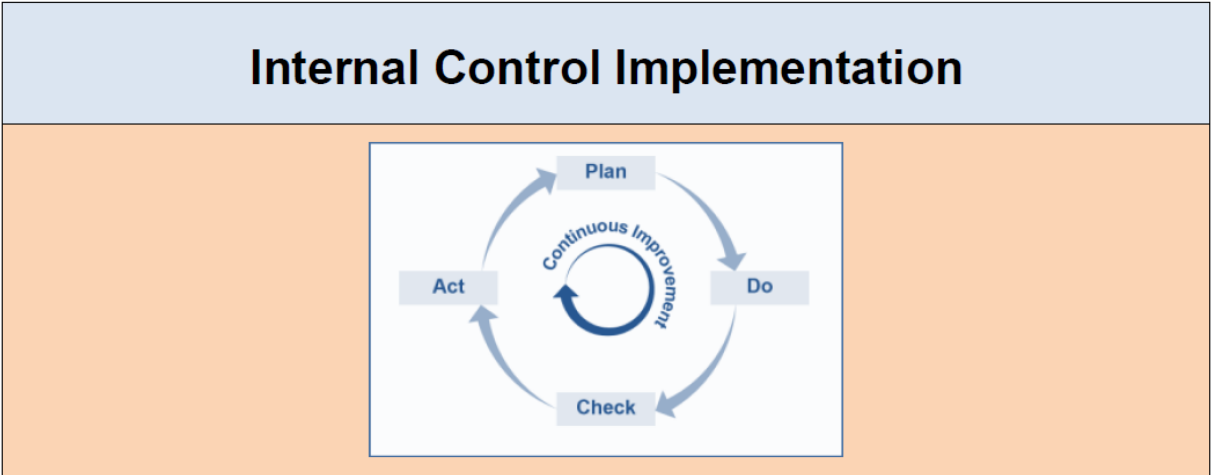
[Control Activities to be implemented to mitigate risk]

Strategy/Action: In a collaborative effort, the State and County DSS will utilize the Plan-Do-Check-Act (PDCA) Template to document Control Activities, to be implemented by the County, from development through implementation through reassessment. Refer to the County's PDCA Template as Addendum 1 to this AIP Template. Tracking, review, reassessment, and potential revisions will be noted on the County's PDCA Template. The PDCA Template will become the County's working document to address the risks within the DSS agency and steps enacted to mitigate the risks during the AIP process.

Summary of Strategies/Actions:

Date of AIP Review/Acceptance:

Reviewed By:



PLAN		
Create/Develop Control Activities based on Root Cause Analyses driven from data.		
Error Trend(s) to Eliminate	Date Error Identified	Internal Control Activities to Implement

DO Implement/Introduce Control Activities by documenting a Standard Operating Procedure (SOP).		
Effective Date of Internal Control Activities	Internal Control Procedure (describe in detail – step by step)	Immersion Period (effective date through reassessment date)

CHECK Monitor Control Activities to determine effectiveness.		
Key Staff Monitoring Internal Control Activities	Date Monitoring Begins	Monitoring Methodology (describe in detail – step by step)

ACT Reassess to determine if the Control Activities are meeting the objective. County Instructions: Reassessment to be conducted by the County DSS at the end of the 30-day immersion period. Modifications to be determined and discussed during joint OCPI and County DSS meetings at each Audit Month Reassessment. Future modifications to be documented on the PDCA Review chart.)	
County's Results of Initial Monitoring	Initial Modifications Needed?

PDCA Review	
Review and Progression of the County's PDCA Plan and Performance.	
<u>Instructions:</u> PDCA to be reviewed and signed at initial development and at each monthly AIP/PDCA reassessment for measurement of the County's progress and effectiveness of Control Activities. PDCA modifications will be noted at each applicable Monthly Assessment, when required. Modifications should include implementation effective date of the stated modifications.	
Signature/Comments	
INITIAL DEVELOPMENT/ACCEPTANCE OF PDCA APPROACH	
County Signature:	
County Comments:	
County Signature Date:	
OCPI Signature:	
OCPI Comments:	
OCPI Signature Date:	

MONTH 1 REASSESSMENT
(County Monitoring Results & AIP Audit Findings)

County Signature: 

County Comments: 

County Signature Date: 

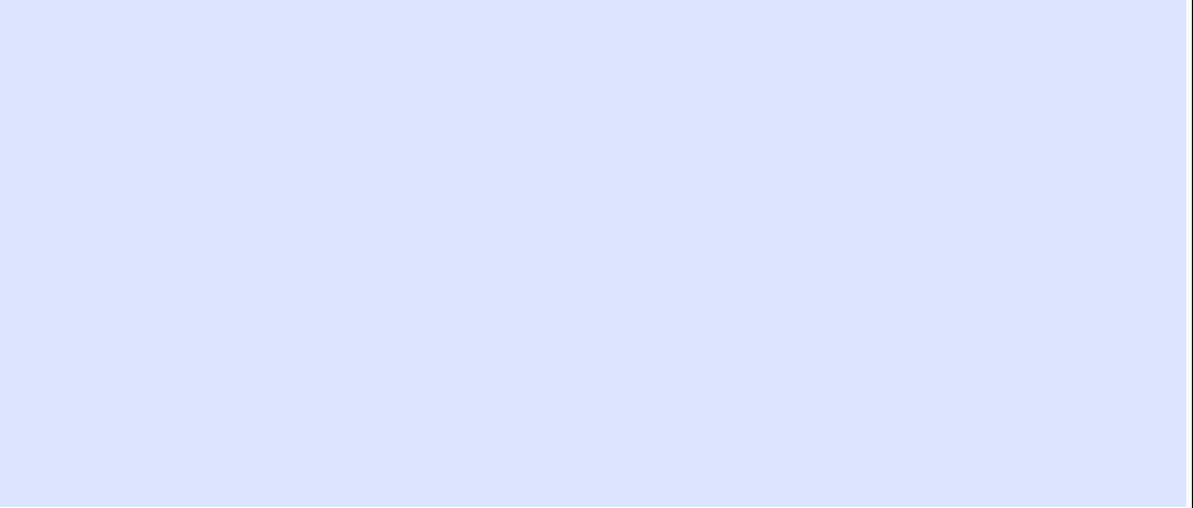
OCPI Signature: 

OCPI Comments: 

OCPI Signature Date: 

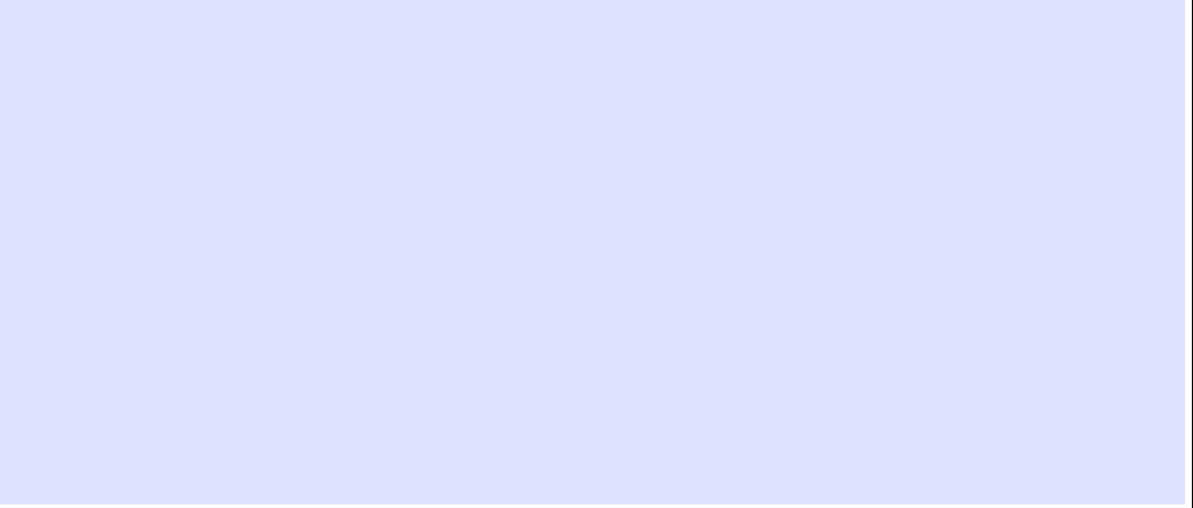
MONTH 2 REASSESSMENT
(County Monitoring Results & AIP Audit Findings)

County Signature: 

County Comments: 

County Signature Date: 

OCPI Signature: 

OCPI Comments: 

OCPI Signature Date: 

MONTH 3 REASSESSMENT
(County Monitoring Results & AIP Audit Findings)

County Signature: 

County Comments: 

County Signature Date: 

OCPI Signature: 

OCPI Comments: 

OCPI Signature Date: 