

North Carolina Department of Health and Human Services  
North Carolina Medicaid  
Division of Health Benefits  
**FAMILY AND CHILDREN'S MEDICAID MANUAL**

**MA-3236**

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**MAGI ADULT MEDICAID EXPANSION**  
**Effective 12/01/2023 – CHANGE NO. 15-23**

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**Current Change Notice: 15-23**

- Instructions to refer to MA-3421 have been added to the beginning of section V.

**I. INTRODUCTION**

On March 27, 2023, HB 76, Session Law 2023-7, Act to Provide North Carolina Citizens with Greater Access to Healthcare Options was signed into law. The act mandated that Medicaid in North Carolina be expanded to include individuals aged 19 and under age 65 who have income at or below 133% of the Federal Poverty Level (FPL). The new Medicaid expanded group is called MAGI Adult Group.

**II. POLICY PRINCIPLES**

**A. Eligibility**

1. Individuals must meet all financial and non-financial requirements listed in section III. below in order to be eligible for Medicaid Expansion (MXP) MAGI Adult Group.
2. The Medicaid Expansion (MXP) MAGI Adult Group follows MAGI (Modified Adjusted Gross Income) budgeting rules. Refer to [MA-3306 Modified Adjusted Gross Income \(MAGI\)](#).

**B. Parent/Caretaker not Required**

1. The MAGI Adult Group applicant/beneficiary (a/b) is **not** required to have children living in the home.
2. However, when a parent/caretaker has a child under age 21 living in the home, the child must have Minimal Essential Coverage (MEC) which may include full Medicaid or Comprehensive Insurance Coverage. Refer to III.B.5., below.

**III. ELIGIBILITY REQUIREMENTS**

**A. Financial Eligibility Requirements**

1. The maximum household gross income must be at or below 133% of the Federal Poverty Level (FPL) for the MAGI household size.

2. Countable income under MXP is based on MAGI budgeting methodology. Refer to [MA-3306 Modified Adjusted Gross Income \(MAGI\)](#).
3. Evaluate for all other full Medicaid programs before evaluating for MXP. This includes all MAGI and non-MAGI programs, including Medically Needy.
  - a. When evaluating the individual for Medically Needy, the deductible must be met as of the first day of the application month.
  - b. If unable to meet the deductible as of the first day of the application month, authorize the MXP MAGI Adult Group. Refer to section IV. below for additional procedures.

## **B. Non-Financial Requirements**

The following non-financial requirements must be met for MXP a/b:

1. Be age 19 or over and under age 65,
2. Not pregnant,
3. Not entitled to or enrolled in Medicare benefits under Part A and/or B,
4. Not otherwise eligible for and enrolled in another full Medicaid program, and
5. If the a/b is a parent/caretaker of a child living in the home under age 21, the child must be currently enrolled in one of the following:
  - a. Any **full** Medicaid program.
  - b. An insurance plan that provides Minimum Essential Coverage (MEC). This includes any insurance plan that meets the Affordable Care Act requirement for having health coverage.
  - c. Comprehensive Medical Insurance, which provides basic medical care and hospitalization coverage. Comprehensive medical insurance may be:
    - (1) A group insurance plan
    - (2) A private insurance plan
    - (3) A Health Maintenance Organization (HMO), or other managed care plan
    - (4) Medicare

- (5) TRICARE (Insurance for Military, formerly known as CHAMPUS)
- (6) Insurance for government employees
- (7) State health benefit risk pools and other public health plans
- d. Comprehensive medical insurance does not include policies which pay for specific illnesses or pay a daily amount while a person is hospitalized.
- 6. Must be a U.S. citizen or a non-citizen with Lawful Immigration status in the U.S. Refer to [MA-3332 US Citizenship Requirements](#) and/or [MA 3330 Alien Requirements](#).
- 7. Meet North Carolina Medicaid residency requirements. Refer to [MA-3335 State Residency](#).

**Note: The Adult is not required to have children living in the home to be eligible under MXP.**

#### **IV. APPLICATION**

##### **A. Evaluate for all Medicaid Programs**

Individuals must be evaluated for all other full Medicaid programs, MAGI and non-MAGI, including Medically Needy, before evaluating under MXP.

- 1. If the individual is eligible for another mandatory full Medicaid program, authorize in the appropriate category.
- 2. If the individual is potentially eligible for another full non-MAGI program and MXP, authorize MXP while continuing to evaluate for the non-MAGI programs.
- 3. **Do Not delay processing the MXP application while pending verifications for other non-MAGI applications.** This includes but not limited to:
  - a. Pending disability determination,
  - b. Pending medical bills
  - c. Verification of resources and/or reserve reduction/verification for applicable programs

4. Applicants who self-attest to having old or outstanding medical bills must meet the deductible on the first day of the month in which the application is made.
  - a. If the applicant self-attests to medical bills that were incurred prior to the first day of the month of application,
    - (1) Authorize MXP,
    - (2) Pend the medically needy application, and
    - (3) Send appropriate notices.
  - b. If the a/b states they anticipate an upcoming medical expense,
    - (1) Authorize MXP,
    - (2) Do NOT pend the medically needy application, and
    - (3) Send appropriate notices.

#### **B. Procedures for MAGI Adult Group**

1. Apply MAGI budgeting methodologies and household composition policy to individuals in the MAGI Adult Group.
2. Evaluate for all other full Medicaid programs, MAGI and non-MAGI prior to authorizing the MAGI Adult Group.
3. Eligibility in the MAGI Adult Group begins the first day of the month in which the Medicaid application is filed, if all eligibility factors are met in that month.
4. A signed application is required.
5. Refer to Medicaid policy section [MA-3306 Modified Adjusted Gross Income \(MAGI\)](#).

#### **C. Retroactive Eligibility**

1. Evaluate the a/b for all other full Medicaid programs, MAGI and non-MAGI, before evaluating under MXP.
2. Retroactive entitlement in the MAGI Adult Group, up to three months prior to application, is applicable if all MXP Medicaid eligibility criteria were met during the retroactive period.

3. MAGI Adult Group eligibility can begin no earlier than December 1, 2023. For retro applications that include month(s) prior to December 1, 2023, evaluate for all other Medicaid programs for the retro month(s) prior to December 2023.

#### **D. Comprehensive Medical Insurance Requirement**

1. At application, **accept a complete self-attestation for comprehensive medical insurance coverage or MEC for children in the home under age 21.** Verification of insurance information for the child under 21, is an eligibility requirement for the MAGI adult who is a parent/caretaker. Post-eligibility procedures **do not** apply.
2. **The individual's statement must include all the following:**
  - a. Insurance company name,
  - b. Policy holder(s),
  - c. Names of individual(s) covered,
  - d. Policy number(s),
  - e. Group name(s)/number(s) and
  - f. Coverage begin dates for anyone requesting assistance.
3. If an applicant states that the child(ren) under 21 has insurance but cannot provide all the above information, send a [DHB-5097 Request for Information](#) for the insurance information details along with other necessary verifications. **Post eligibility requirements do not apply for verification of insurance for the child under 21 for the MAGI adult individual who is a parent/caretaker.**
4. Refer to Medicaid manual section [MA-3510 Third Party Recovery](#) regarding policy and procedures when determining the availability of third-party coverage.

**Note: If the application includes a child under 21 and the child is eligible for full Medicaid, no additional verification of comprehensive MEC is required.**

#### **V. RECERTIFICATION**

A recertification must be completed at least every 12 months. When possible, caseworkers should process recertifications using the ex parte process. At recertification,

redetermine eligibility and assume there are no changes to the insurance coverage for the child.

**Refer to MA-3421 for complete recertification procedures.**

**A. Evaluate for All Programs**

Individuals must be evaluated for all other full Medicaid programs prior to reauthorizing the MAGI Adult Group.

**B. Continued MXP Eligibility**

If the beneficiary remains eligible for MXP:

1. Authorize ongoing eligibility for 12 months.
2. Send appropriate notice.

**C. Pregnancy at Recertification**

When a pregnant woman is receiving MXP Medicaid (pregnancy was reported during the certification period), she cannot remain in the MAGI Adult Group at recertification. Continuous eligibility applies.

1. The pregnant woman should be transferred to MPW for the remainder of the pregnancy and 12-month post-partum period.
2. **DO NOT** send the NCF -20020 Medical Assistance Renewal Notice or the DHB-5097 Request for Information.

**D. Ineligible at Recertification**

If the beneficiary is eligible for a reduced Medicaid program, or is ineligible for all Medicaid programs/categories, send a timely [DSS-8110 Notice of Modification, Termination, or Continuation of Public Assistance](#).

**E. Notification and Policy References**

1. Refer to [MA-3430, Notice and Hearings Process](#) for policy regarding timely notification.
2. Refer to Medicaid Policy section [MA-3421 MAGI Recertification](#).

## **VI. CHANGE IN CIRCUMSTANCE (CIC)**

Caseworkers are required to react to reported CIC for MAGI adult group beneficiaries.

When changes are reported, evaluate, and take appropriate action. Benefits may not be reduced or terminated until after timely notification expires. Refer to [MA-3430](#), Notice and Hearings policy. Timely procedures are found in [MA-3430](#).IV.

Refer to [MA-3410 Change in Circumstance, Terminations, And Reopening](#) concerning policy and procedures as well as the following:

### **A. Reported loss of Medicaid or Medical Insurance (child)**

In the event, the child (under age 21) who is living with an adult who is a Parent/Caretaker receiving in the MAGI Adult Group, loses their Medicaid, comprehensive medical insurance and/or minimum essential coverage (MEC), the parent/caretaker is no longer eligible to receive MXP. Evaluate the parent/caretaker for all other Medicaid programs.

Take the following actions:

1. End date the child's insurance evidence and evaluate the MAGI Adult for all other Medicaid programs. Refer to [NC FAST Job aid, Editing Case Evidence](#).
2. Send the appropriate notice.

### **B. Medicare Eligibility**

1. If the individual turns age 65 or becomes entitled/enrolled in Medicare, the individual is no longer eligible to receive MXP.

Take the following actions:

- a. Evaluate eligibility for all other Medicaid programs.
- b. Send the appropriate notice.
2. Refer to Medicaid policy section [MA-3525 Medicare Enrollment & Buy-In](#).

### **C. Pregnancy Reported During Certification**

If a MAGI Adult Group beneficiary becomes pregnant and reports the change during the certification period:

1. The beneficiary can request to transfer to Medicaid for Pregnant Women (MPW) coverage. If there is a request:

- a. The caseworker will enter a product exclusion in NC FAST and transfer the beneficiary without regard to certification period timeframes. Refer to [NC FAST job aid, Product Exclusion](#).
  - b. Send the appropriate [DSS-8110 Notice of Modification, Termination, or Continuation of Public Assistance](#).
2. If the beneficiary **does not** request to transfer to MPW during the current certification period:
- a. Update the pregnancy evidence on the MXP case and take no further action until the end of the current certification period.
  - b. The pregnant woman remains in the MAGI Adult Group until the end of the current certification period.
  - c. However, at recertification, the pregnant woman **cannot** remain in the MAGI Adult Group. Refer to IV above for recertification procedures.
  - d. Send adequate [DSS-8110 Notice of Modification, Termination, or Continuation of Public Assistance](#) when transitioning the woman to MPW at recertification for the remainder of the pregnancy and postpartum period.
- Note:** Do not send the NCF-20020 or DHB-5097. Continuous eligibility applies for the remainder of the pregnancy and postpartum period.
- e. Document the case record.
  - f. Refer to Medicaid policy section [MA-3240 Pregnant Woman Coverage](#) when transferring the woman to MPW.