North Carolina Department of Health and Human Services
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Michael F. Easley, Governor Carmen Hooker Odom, Secretary Stephanie M. Alexander, Chief

MEMORANDUM

To: Providers Licensed for 10A NCAC 27G .1300 and 10A NCAC 27G .1700
From: Robert Fitzgerald, Director, Division of Facility Services
Mike Moseley, Director, Division of MH/DD/SAS
Mark Benton, Director, Division of Medical Assistance
Date: May 16, 2007
Re: Child Residential Providers Renewing their DFS License for 2008: Important information about LME Endorsement and Medicaid Enrollment

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The Division of Facility Services (DFS), Division of Medical Assistance (DMA), and Division of Mental Health, Developmental Disabilities, and Substance Abuse Services (DMH) are working together to effectively coordinate renewals, endorsement, and enrollment for 2008.

Our goal is:

> **To make the Renewal/Endorsement/Enrollment process clearer and more efficient for both the provider and for our agencies.**

To accomplish this goal, each division will take steps to accomplish the following:

- To ensure that children and adolescents are served in facilities with a current **DFS License**.
- To ensure the coordination of **LME Residential Endorsements** with licensure and enrollment
- To ensure that **Medicaid** payment is for facilities that have continuous enrollment in Medicaid.

We are taking this opportunity to inform you of the plan and timeline for renewal, endorsement, and enrollment of .1300 and .1700 facilities for the 2008 Calendar Year so you can plan accordingly to ensure timely applications for the following:

- Provider Renewal of DFS License
- Provider LME Endorsement
- Provider Medicaid Enrollment with DMA

Following you will find a time line with important dates regarding when to submit DFS Renewal Applications, LME Endorsement Applications, and Medicaid Enrollment Applications.

DATE	DIVISION RESPONSIBILITY	PROVIDER RESPONSIBILITY
7/1/07-12/31/07	LME conducts Full Endorsement Review of providers with Conditional Endorsement end dates between July 1 and December 31, 2007	**1. Provider communicates with LME to ensure timely Endorsement review.**
7/16/07-7/20/07	**DFS** sends license **Renewal Applications** to .1300 and .1700 providers. Correct and Complete Renewal applications received and date stamped **10/2/07** or later *will not* be processed by **10/16/07**.	**2. Ensure correct and complete DFS Renewal Application is received by DFS no later than 10/1/2007.** This will ensure that you receive your license for 2008 by ***10/16/2007***, and therefore maintain continuous Medicaid Enrollment.
8/1/07-10/31/07	**DMA** will process **Medicaid Re-enrollment** Applications. Correct and complete applications received and date stamped 10/31/07 or earlier will have an effective enrollment date of 1/1/2008. Initial (New) correct and complete enrollment applications will be enrolled effective the date of receipt at DMA as long as the license and endorsement is in effect.	**3. Ensure correct and complete Medicaid Re-enrollment Application is received by DMA no later than 10/31/07.** This will ensure an effective re-enrollment date of 1/1/2008.
10/17/07-12/31/07	**DFS** will continue to process renewal applications received 10/17-12/31/07, however this will be too late to obtain Medicaid re-enrollment with DMA by 12/31/07.	
11/1/07-12/31/07	**DMA** will process **Medicaid re-enrollment** Applications. Correct and complete Applications received and date stamped **11/1/07** or later will be enrolled **two (2) months after the date stamp.**[1]	
11/19/07-11/23/07	**LMEs** contact facilities & prepare to remove children from facilities on 01/01/08 if they are not licensed for 2008.	
12/31/07	**Deadline for licensure with DFS** Providers who wait until 12/31/07 to submit their correct and complete DFS Renewal Application will be able to be licensed but will not be able to obtain Medicaid Re-enrollment with DMA until after 3/1/08.[2]	
12/31/07	**Last day of continuous payment for providers who have not submitted Medicaid Re-enrollment application to DMA by 10/31/2007, and are therefore not continuously enrolled in Medicaid for 2008.**	
1/1/2008	**LMEs remove children from facilities that do not have a 2008 DFS License.**	

[1] Example for Medicaid Re-enrollment date stamped 10/31/2007 or earlier: If provider A submits their correct and complete DMA provider re-enrollment packet, along with their renewed 2008 facility license and current Notification of Endorsement Action letter to DMA by 10/31/2007, DMA will process their DMA re-enrollment by 01/01/2008 with an effective date of 01/01/2008.

[2] Example for Medicaid Re-enrollment date stamped 11/01/07 or later: If provider B submits their correct and complete DMA provider re-enrollment packet, along with their renewed 2008 facility license and current Notification of Endorsement Action letter to DMA on 11/15/2007, DMA will not guarantee provider B that their DMA re-enrollment will be processed by 01/01/2008. Rather, provider B's DMA re-enrollment will be processed two (2) months after the date of receipt with an effective date of 01/15/2008 and there will be a gap in the effective date of enrollment, causing a period of time when the provider is not eligible for Medicaid reimbursement.

As noted above, we are beginning our process earlier this year in order to meet the goal outlined at the beginning of this memo.

Please note that there will be **no additional time** for providers that are awaiting DFS licensure to remain enrolled in Medicaid. If a provider wishes to be continuously enrolled in Medicaid after December 31, 2007, they must submit their Medicaid re-enrollment application to DMA by 10/31/2007. Failure to do so will result in a lapse in Medicaid enrollment and payment.

We ask that LMEs partner with us in this effort and maintain effective communication with their providers throughout the year to assure they meet these timelines. We appreciate your support in making this a smooth transition for 2008.

If you have questions regarding this communication please contact:

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Enrollment: Portia.Basnight@ncmail.net
Licensure: Laurel.Callis@ncmail.net or dfs.mhrenewal@ncmail.net

Cc: DMH/DD/SAS Executive Leadership Team
NC Council of Community Programs
Division of Social Services
Division of Medical Assistance
Local Management Entities