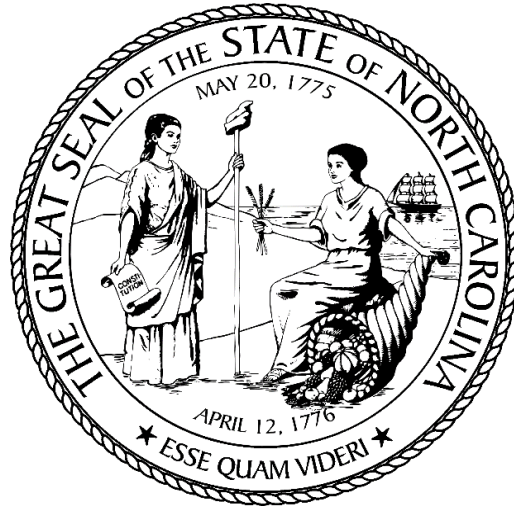


Medicaid Recipient Eligibility Determinations Audit CY 2024

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**

November 6, 2025

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I. Introduction

North Carolina General Statute 108A-70.51, as amended by Session Law 2018-5 Section 11H.5(c) (see **Appendix A: Medicaid Eligibility Determinations Accuracy and Quality Assurance**), 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 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% per fiscal year for each county for technical 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 Determination Audit (“REDA”).

This report provides the results of Year 3 (CY 2024) of the 2022-2024 audit cycle (Cycle II) as well as a summary of the results for the second full 3-year cycle (Cycle II, Years 1-3).

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.

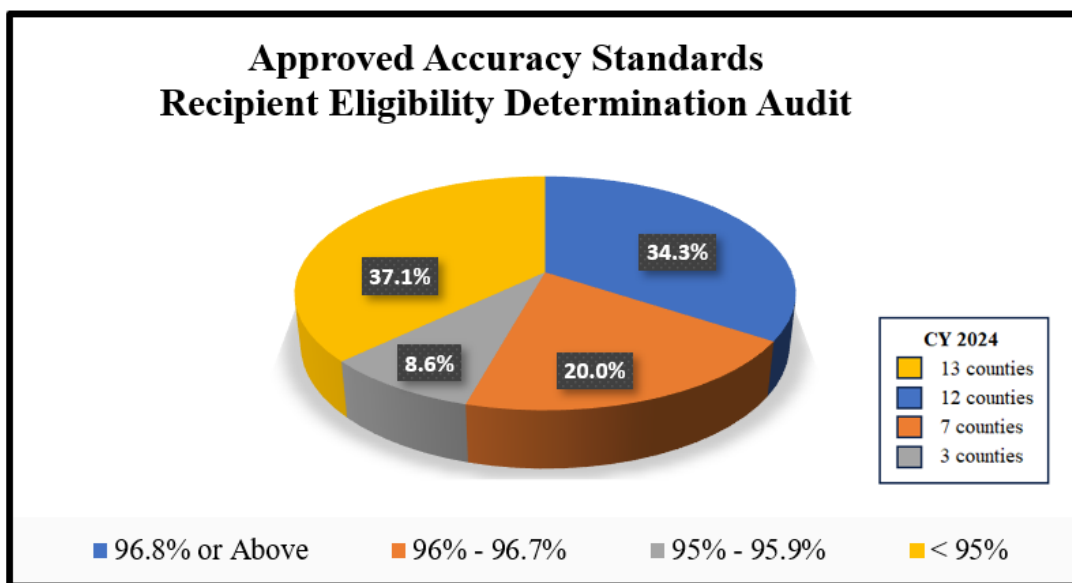
As previously noted, each audit cycle of the 100 counties is divided over a three-year period, as follows: Year 1 includes 30 counties; Year 2 includes 35 counties; and Year 3 covers the remaining 35 counties. A sample size of 200 eligibility determinations made in a 12-month period is audited for each 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 3 Accuracy and Quality Assurance Results

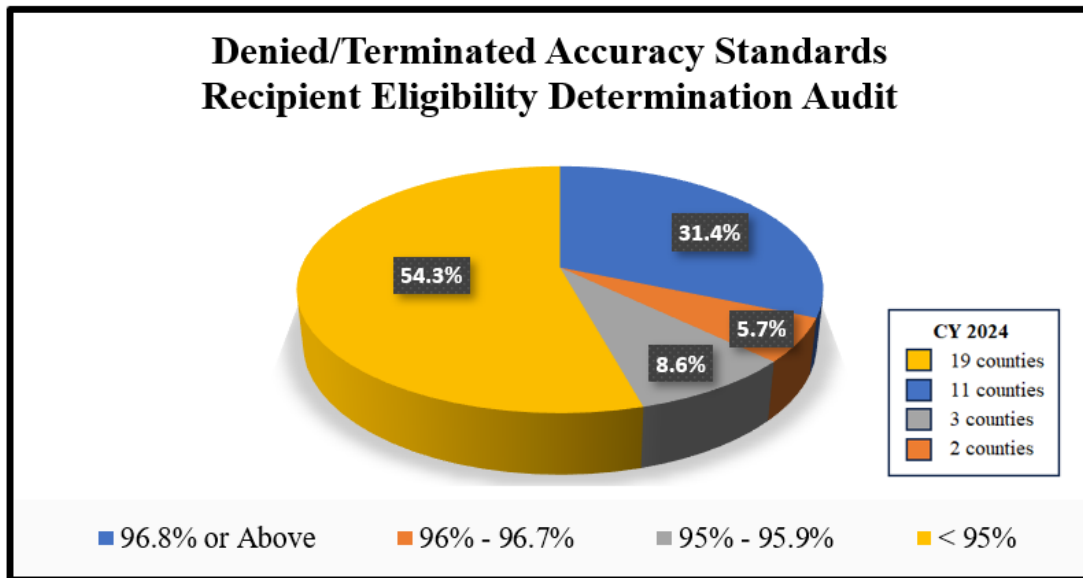
1. Statewide annual percentage of county DSSs that met the accuracy standards

- A. Approved – The overall accuracy rate for Cycle II – Year 3 is 95.0%. The Department reviewed 35 counties in Year 3 for Medicaid eligibility determination accuracy. The 96.8% accuracy rate of approved determinations was met by 12 counties (34.3%). 7 counties (20.0%) are falling just shy of the standard, achieving an accuracy rate between 96.7% to 96.0%. 3 counties (8.6%) are between 95.9% to 95.0%, with the remaining 13 counties (37.1%) below a 95.0% accuracy rate.



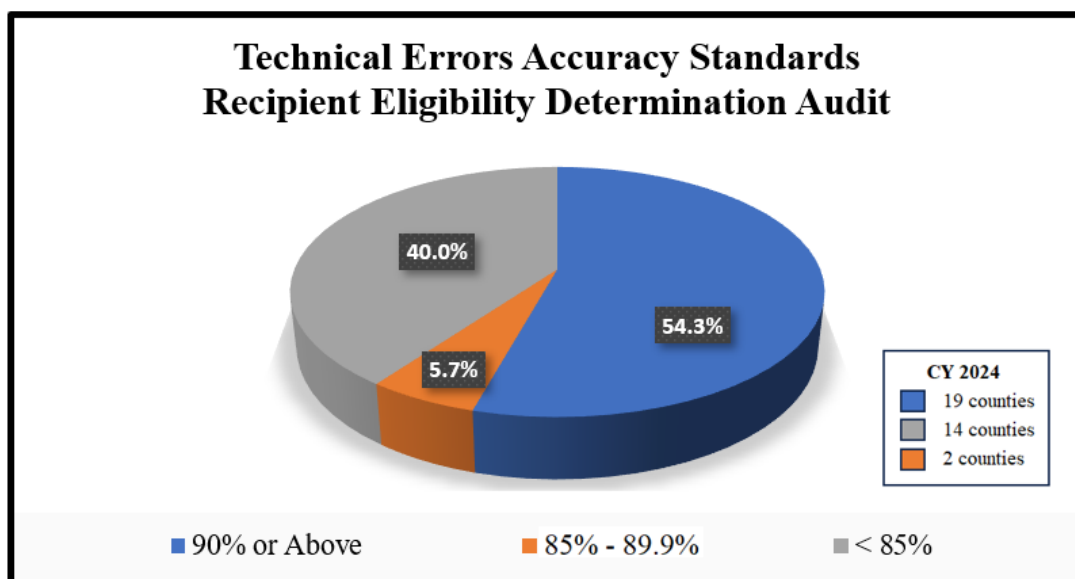
The Department has seen a minimal decrease in the accuracy rate for approvals from Cycle I to Cycle II for the counties reviewed in Year 3. For Cycle II – Year 3, the top 5 prominent trends, comprising 79.0% of errors that impacted approval eligibility, include income computation/verification, third-party insurance, certification/authorization periods, evaluation for all programs, and long-term care eligibility. Although holding consistent for approvals as shown in Section III. 4., the Department continues to work with counties on improvement measures for the errors identified at approval action in order to meet or exceed the 96.8% accuracy standard.

- B. Denied/Terminated – The overall accuracy rate for Cycle II – Year 3 is 93.8%. The 96.8% accuracy rate of denied/terminated determinations was met by 11 counties (31.4%). 2 counties (5.7%) are falling just shy of the standard, achieving an accuracy rate between 96.7% to 96.0%. 3 counties (8.6%) are between 95.9% to 95.0%, with the remaining 19 counties (54.3%) below a 95.0% accuracy rate.



The Department has seen a minimal decrease in the denial/termination accuracy rate from Cycle I to Cycle II for the counties reviewed in Year 3. For Cycle II – Year 3, the top 5 prominent trends, comprising 81.0% of errors that impacted denial/termination eligibility, include requests for information, evaluation for all programs, continuous eligibility, information available in agency records, and denial prior to application time standards. Although holding consistent for denial and termination actions as shown in Section III. 4., 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 3 is 88.2%. The 90.0% accuracy rate was met by 19 counties (54.3%). 2 counties (5.7%) are falling shy of the standard, achieving an accuracy rate between 89.9% to 85.0%. The remaining 14 counties (40.0%) measured 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 3. For Cycle II – Year 3, the top 5 prominent trends, comprising 77.0% of technical errors, include applicant/beneficiary notifications, income computation/verification, requests for information, timeliness, and data entry. Although technical errors do not impact program eligibility, the Department continues to collaborate with counties on implementing improvement measures to prevent technical errors from becoming errors that impact eligibility determination. Additionally, the Department continues to work toward increased system improvements that assist in providing appropriate and timely 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 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 all 35 Cycle II – Year 3 counties successfully completed and met the Medicaid quality assurance minimum standards for CY 2024. Minimum sample sizes are based on the county population (see **Appendix B: Quality Assurance Standard**). OCPI QA reviewed the county-submitted templates and noted the following prominent issues identified by the county agencies during the self-assessment reviews:

- Income computation/verification
- Evidence data entry in the NC FAST eligibility system
- Resource (asset) computation/verification

Although notices do not impact eligibility, counties also reported applicant/beneficiary notification issues 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. Additionally, counties deployed checklists and templates to streamline and standardize the eligibility determination process and took advantage of online program training made available by the Department. Counties also onboarded additional staff, when possible, to assist with caseload volume and utilized in-house training staff to support staff development and improve accuracy.

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

The Cycle II – Year 3 review of Medicaid eligibility determination actions conducted by the county DSSs was completed for CY 2024 in May 2025. For this cycle, 7,000 eligibility actions were tested to verify Medicaid eligibility determinations were performed accurately and timely (see **Appendix C: County Audit Results for Medicaid Eligibility 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 second cycle reviewing county Medicaid eligibility determination decisions under G.S. 108A 70.48. County performance results, for Year 3 counties, find 24 counties failed to meet eligibility and/or technical standards in both audit cycles, while 10 counties failed to meet eligibility and/or technical standards in only 1 audit cycle (see **Appendix D: County Performance in Previous Five-Year Period**).

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

Early in the CY 2022 audit, the Department enhanced the REDA audit protocol by implementing a real-time version of the Accuracy Improvement Plan (AIP) process during the audit cycle rather than at the conclusion of the annual audit. By introducing a real-time AIP, collaboration between the Department 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.

Maintaining the AIP approach in the CY 2024 audit has allowed for continued success and quality improvements. The audit statistics projected 30 counties would have been required to undergo a formal AIP at the conclusion of the audit; however, due to the Department's early intervention, only 4 counties require a legislated AIP at the conclusion of the CY 2024 audit. Based on the proven success of this initiative, the State will continue this approach for future cycles/years.

Furthermore, the four (4) Cycle II – Year 3 counties who failed to meet the required accuracy standards for CY 2024 will be placed under an AIP according to the requirements of G.S. 108A-70.49. (see **Appendix E: Accuracy Improvement Intervention Results**). The AIP includes Department representatives as well as 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, or other attendees requested by the county who is working toward quality standards.

In addition to the AIP process, the Department has taken aggressive measures to update Medicaid policy, provide formal policy training, and enhance the NC FAST eligibility system to support efficiency and accuracy in eligibility determination decisions. Measures implemented by the Department include the following.

Policy/System Enhancements:

- Effective January 2024, systematic enhancements were made for Medicaid eligibility redetermination for children via refined (e)14 Waiver logic allowing for automated recertification of benefits through straight-through processing efforts resulting in increased efficiency and accuracy in determining continued eligibility for Medicaid children.
- As of February 1, 2024, in accordance with Section 1.8 of S.L. 2023-7 as amended, NC integrated to a Federally Facilitated Marketplace Determination (FFM-D) state which allows the FFM to make eligibility determinations for individuals who apply for coverage through the Federal Marketplace and reduces the need for eligibility determination to be performed by county DSS agencies. Once the Department receives notification of eligibility from the FFM, NC FAST completes an assessment to determine which full MAGI benefit program the individual is eligible for and provides appropriate beneficiary notification.
- Effective June 2024 and through the fall of 2024, continued enhancements were made within NC FAST for the NC Medicaid MAGI, non-MAGI, and Adult, Blind, and Disabled (ABD) populations in regard to straight-through processing efforts in eligibility determination. With continued, rigorous efforts toward systematic straight-through processing, the demand on county DSS staff is lessened while also promoting increased efficiency and accuracy in eligibility determination as it reduces manual determination actions.

Training/Compliance Enhancements:

- In January 2024, a Desk Reference Tool was released, providing guidance on proper notification to beneficiaries, and a training tool titled “The Medicaid New Hire Curriculum Training Course” was provided to county DSS agencies to be utilized as

a training guide when onboarding new hires.

- In March-June 2024, additional training was presented, released, and mandated for county eligibility staff regarding Medicaid beneficiary notification.
- As of August 2024, the Department instituted a requirement for counties to utilize the NC FAST eligibility system as the primary document management system, to house all Medicaid records, rather than utilizing county level external document management systems. By doing so, it enhances the Department's ability to track and monitor county compliance with Medicaid program eligibility requirements.
- In August 2024, the Department presented, at the annual Social Services Institute (SSI), additional training and resources to strengthen and support county DSS agency staff.
 - SSI workshop entitled "Together Everyone Achieves More (TEAM) – The team-based approach to Root Cause Analysis" was presented to county DSS staff to define root cause analysis (RCA), identify core principles of RCA, identify situations that can be resolved using RCA, and demonstrate RCA methods while providing templates/tools for county DSS staff to utilize to conduct these risk analyses. Additionally, the Department shared summary reminders regarding consequences to continued risk without mitigation, reviewed strong control activities, and discussed how to work toward continued improvement.
 - SSI workshop entitled "Mastering the Skills of Partnership" was presented to county DSS staff to highlight the importance of internal and external partnerships for determining and delivering appropriate Medicaid benefits and services to NC residents.

The SSI training material was provided to the NC Association of County Directors of Social Services (NCACDSS) for posting on their website as well as posted within the NC FAST Learning Gateway for county DSS staff reference and training.

- Continuing through the fall of 2024, additional Medicaid training resources, such as "Introduction to NC Medicaid Policy and Procedural Resources" and "Mastering Medicaid Policy", were made available in the NC FAST Learning Gateway to support county staff as well as support improvements in eligibility determination.
- To further ensure Medicaid policies are understood and adhered to at the county level, the Department continues to mandate the NC FAST Certification program. Certification results are reviewed by the Department to monitor compliance with this requirement.

Whether through policy updates and training, system enhancements, group workshops, monthly consultation, or the real-time AIP approach, the Department remains dedicated to bolstering county eligibility determination performance and directing counties on the importance of compliance plans, including the Office of Inspector General's (OIG) Seven Basic Elements of a Compliance 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.

Utilizing the continued approaches noted above, the Department has committed to assisting county departments of social services in meeting accuracy and quality assurance standards for Medicaid eligibility determination. For those counties reflecting unsatisfactory performance issues, the Department will implement a formal, focused AIP process (see **Appendix F: Joint State/Local Agency Accuracy Improvement Plan**).

IV. Cycle II – Year 3 Summary

The overall eligibility accuracy rates for Cycle II – Year 3 are 95.0% for approvals and 93.8% for denials/terminations. The Department continues to update and issue policy guidance and implement system enhancements while the counties focus on implementing the Department's recommendations for strengthening internal control processes. As eligibility determination is a shared responsibility between the Department and county DSS agencies, the audit identified the continued need for collaboration between both entities. The common and significant challenge for both the Department and the counties is a shortage of qualified staff. The Department has a continued need for qualified staff to write and maintain Medicaid policy, while counties continually experience a shortage of qualified staff to execute policy against the demand resulting from thousands of Medicaid applications and redeterminations. Recent data collected from county DSS agencies finds 81 of 100 NC counties continue to have vacant positions. As a consequence of staff turnover, some counties struggle with maintaining strong internal controls over the eligibility determination process.

As noted above in Section III.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. 3-Year Cycle Summary

The CY 2024 audit concludes the second cycle of the 3-year audit for the Recipient Eligibility Determination Audit (REDA). The following is a summary of results from a statewide perspective.

- Statewide Sample Size: 19,728 eligibility actions reviewed (9,890 approvals and 9,838 denials/terminations)
- Statewide Accuracy Rates:
 - Approval Accuracy Rate: 95.7%
 - Denial/Termination Accuracy Rate: 93.0%
 - Technical Accuracy Rate: 88.9%
- Statewide Accuracy Standard Performance without AIP Intervention:
 - 47 counties successfully met the Approval Accuracy Standard.
 - 28 counties successfully met the Denial/Termination Accuracy Standard.
 - 68 counties successfully met the Technical Accuracy Standard.
- AIP – Statewide Accuracy Improvement Results with AIP Intervention:
 - Only 3 counties were required to undergo a legislated, focused AIP for the Approval standard.
 - Only 15 counties were required to undergo a legislated, focused AIP for the Denial/Termination standard.
 - Only 1 county was required to undergo a legislated, focused AIP for both the Approval and Denial/Termination standards.

Note: All counties who were subject to a legislated, focused AIP were successfully released after State/County collaboration on risk identification and mitigation, and AIP testing.

- Statewide Error Trends – Top 3 Trends per standard, in order of recurrence:
 - Approval Trends
 1. Income computation/verification

2. Certification/authorization periods
3. Third-party insurance
- Denial/Termination Trends
 1. Evaluation for all programs
 2. Requests for information
 3. Denial prior to application time standards
- Technical Error Trends (Approvals and Denials/Terminations)
 1. Applicant/beneficiary notification
 2. Requests for information
 3. Income computation/verification
- The below statewide performance chart provides the percentage differences from Cycle I to Cycle II for Years 1-3. Cycle II was met with increased challenges and program impacts due to the COVID-19 pandemic; however, performance results reflect the Department and county DSS agencies' commitment to accurate and timely Medicaid benefits for NC residents. With frequent and extensive updates to the Medicaid program during the Public Health Emergency (PHE), as directed by CMS, performance from the initial 3-year audit to the subsequent 3-year audit appears to hold steady with only a minimal decrease in the approval and denial/termination eligibility standards. The decline in the technical standard appears to reflect the focus on accurate eligibility determination.

Eligibility Standards	Cycle I, Years 1-3 CYs 2019-2021	Cycle II, Years 1-3 CYs 2022-2024	Difference
Approvals	96.0%	95.7%	-0.3%
Denials/Terminations	94.0%	93.0%	-1.0%
Technical	91.0%	88.9%	-2.1%

VI. Recommendation

County Investment: As counties continue modifying efforts post-COVID-19 PHE unwinding, the Department recognizes the need for continued and enhanced support to the county DSS agencies in their efforts to manage 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. With the forthcoming implementation of H.R.1 eligibility provisions requiring Medicaid redeterminations twice yearly (instead of once annually) as well as tracking and verifying work/community engagement requirements for the first time in the Medicaid program's history, the Department anticipates significant increases in the administrative burden faced by county DSS agencies. The North Carolina General Assembly should consider providing additional funding to counties to meet these new requirements by enhancing their ability to procure qualified staff, stabilizing staff turnover, and enhancing technology in the county DSS offices for increased productivity and efficiency.

Department Investment: The Department has implemented policy changes and system enhancements to support County staff who are responsible for Medicaid eligibility determination, 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 implementation of H.R.1 eligibility provisions as noted above, the Department will face significant new increases in costs to implement technology that can support tracking of work requirements, data integration, and hiring/training of new staff. With the increased demands, limited staff, and pressing need for intensive collaboration with county staff and supplemental audit

functions, the Department continues to request additional resources from the North Carolina General Assembly 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 the administrative burden on county agencies by centralizing certain county functions (ex. return mail processing, call center activities, etc.). Additional staff and funding will also 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.

VII. 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 2024 Number of Cases Reviewed by REDA Cycle II – Year 3 Counties							
County	Minimum Quarterly Sample Size	Quarter 1	Quarter 2	Quarter 3	Quarter 4	CY 2024 Cases Reviewed	Difference (+/-)
Beaufort	60	60	60	80	60	260	20
Brunswick	112	495	587	525	439	2046	1598
Camden	30	54	50	48	60	212	92
Carteret	60	86	107	101	88	382	142
Chowan	35	35	42	152	153	382	242
Clay	30	31	41	33	84	189	69
Cleveland	138	573	702	1017	915	3207	2655
Columbus	88	318	258	243	179	998	646
Craven	98	135	119	168	137	559	167
Duplin	76	112	86	121	146	465	161
Graham	30	84	56	58	65	263	143
Greene	52	55	53	84	53	245	37
Harnett	128	128	132	132	130	522	10
Hyde	30	30	34	30	30	124	4
Johnston	207	207	207	207	207	828	0
Jones	30	46	53	34	32	165	45
Lee	150	160	159	168	170	657	57
Lincoln	147	457	469	316	382	1624	1036
Macon	73	110	136	76	96	418	126
Mitchell	35	78	72	60	56	266	126
Montgomery	74	80	88	80	78	326	30
New Hanover	173	215	214	214	214	857	165
Northampton	62	62	62	62	62	248	0
Onslow	165	220	206	210	225	861	201
Orange	80	85	81	88	80	334	14
Pamlico	30	35	30	30	40	135	15
Pender	124	129	249	233	274	885	389
Pitt	188	447	366	322	317	1452	700
Richmond	155	155	155	155	179	644	24
Robeson	249	309	249	295	249	1102	106
Stanly	125	160	170	155	163	648	148
Stokes	84	90	90	96	89	365	29
Surry	43	63	63	54	53	233	61
Wayne	166	393	312	427	644	1776	1112
Yadkin	76	155	141	164	172	632	328
Statewide	3403	5852	5899	6238	6321	24310	10698

Appendix C: County Audit Results for Medicaid Eligibility by County

Recipient Eligibility Determination Audit (REDA) – Cycle II – Year 3 CY 2024 – 35 Counties			
Accuracy Standards			
County	Approved 96.8%	Denied/ Terminated/Inquiries 96.8%	Technical Errors 90.0%
Beaufort	93.0%	96.0%	76.5%
Brunswick	96.0%	97.0%	92.0%
Camden	99.0%	94.0%	89.0%
Carteret	99.0%	99.0%	98.0%
Chowan	95.0%	97.0%	97.0%
Clay	94.0%	91.0%	94.0%
Cleveland	97.0%	98.0%	97.0%
Columbus	96.0%	98.0%	90.0%
Craven	94.0%	94.0%	84.5%
Duplin	87.0%	93.0%	78.0%
Graham	95.0%	88.0%	93.0%
Greene	99.0%	98.0%	95.5%
Harnett	95.0%	98.0%	84.5%
Hyde	98.0%	94.0%	92.5%
Johnston	98.0%	92.0%	89.5%
Jones	99.0%	90.0%	95.0%
Lee	94.0%	95.0%	93.5%
Lincoln	96.0%	92.0%	92.5%
Macon	92.0%	92.0%	73.5%
Mitchell	99.0%	95.0%	99.0%
Montgomery	99.0%	97.0%	84.0%
New Hanover	92.0%	92.0%	77.5%
Northampton	89.0%	86.0%	81.0%
Onslow	96.0%	98.0%	96.5%
Orange	100.0%	99.0%	99.0%
Pamlico	88.0%	88.0%	77.5%
Pender	90.0%	90.0%	83.5%
Pitt	94.0%	90.0%	73.5%
Richmond	96.0%	95.0%	90.5%
Robeson	89.0%	90.0%	79.5%
Stanly	98.0%	92.0%	83.5%
Stokes	97.0%	90.0%	93.0%
Surry	96.0%	98.0%	97.5%
Wayne	96.0%	96.0%	92.5%
Yadkin	89.0%	90.0%	73.0%

Appendix D: County Performance in Preceding Five-Year Period

Recipient Eligibility Determination Audit (REDA) Cycles I & II – Year 3 (35 Counties)	
County	# of Years County did not meet Standards in Preceding 5 Years
Beaufort	2
Brunswick	2
Camden	2
Carteret	1
Chowan	2
Clay	1
Cleveland	1
Columbus	2
Craven	2
Duplin	2
Graham	2
Greene	1
Harnett	1
Hyde	2
Johnston	2
Jones	2
Lee	1
Lincoln	2
Macon	2
Mitchell	2
Montgomery	1
New Hanover	2
Northampton	2
Onslow	1
Pamlico	1
Pender	2
Pitt	2
Richmond	2
Robeson	2
Stanly	2
Stokes	2
Surry	2
Wayne	2
Yadkin	1

Appendix E: Accuracy Improvement Intervention Results

Cycle II, Year 3 Real-Time AIP Impact Resulting Accuracy Rates		
County	AIP Alternate APPROVAL Accuracy Rate	AIP Alternate DENIAL/TERMINATION Accuracy Rate
Beaufort	100.0%	98.0%
Brunswick	100.0%	100.0%
Camden	100.0%	100.0%
Carteret	100.0%	100.0%
Chowan	100.0%	100.0%
Clay	100.0%	100.0%
Cleveland	100.0%	100.0%
Columbus	100.0%	100.0%
Craven	100.0%	100.0%
Duplin	100.0%	99.0%
Graham	100.0%	95.0%
Greene	100.0%	100.0%
Harnett	100.0%	100.0%
Hyde	100.0%	99.0%
Johnston	100.0%	99.0%
Jones	100.0%	100.0%
Lee	100.0%	99.0%
Lincoln	100.0%	97.0%
Macon	97.0%	98.0%
Mitchell	100.0%	100.0%
Montgomery	100.0%	100.0%
New Hanover	100.0%	100.0%
Northampton	100.0%	96.0%
Onslow	100.0%	100.0%
Orange	100.0%	100.0%
Pamlico	98.0%	94.0%
Pender	100.0%	100.0%
Pitt	100.0%	96.0%
Richmond	100.0%	100.0%
Robeson	99.0%	97.0%
Stanly	100.0%	99.0%
Stokes	100.0%	100.0%
Surry	100.0%	100.0%
Wayne	100.0%	100.0%
Yadkin	100.0%	97.0%
AIP TOTALS	0	4
	Counties under Approval AIP	Counties under Denial/Termination AIP

Appendix F: 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.	
<u>ACCURACY STANDARDS</u>	
• 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: 	Name:
E-mail address: 	E-mail address:
Phone number: 	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]

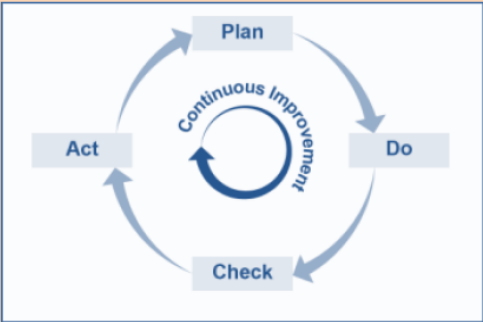
Strategy/Action: In a collaborative effort, the State and County DSS will utilize the Plan-Do-Check-Act (PDCA) Template to document Control Activities, to be implemented by the County, from development through implementation through reassessment. Refer to the County's PDCA Template as Addendum 1 to this 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:

Internal Control Implementation



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: