

STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN
GOVERNOR

DEV DUTTA SANGVAI
SECRETARY

March 26, 2025

SENT VIA ELECTRONIC MAIL

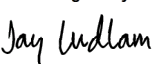
Mr. Brian Matteson, Director
Fiscal Research Division
Suite 619, Legislative Office Building
Raleigh, NC 27603-5925

Dear Director Matteson:

NC General Statute §108A-70.43, requires the Department of Health and Human Services, NC Medicaid, to submit to the Joint Legislative Oversight Committee on Medicaid, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division, an annual report for the prior fiscal year containing information on the timeliness of Medicaid eligibility determinations. 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:

06565C1C2A8F4C8...
Devdutta Sangvai
Secretary

on behalf of Devdutta Sangvai



STATE OF NORTH CAROLINA
DEPARTMENT OF HEALTH AND HUMAN SERVICES

JOSH STEIN
GOVERNOR

DEVDUTTA SANGVAI
SECRETARY

March 26, 2025

SENT VIA ELECTRONIC MAIL

The Honorable Carla Cunningham, Chair
Joint Legislative Oversight Committee on
Health and Human Services
North Carolina General Assembly
Room 402, Legislative Office Building
Raleigh, NC 27603

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


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

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March 26, 2025

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
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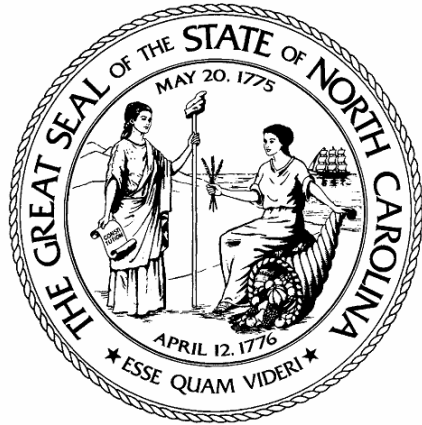
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Devdutta Sangvai
Secretary

Medicaid Eligibility Determination Timeliness

**NC General Statute §108A-70.43, as amended by
Session Law 2017-57, Section 11H.21**



Report to the

**Joint Legislative Oversight Committee
on Medicaid**

and

**Joint Legislative Oversight Committee on
Health and Human Services**

and

Fiscal Research Division

By

NC Department of Health and Human Services

March 24, 2025

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I. Introduction

Session Law 2017-57, Section 11H.21. (see *Appendix A*), amended NCGS 108A-70.43 to require the Department of Health and Human Services (DHHS) to report on Medicaid eligibility determination timeliness by county Department of Social Services (DSSs) offices to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division by November 1 of each year for the prior fiscal year.

Federal regulations (see *Appendix B*) establish standards for eligibility determination timeliness, the maximum period of time in which applicants are entitled to a determination of eligibility for Medicaid. Under these regulations, applicants who apply for Medicaid based on a disability (known as Medicaid Aid to the Disabled or MAD applicants) must receive a determination within **90 calendar days** of the date of application. All other applicants must receive a determination within **45 calendar days** of the date of application. In North Carolina, eligibility determinations are conducted at each of the 100 county DSS offices.

In April 2016, the North Carolina General Assembly's (NCGA) Program Evaluation Division (PED) released a report stating that in SFYs 2014 and 2015 there was a decline in the timeliness of NC Medicaid eligibility determinations due to challenges related to the North Carolina Families Accessing Services through Technology (NCFAST) system and the implementation of the Affordable Care Act. In January 2017, the Office of the State Auditor (OSA) released a report entitled "North Carolina Medicaid Program Recipient Eligibility Determination," which addressed the accuracy of Medicaid eligibility determinations in a sample of 10 counties. The report included a timeliness component, which revealed a timeliness error rate range from 0.8% to 26% for applications.

To address timeliness concerns, the NCGA passed legislation (see *Appendix C*) providing DHHS greater authority to monitor and correct timeliness problems and, if necessary, intervene at the county level to temporarily assume administration of Medicaid eligibility determinations. DHHS noted measurable improvement in county timeliness in SFY 2016, further improvement continued through SFY 2020, and the counties are now in a steady pattern.

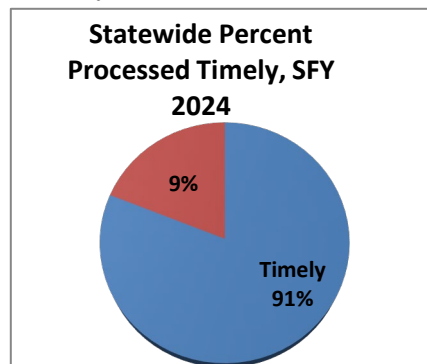
II. Eligibility Determination Timeliness

The following information represents Medicaid eligibility timeliness for SFY 2024 based on data from NCFAST.

(1) Annual Statewide Percentage of Applications Processed in Timely Manner

The annual statewide percentage of Medicaid applications processed in a timely manner (PPT) was 91%. This is a slight difference from SFY 2023 (93%) and SFY 2022 (94%). The

Medicaid Eligibility Determination Timeliness
Report for Fiscal Year 2024



percentage of Medicaid applications processed timely in SFY 2021 was 95% and SFY 2020 was 95%.

This 3-year consecutive slight decline is attributed to staff turnover in the local county DSSs, coupled with an increase in NC Medicaid enrollment that began with the COVID-19 Public Health Emergency (PHE) and the launch of Medicaid expansion on December 1, 2023. County DSS agencies experienced an exponential loss of tenured and skilled eligibility staff and high turnover rates. Counties continue to experience difficulties in recruiting qualified candidates to fill these vacancies. DHHS conducted one-on-one County Support Sessions for counties considered at risk with their processing rates. DHHS worked with counties to evaluate deficiencies and identify/suggest recommendations to improve the efficiencies within the agency. DHHS worked with NCFAS to implement changes that allowed more applications to be processed with straight through processing. The launch of Medicaid expansion increased the application volume to over 210,000 new applications from December 1, 2023 to June 30, 2024 and in anticipation of this influx of applications, DHHS, in partnership with an appropriation from the NCGA, provided funding to counties to increase staffing and/or purchase equipment to assist with processing additional applications. NC Medicaid also became a Federal Facilitated Marketplace Determination (FFM-D) state in February 2024. This change enabled the marketplace to make a determination of eligibility for applications submitted through the marketplace eliminating the need for a local county caseworker “touch” on many applications, a change that is critical to aiding county workforce challenges and assisting with timely redeterminations. North Carolina currently has the authority to be an FFM-D state until June 30, 2025. DHHS recommends making this authorization permanent to avoid disconnecting the “no touch” technology.

(2) Statewide Monthly Average Number of Days to Process Applications

The statewide percentage of applications processed on time (percent processed timely, or PPT) averaged 91% overall at the end of the fiscal year, with some fluctuations in the monthly total PPT figures.

The statewide monthly average number of days to process all Medicaid applications ranged from 28 to 35 days, with an annual average of 30 days. The data has been sub-divided by Medicaid Aid for Disabled applicants (MAD) and Other Medicaid (Other) applications below:

- The statewide monthly average number of days to process MAD applications ranged from 54 to 69 days, with an annual average of 59 days.
 - The Other applications ranged from 21-32 days, with an annual average of 26 days.

Statewide Processing Time, SFY 2024						
MONTHYEAR	MAD APT	MAD PPT	OTHER APT	OTHER PPT	TOTAL APT	TOTAL PPT
Jul-23	57	93	25	94	30	94
Aug-23	55	93	24	94	30	94
Sep-23	54	93	25	94	30	93
Oct-23	57	92	25	94	31	93

Statewide Processing Time, SFY 2024						
MONTHYEAR	MAD APT	MAD PPT	OTHER APT	OTHER PPT	TOTAL APT	TOTAL PPT
Nov-23	57	92	23	95	28	94
Dec-23	58	92	21	95	25	95
Jan-24	62	92	28	93	31	93
Feb-24	63	91	32	82	35	83
Mar-24	69	90	32	81	36	82
Apr-24	62	90	31	84	33	84
May-24	61	92	26	89	28	89
Jun-24	57	94	23	94	26	94
SFY2024 Average	59	92	26	91	30	91

Legend
MAD – Medicaid Aid to the Disabled applicants
Other – All other applicants
PPT – Percent Processed Timely
APT – Average Processing Time (Days)

(3) Annual Percentage of Applications Processed on Time by County

The annual percentage of applications processed on time by county DSS offices ranged from 82-95%. This is a decrease from SFY 2023, when the annual percentage of applications processed on time by county DSS offices ranged from 80-99%. In total, 86 counties met the overall timeliness standards for SFY 2024. For a complete list of percentages by county for SFY 2024 please see the *Appendix D* column titled Total-PPT (Percent Processed Timely), highlighted in yellow.

(4) Average Number of Days per Month to Process Applications by County

The average number of days per month to process applications by county ranged from 12 to 53 days. This overall average shows a slight improvement from the past few SFYs. For a complete list of averages by county by month please see *Appendix E*.

(5) and (6) Number of Months Each County Met/Failed Timely Processing Standards

Eighty-six counties met the timeliness processing standards for 8 or more months. Timeliness for SFY 2024 dipped from previous years. This year, 32 counties met the timely processing standards

every month, down from 50 in SFY 2023. For a complete list by county please see the *Appendix D* columns titled Months Standard Passed/Failed, highlighted in green and red.

As discussed in subsection (1) of this section, the decline is attributed to staff turnover in the county DSS agencies, coupled with an increase in NC Medicaid enrollment that began with the PHE in 2020 and intensified with the launch of Medicaid expansion in 2023.

(7) Corrective Actions

NC General Statute §108A-70.41 (see *Appendix C*), directed DHHS to enter into a joint corrective action plan with county DSS offices that fail to meet certain thresholds for timeliness. Per Session Law 2016-94, Section 12H.17(f), this section became effective January 1, 2017.

Since July 2017, DHHS produces monthly report cards to provide the Average Processing Time (APT) and Percent Processed Timely (PPT) by county for MAD and Other applications, which includes all applications subject to the 45-day processing time. DHHS developed an initial version of the report card in January, but counties identified concerns with the methodology for calculating certain metrics in the report card. DHHS worked with a group of 12 counties identified by the North Carolina Association of County Directors of Social Services (NCACDSS) to identify issues and validate the results.

DHHS now uses the report cards to monitor county compliance each month and determine those counties that need a corrective action plan or other assistance and support. Corrective action plans are required for any county that fails to meet standards for 3 consecutive months or for any 5 months out of a period of 12 consecutive months. The NC Medicaid (Division of Health Benefits, DHB) Operational Support Team (OST) monitors county performance and provides technical assistance for eligibility and business process issues through on-site visits and other methods.

To provide support during the joint corrective action plan with the county DSS, the DHB OST:

- Sets an initial meeting with the county DSS Director, their designees and appropriate state staff to draft a plan together.
- Schedules necessary training; and
- Schedules follow up sessions as needed to ensure plan is on schedule.

In SFY 2024, there were no county DSS offices that required a joint corrective action plan and other support because it failed to meet certain timeliness and accuracy thresholds. Twenty-nine counties were provided a timeliness waiver due to the COVID-19 PHE based on individual county timeliness and accuracy thresholds. In February 2024, the Department issued a blanket waiver that covered all 100 counties due to a technical issue in NC FAST with our Online Verification System (OVS).

(8) DHHS Assistance to County DSS Offices

DHHS is committed to assisting county DSS offices in meeting the processing standards for Medicaid applications. Current efforts to provide support and technical assistance include:

- Collaboration between DHHS and DSS County directors, including:
 - Monthly NCACDSS (North Carolina Association of County Directors of Social Services) committee meetings and executive leadership meetings.
 - The annual Social Services Institute, including DHHS delivering workshops related to eligibility policy and NC FAST (cancelled 2020 and 2021 due to the PHE; re-instated August 2022. The 2024 SSI was held July 31 – August 2, 2024).
 - Quarterly regional director meetings, as requested; and
 - Specialized workgroups that include County Directors (through NCACDSS).
- Deployment of the DHB Operational Support Team (OST) to provide eligibility policy and technical support to the counties, including:
 - On-site, bi-monthly visits to provide consultation and monitoring of performance reports;
 - Review of county processes and workflows;
 - Answering specific eligibility policy questions from counties;
 - Monthly webinars and policy training;
 - Quarterly Regional Supervisor meetings to provide updates and training;
 - Lean events for business process improvement, as requested by counties; and
 - Identification of specific OST representatives to support Medicaid program issues, including application timeliness.
- Provision of an Eligibility and Case Maintenance system for all Public Assistance programs, including Medicaid, through NC FAST, including:
 - Regular communication regarding the functionality and processes available through the NC FAST system;
 - Training on system performance and navigation through virtual classroom and courses available on a learning gateway;
 - Basic navigation training, including competency scoring to inform local management for use in staff development;
 - Regular updates on collaboration with county directors and other DHHS leadership staff;
 - A helpdesk to report and resolve issues with NC FAST performance or functionality;
 - A helpdesk for Medicaid applications approaching the due date; and
 - A mechanism to elicit county feedback to aid in prioritization of issue resolution and functionality deployment.

III. Conclusion

DHHS employs staff and processes at various levels to provide technical and policy support to county departments of social services work as they meet state and federal application processing standards. Primary support and tracking mechanisms include OST on-site and off-site technical and policy support, DHHS monitoring of monthly report cards, DHHS collaboration with NCACDSS, proficiency training and testing modules at NC FAST, a streamlined Help Desk

process, funding to increase staff and equipment, and implementation of NC FAST changes that increase the number of applications being dispositioned with straight through processing.

North Carolina also became an FFM-D state in February 2024 which enables the marketplace to make eligibility determinations with no caseworker “touch.” This change is critical to aiding county workforce challenges and assisting with timely redeterminations and should be made permanent. If the FFM-D authority is not extended, DHHS will need to end the “no touch” technology. North Carolina currently has the authority to be an FFM-D state until June 30, 2025. The PHE, continuous coverage unwinding (CCU), and launch of Medicaid expansion increased workload pressure on county departments of social services. Challenges include staffing deficiencies and supply shortages, all while navigating an exponential increase in Medicaid applications. The Centers for Medicare and Medicaid Services (CMS) has provided ongoing guidance and flexibilities throughout the PHE and the CCU to help states through this time of unprecedented challenges. DHHS will continue to provide the guidance and support necessary to assist the county departments of social services in their efforts to successfully meet timeliness standards on a continuous basis.

IV. Appendices

Appendix A: Session Law 2017-57, SECTION 11H.21.

SECTION 11H.21. Part 10 of Article 2 of Chapter 108A of the General Statutes is amended by adding a new section to read:

"§ 108A-70.43. Reporting.

No later than November 1 of each year, the Department of Health and Human Services, Division of Medical Assistance (DHHS), shall submit a report for the prior fiscal year to the Joint Legislative Oversight Committee on Medicaid and NC Health Choice, the Joint Legislative Oversight Committee on Health and Human Services, and the Fiscal Research Division containing the following information:

- (1) The annual statewide percentage of Medicaid applications processed in a timely manner for the fiscal year.
- (2) The statewide average number of days to process Medicaid applications for each month in the fiscal year.
- (3) The annual percentage of Medicaid applications processed in a timely manner by each county department of social services for the fiscal year.
- (4) The average number of days to process Medicaid applications for each month for each county department of social services.
- (5) The number of months during the fiscal year that each county department of social services met the timely processing standards in Part 10 of Article 2 of Chapter 108A-70.38.
- (6) The number of months during the fiscal year that each county department of social services failed to meet the timely processing standards in Part 10 of Article 2 of Chapter 108A-70.38.
- (7) A description of all corrective action activities conducted by DHHS and county departments of social services in accordance with G.S. 108A-70.36.
- (8) A description of how the Department plans to assist county departments of social services in meeting timely processing standards for Medicaid applications, for every county in which the performance metrics for processing Medicaid applications in a timely manner do not show significant improvement compared to the previous fiscal year."

Appendix B: 42 CFR § 435.912 Timely Determination of Eligibility.

- (a) For purposes of this section—
 - (1) “Timeliness standards” refer to the maximum period of time in which every applicant is entitled to a determination of eligibility, subject to the exceptions in paragraph (e) of this section.
 - (2) “Performance standards” are overall standards for determining eligibility in an efficient and timely manner across a pool of applicants, and include standards for accuracy and consumer satisfaction, but do not include standards for an individual applicant's determination of eligibility.
- (b) Consistent with guidance issued by the Secretary, the agency must establish in its State plan timeliness and performance standards for, promptly and without undue delay—
 - (1) Determining eligibility for Medicaid for individuals who submit applications to the single State agency or its designee.
 - (2) Determining potential eligibility for, and transferring individuals' electronic accounts to, other insurance affordability programs pursuant to §435.1200(e) of this part.
 - (3) Determining eligibility for Medicaid for individuals whose accounts are transferred from other insurance affordability programs, including at initial application as well as at a regularly scheduled renewal or due to a change in circumstances.
- (c)
 - (1) The timeliness and performance standards adopted by the agency under paragraph (b) of this section must cover the period from the date of application or transfer from another insurance affordability program to the date the agency notifies the applicant of its decision or the date the agency transfers the individual to another insurance affordability program in accordance with §435.1200(e) of this part, and must comply with the requirements of paragraph (c)(2) of this section, subject to additional guidance issued by the Secretary to promote accountability and consistency of high quality consumer experience among States and between insurance affordability programs.
 - (2) Timeliness and performance standards included in the State plan must account for—
 - (i) The capabilities and cost of generally available systems and technologies;
 - (ii) The general availability of electronic data matching and ease of connections to electronic sources of authoritative information to determine and verify eligibility;
 - (iii) The demonstrated performance and timeliness experience of State Medicaid, CHIP and other insurance affordability programs, as reflected in data reported to the Secretary or otherwise available; and
 - (iv) The needs of applicants, including applicant preferences for mode of application (such as through an internet Web site, telephone, mail, in-person, or other commonly available electronic means), as well as the relative complexity of adjudicating the eligibility determination based on household, income or other relevant information.
 - (3) Except as provided in paragraph (e) of this section, the determination of eligibility for any applicant may not exceed—
 - (i) Ninety days for applicants who apply for Medicaid on the basis of disability; and
 - (ii) Forty-five days for all other applicants.
- (d) The agency must inform applicants of the timeliness standards adopted in accordance with this section.
- (e) The agency must determine eligibility within the standards except in unusual circumstances, for example—
 - (1) When the agency cannot reach a decision because the applicant or an examining physician delays or fails to take a required action, or
 - (2) When there is an administrative or other emergency beyond the agency's control.
- (f) The agency must document the reasons for delay in the applicant's case record.
- (g) The agency must not use the time standards—
 - (1) As a waiting period before determining eligibility; or

- (2) As a reason for denying eligibility (because it has not determined eligibility within the time standards).

Appendix C: N.C.G.S. Chapter 108A, Article 2, Part 10

Chapter 108A. Social Services. Article 2. Programs of Public Assistance Part 10. Medicaid Eligibility Decision Processing Timeliness.

§ 108A-70.36. Applicability.

If a federally recognized Native American tribe within the State has assumed responsibility for the Medicaid program pursuant to G.S. 108A-25(e), then this Part applies to the tribe in the same manner as it applies to county departments of social services. (2016-94, s. 12H.17(b).)

§ 108A-70.37. Timely decision standards.

The county department of social services shall render a decision on an individual's application for Medicaid within 45 calendar days from the date of application, except for applications in which a disability determination has already been made or is needed. For those applications, the county department of social services shall render a decision on an individual's eligibility within 90 calendar days from the date of application. (2016-94, s. 12H.17(b).)

§ 108A-70.38. Timely processing standards.

(a) The Department shall require counties to comply with timely processing standards. The timely processing standards are the average processing time standards and the percentage processed timely standards set forth in G.S. 108A-70.39 and G.S. 108A-70.40. The Department shall monitor county department of social services' compliance with these standards in accordance with this Part.

(b) For purposes of this Part, processing time is the number of days between the date of application and the date of disposition of the application, except in cases where an eligibility determination is dependent upon receipt of information related to one or more of the following:

- (1) Medical expenses sufficient to meet a deductible.
- (2) The applicant's need for institutionalization.
- (3) The applicant's plan of care for the home- and community-based waivers.
- (4) The disability decision made by the Disability Determination Services Section of the Division of Vocational Rehabilitation of the Department.
- (5) Medical records needed to determine emergency dates for non-qualified aliens.
- (6) The applicant's application or other information from the federally facilitated marketplace.
- (7) The applicant's application or other information in connection with an application for a Low-Income Subsidy for Medicare prescription drug coverage.

In these cases, processing time shall exclude the number of days between the date when the county determines all eligibility criteria other than the criteria in subdivisions (1) through (7) of this subsection and the date when the county receives the information related to the criteria in subdivisions (1) through (7) of this subsection.

(c) Processing times for the following types of cases shall be excluded from the calculation of the average processing time and percent processed timely:

- (1) Newborns who are automatically enrolled based on their mother's eligibility.
- (2) Applications for individuals who are presumptively eligible for Medicaid.
- (3) Active cases in which an individual who is eligible for one program is transferred to another program, regardless of whether the transfer occurs between allowable or nonallowable program categories.
- (4) Cases in which an individual transfer from an open case to another case, including establishing a new administrative case for the individual.
- (5) Actions to post eligibility to a terminated or denied case within one year of the termination or denial.
- (6) Cases that are reopened because they were terminated in error or because reopening of the terminated case is allowed by policy.
- (7) Cases in which the eligibility decision was appealed, and the decision was reversed or remanded.

(d) The Department may, in its discretion, exclude days, other than those required by subsection (b) of this section, from the calculation of processing time under this section if the Department determines that the delay was caused by circumstances outside the control of county departments of social services. The Department also may, in its discretion, exclude types of cases, other than those described in subsection (c) of this section, from the calculation of processing time. When the Department exercises its discretion pursuant to this subsection, the Department's determination regarding circumstances outside the control of county departments of social services and the Department's decision to exclude types of cases shall be applied uniformly to all county departments of social services. (2016-94, s. 12H.17(b).)

§ 108A-70.39. Average processing time standards.

(a) Average processing time is calculated by finding the processing time for each case that received a disposition during a given month and finding the average of those processing times.

(b) The standard for average processing time is 90 days for cases in which the individual has applied for the Medicaid Aid to the Disabled category (M-AD) and 45 days for all other cases. (2016-94, s. 12H.17(b).)

§ 108A-70.40. Percentage processed timely standards.

(a) Percentage processed timely is the percentage of cases that received a timely disposition in a given month. The percentage processed timely is calculated by expressing the number of cases during a given month with a processing time equal to or less than the standard set in G.S. 108A-70.37 as a percentage of the total cases receiving a disposition during that month. When the deadline for meeting the timely decision standard in G.S. 108A-70.37 falls on a weekend or holiday, an application that receives a disposition on the first workday following the deadline shall be considered timely for purposes of calculating the percentage processed timely.

(b) The Department is authorized to adopt rules to establish a percentage standard for each county department of social services that will be the percentage processed timely standard for that county department of social services. Until the Department adopts rules establishing percentage standards for each county, the percentage processed timely standards are those established in 10A NCAC 23C .0203 as of April 2016. (2016-94, s. 12H.17(b).)

§ 108A-70.41. Corrective action.

(a) If for any three consecutive months or for any five months out of a period of 12 consecutive months a county department of social services fails to meet either the average processing time standard or the percentage processed timely standard or both standards, the Department and the county department of social services shall enter into a joint corrective action plan to improve the timely processing of applications.

(b) A joint corrective action plan entered into pursuant to this section shall specifically identify the following components:

- (1) The duration of the joint corrective action plan, not to exceed 12 months. If a county department of social services shows measurable progress in meeting the performance requirements in the joint corrective action plan, then the duration of the joint corrective action plan may be extended by six months, but in no case shall a joint corrective action plan exceed 18 months.
- (2) A plan for improving timely processing of applications that specifically describes the actions to be taken by the county department of social services and the Department.
- (3) The performance requirements for the county department of social services that constitute successful completion of the joint corrective action plan.
- (4) Acknowledgement that failure to successfully complete the joint corrective action plan will result in temporary assumption of Medicaid eligibility administration by the Department, in accordance with G.S. 108A-70.42. (2016-94, s. 12H.17(b).)

§ 108A-70.42. Temporary assumption of Medicaid eligibility administration.

(a) If a county department of social services fails to successfully complete its joint corrective action plan, the Department shall give the county department of social services, the county manager, and the board of social services or the consolidated human services board created pursuant to G.S. 153A-77(b) at least 90 days' notice that the Department intends to temporarily assume Medicaid eligibility administration, in accordance with subsection (b) of this section. The notice shall include the following information:

- (1) The date on which the Department intends to temporarily assume administration of Medicaid eligibility decisions.
- (2) The performance requirements in the joint corrective action plan that the county department of social services failed to meet.
- (3) Notice of the county department of social services' right to appeal the decision to the Office of Administrative Hearings, pursuant to Article 3 of Chapter 150B of the General Statutes.

(b) Notwithstanding any provision of law to the contrary, if a county department of social services fails to successfully complete its joint corrective action plan, the Department shall temporarily assume Medicaid eligibility administration for the county upon giving notice as required by subsection (a) of this section. During a period of temporary assumption of Medicaid eligibility administration, the following shall occur:

- (1) The Department shall administer the Medicaid eligibility function in the county. Administration by the Department may include direct operation by the Department, including supervision of county Medicaid eligibility workers, or contracts for operation to the extent permitted by federal law and regulations.
- (2) The county department of social services is divested of Medicaid administration authority.
- (3) The Department shall direct and oversee the expenditure of all funding for the administration of Medicaid eligibility in the county.
- (4) The county shall continue to pay the nonfederal share of the cost of Medicaid eligibility administration and shall not withdraw funds previously obligated or appropriated for Medicaid eligibility administration.
- (5) The county shall pay the nonfederal share of additional costs incurred to ensure compliance with the timely processing standards required by this Part.
- (6) The Department shall work with the county department of social services to develop a plan for the county department of social services to resume Medicaid eligibility administration and perform Medicaid eligibility determinations in a timely manner.
- (7) The Department shall inform the county board of commissioners, the county manager, the county director of social services, and the board of social services or the consolidated human services board created pursuant to G.S. 153A-77(b) of key activities and any ongoing concerns during the temporary assumption of Medicaid eligibility administration.

(c) Upon the Department's determination that Medicaid eligibility determinations can be performed in a timely manner based on the standards set forth in G.S. 108A-70.39 and G.S. 108A-70.40 by the county department of social services, the Department shall notify the county department of social services, the county manager, and the board of social services or the consolidated human services board created pursuant to G.S. 153A-77(b) that temporary assumption of Medicaid eligibility administration will be terminated and the effective date of termination. Upon termination, the county department of social services resumes its full authority to administer Medicaid eligibility determinations. (2016-94, s. 12H.17(b).)

Appendix D: Annual Timely Processing by County

Average Processing Time (APT) and Percent Processed Timely (PPT) by County, SFY 2023								
COUNTY	MAD - PPT	MAD - APT	OTHER -PPT	OTHER -APT	TOTAL - PPT	TOTAL - APT	Months Passed	Months Failed
Alamance	98	46	90	30	91	32	9	3
Alexander	96	48	97	21	97	24	12	0
Alleghany	88	64	94	23	94	26	9	3
Anson	98	53	96	21	96	27	12	0
Ashe	98	45	97	33	97	34	12	0
Avery	98	55	96	22	96	26	11	1
Beaufort	98	55	97	21	97	24	11	1
Bertie	96	57	96	27	96	31	11	1
Bladen	90	63	93	22	93	29	10	2
Brunswick	97	56	84	32	86	34	9	3
Buncombe	96	55	91	26	92	29	10	2
Burke	97	72	96	21	96	29	11	1
Cabarrus	97	50	91	25	91	27	9	3
Caldwell	94	59	82	30	84	34	6	6
Camden	98	53	97	24	97	29	11	1
Carteret	98	57	97	25	97	29	12	0
Caswell	98	51	98	19	98	23	11	1
Catawba	98	49	94	24	94	26	11	1
Chatham	92	56	93	27	93	30	10	2
Cherokee	97	46	97	16	97	20	12	0
Chowan	94	49	95	26	95	30	11	1
Clay	100	23	94	23	95	23	11	1
Cleveland	98	58	96	23	97	27	12	0
Columbus	98	48	98	16	98	20	12	0
Craven	95	48	91	21	92	25	10	2
Cumberland	89	62	95	23	95	28	6	6
Currituck	97	80	93	32	93	38	11	1
Dare	95	61	94	26	94	30	10	2
Davidson	92	59	91	23	91	27	5	7
Davie	90	63	95	22	95	26	9	3
Duplin	97	51	95	27	95	31	11	1
Durham	92	64	90	27	90	30	10	2
Edgecombe	93	49	95	25	95	29	10	2
Forsyth	93	55	83	30	84	32	7	5
Franklin	95	56	96	20	96	24	12	0
Gaston	97	61	98	25	98	30	12	0

Average Processing Time (APT) and Percent Processed Timely (PPT) by County, SFY 2023								
COUNTY	MAD - PPT	MAD - APT	OTHER -PPT	OTHER -APT	TOTAL -PPT	TOTAL - APT	Months Passed	Months Failed
Gates	95	57	95	29	95	33	9	3
Graham	98	45	98	22	98	24	12	0
Granville	97	59	94	36	95	38	12	0
Greene	94	49	96	21	96	24	12	0
Guilford	90	61	92	24	92	28	7	5
Halifax	96	67	97	32	97	39	11	1
Harnett	97	44	96	19	96	21	11	1
Haywood	95	57	88	30	89	33	7	5
Henderson	98	41	97	22	97	24	12	0
Hertford	97	30	89	20	90	21	11	1
Hoke	95	60	95	25	95	29	12	0
Hyde	100	41	99	18	99	20	12	0
Iredell	96	65	94	25	94	29	12	0
Jackson	94	39	96	15	96	18	12	0
Johnston	98	52	97	28	97	30	12	0
Jones	98	43	97	20	97	22	12	0
Lee	90	62	95	25	94	29	10	2
Lenoir	95	50	95	23	95	27	9	3
Lincoln	97	54	97	26	97	31	12	0
Macon	96	49	97	27	97	29	12	0
Madison	97	55	96	21	96	25	12	0
Martin	95	54	93	27	93	31	11	1
McDowell	93	51	94	18	94	21	10	2
Mecklenburg	74	71	75	36	75	39	0	12
Mitchell	98	35	97	25	97	27	11	1
Montgomery	97	55	98	22	98	27	12	0
Moore	97	57	96	25	96	28	12	0
Nash	93	60	90	37	90	39	6	6
New Hanover	99	47	99	14	99	18	12	0
Northampton	96	78	97	30	97	37	11	1
Onslow	96	57	93	26	93	30	11	1
Orange	98	60	98	24	98	28	12	0

Average Processing Time (APT) and Percent Processed Timely (PPT) by County, SFY 2023								
COUNTY	MAD - PPT	MAD - APT	OTHER -PPT	OTHER -APT	TOTAL - PPT	TOTAL - APT	Months Passed	Months Failed
Pamlico	94	67	88	27	89	32	6	6
Pasquotank	96	59	95	24	95	28	11	1
Pender	91	66	86	34	87	37	8	4
Perquimans	97	63	94	29	94	35	11	1
Person	90	57	91	29	91	32	9	3
Pitt	89	87	74	45	76	50	4	8
Polk	91	63	91	21	91	26	9	3
Randolph	97	52	97	20	97	23	12	0
Richmond	97	65	80	35	82	39	6	6
Robeson	90	50	94	23	94	27	9	3
Rockingham	92	74	96	25	95	31	10	2
Rowan	91	65	92	27	92	32	9	3
Rutherford	96	59	96	25	96	31	12	0
Sampson	95	58	97	22	97	26	12	0
Scotland	97	51	93	31	94	33	9	3
Stanly	94	48	96	24	96	27	11	1
Stokes	99	38	99	19	99	22	12	0
Surry	98	41	97	18	97	20	12	0
Swain	95	53	96	24	96	26	10	2
Transylvania	98	45	96	20	96	22	12	0
Tyrrell	96	58	97	30	97	35	11	1
Union	67	78	79	29	78	33	1	11
Vance	95	47	96	23	96	26	11	1
Wake	90	71	83	30	84	33	6	6
Warren	95	65	96	27	96	32	11	1
Washington	92	64	96	23	95	28	9	3
Watauga	94	65	93	31	93	35	10	2
Wayne	75	81	91	26	88	35	2	10
Wilkes	98	39	97	26	97	27	12	0
Wilson	98	40	97	27	97	28	12	0
Yadkin	92	64	94	28	94	33	10	2
Yancey	97	49	98	19	98	23	11	1

Appendix E: Average Time to Process Applications by County by Month

Average Processing Time (Days), SFY 2023												
COUNTY	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Alamance	31	32	30	30	32	29	37	40	33	26	34	20
Alexander	25	25	18	24	20	17	24	26	26	34	22	23
Alleghany	33	28	29	24	26	13	23	34	15	28	28	43
Anson	34	27	31	32	33	24	27	23	21	27	23	26
Ashe	32	35	37	32	39	30	36	37	35	32	27	32
Avery	31	41	34	41	26	16	27	23	28	23	24	20
Beaufort	28	31	31	26	24	18	25	24	26	26	23	22
Bertie	39	32	33	39	29	23	28	32	30	33	31	27
Bladen	38	33	36	33	31	26	25	28	28	24	26	23
Brunswick	27	26	27	27	29	31	39	47	44	30	27	33
Buncombe	32	31	31	30	27	22	30	36	30	26	23	22
Burke	25	29	22	23	23	22	27	28	57	30	27	22
Cabarrus	24	23	26	27	25	24	32	34	31	25	24	22
Caldwell	42	44	39	38	41	29	35	40	35	25	25	21
Camden	32	28	35	30	31	23	29	33	22	21	29	37
Carteret	28	31	25	27	24	22	30	34	33	27	26	28
Caswell	24	25	22	28	23	19	20	24	18	19	23	24
Catawba	25	26	26	25	23	23	29	32	28	26	22	22
Chatham	30	30	32	35	26	22	28	37	30	29	29	29
Cherokee	32	24	21	17	17	12	15	27	19	17	20	22
Chowan	37	34	37	31	33	22	28	27	29	29	24	32
Clay	15	16	25	21	22	19	27	27	24	26	27	22
Cleveland	27	32	29	28	27	23	30	30	28	27	26	27
Columbus	27	24	30	25	21	16	18	19	22	17	16	19
Craven	25	22	22	24	21	20	26	30	30	26	23	21
Cumberland	40	34	34	33	26	19	25	29	31	25	24	22
Currituck	34	36	37	36	43	37	37	40	37	38	36	36
Dare	39	41	35	35	32	26	27	34	27	27	25	25
Davidson	30	33	37	34	27	22	32	29	23	18	19	18
Davie	24	29	26	31	22	18	24	32	34	24	27	25
Duplin	33	30	35	33	32	30	32	32	31	29	25	25
Durham	30	29	30	29	28	24	29	34	36	28	26	25
Edgecombe	32	32	32	32	32	24	28	31	27	30	31	27
Forsyth	28	28	28	28	26	26	32	40	46	36	31	31
Franklin	20	25	27	24	27	20	26	29	20	21	22	23

Average Processing Time (Days), SFY 2023

COUNTY	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Gaston	33	31	33	32	31	31	29	29	28	29	29	28
Gates	35	27	23	26	38	34	35	33	41	42	36	21
Graham	28	26	32	23	24	21	27	25	24	16	26	22
Granville	45	39	39	37	39	37	43	40	38	35	38	33
Greene	27	21	25	23	22	21	22	29	24	31	22	27
Guilford	24	25	27	26	23	22	29	33	34	31	27	23
Halifax	40	37	41	38	44	35	35	40	40	39	41	36
Harnett	21	23	22	25	20	16	25	25	23	17	17	14
Haywood	31	34	29	38	28	24	35	38	38	32	32	28
Henderson	30	26	31	25	24	17	24	28	24	22	20	21
Hertford	25	28	23	22	25	16	23	23	18	21	20	14
Hoke	29	33	32	29	35	21	25	35	27	31	25	26
Hyde	23	18	31	17	22	13	24	17	12	18	31	21
Iredell	26	32	30	29	34	24	29	33	32	29	26	25
Jackson	29	22	23	22	18	13	22	16	14	13	16	12
Johnston	31	28	31	30	30	26	33	35	31	32	30	28
Jones	20	23	20	16	22	20	26	22	25	19	22	24
Lee	30	26	32	30	28	28	31	31	30	31	27	30
Lenoir	31	30	29	27	28	25	31	25	24	21	24	28
Lincoln	32	31	30	34	29	25	30	34	30	33	29	31
Macon	30	26	30	30	31	25	29	33	31	28	26	26
Madison	33	29	33	31	29	17	22	30	28	20	22	21
Martin	41	30	31	33	31	29	33	29	27	27	23	36
McDowell	23	23	23	27	24	13	24	23	22	23	20	25
Mecklenburg	35	31	34	34	36	33	41	44	47	51	37	24
Mitchell	26	23	26	24	29	18	28	32	27	33	24	25
Montgomery	34	28	32	33	29	20	27	27	26	25	25	25
Moore	32	29	29	32	30	22	28	35	29	27	25	24
Nash	31	31	29	33	35	38	43	46	42	50	38	37
New Hanover	17	15	18	15	14	12	19	24	21	18	17	16
Northampton	45	44	42	39	40	33	34	33	39	35	31	33
Onslow	27	26	27	28	29	28	32	34	40	29	25	24
Orange	24	24	23	27	24	20	29	33	32	28	28	31

Average Processing Time (Days), SFY 2023												
COUNTY	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24
Pamlico	47	38	38	52	36	33	33	28	26	28	35	18
Pasquotank	29	26	30	33	31	25	31	34	31	24	23	19
Pender	33	37	40	37	38	31	38	42	38	34	33	33
Perquimans	43	31	34	44	32	36	34	34	33	36	31	30
Person	32	32	36	38	31	28	38	40	36	28	25	20
Pitt	42	46	40	40	39	45	58	51	53	53	64	54
Polk	41	31	30	35	26	20	30	23	25	24	22	17
Randolph	25	22	26	25	21	18	24	24	21	22	22	24
Richmond	34	36	36	43	35	37	44	48	48	39	33	32
Robeson	31	32	32	31	30	30	30	24	20	19	17	26
Rockingham	38	40	35	36	28	23	31	29	33	29	29	29
Rowan	37	31	31	33	30	27	32	37	32	31	32	30
Rutherford	35	31	34	29	30	26	30	31	36	30	29	27
Sampson	31	30	29	28	25	20	28	26	25	24	28	21
Scotland	31	29	34	26	30	33	40	39	35	38	28	28
Stanly	33	30	35	30	24	23	27	25	24	27	25	19
Stokes	19	21	25	22	20	17	24	26	23	23	20	20
Surry	26	22	22	25	19	17	21	21	19	17	20	18
Swain	34	23	25	28	37	25	21	22	21	29	28	33
Transylvania	25	23	28	24	18	15	25	27	23	20	18	18
Tyrrell	47	28	44	48	53	19	32	37	31	37	22	39
Union	22	22	26	24	23	31	36	45	48	40	27	21
Vance	22	48	24	22	23	21	30	22	34	21	26	20
Wake	24	24	26	29	26	25	34	40	45	40	32	30
Warren	33	30	32	42	22	24	34	33	35	35	32	33
Washington	33	28	24	41	35	19	28	29	27	27	26	19
Watauga	40	36	37	36	37	28	36	41	34	29	28	28
Wayne	45	37	43	30	39	33	38	37	35	34	27	23
Wilkes	27	33	38	28	25	21	26	30	27	28	27	22
Wilson	33	30	28	24	28	25	30	30	27	26	30	26
Yadkin	32	33	32	41	29	31	36	33	31	30	31	31
Yancey	23	23	30	33	20	19	24	24	22	19	20	18