



North Carolina Department of Health and Human Services
Division of Social Services

Pat McCrory
Governor

Richard O. Brajer
Secretary

Wayne E. Black
Director

February 17, 2016

Dear County Managers and County Directors of Social Services:

RE: Merit Based Requirements for Eligibility Determination Functions

As counties prepare for staffing needs in their 2016-2017 Budget, we want to assure that the federal merit requirements for individuals performing eligibility determinations in both Medicaid and Food and Nutrition Services Programs are understood.

It has been confirmed with both the United States Department of Agriculture (USDA) and the Centers for Medicare and Medicaid Services (CMS) that only Social Services employees meeting merit based requirements as set forth in federal Office of Personnel Management Standards, Subpart F – “Standards for a Merit System of Personnel Administration”; Section 90-603 (pages 579-581), may perform eligibility functions for both Food and Nutrition Services and Medicaid programs. The merit principles set forth in these federal regulations cover; (a) recruitment, selection and advancement; (b) equitable and adequate compensation; (c) training; (d) retention; (e) equal employment opportunity and fair treatment; and (f) guidance on political activity. The guidance from USDA and CMS specifically states that non-merit based employees may not perform tasks associated with interviews and certification of eligibility for applicants/recipients of Medicaid and Food and Nutrition Services.

DHHS has determined that counties have utilized two (2) types of contractual arrangements in securing temporary staff; (a) contracting with a temporary agency to provide individuals to perform eligibility functions; and (b) contracting directly with individuals to perform eligibility functions. While we realize that utilization of both of these arrangements have been helpful in trying to meet workload demands in the past, both involve non-merit staff who are prohibited from performing Food and Nutrition Services or Medicaid interviews and certifications. In planning for the FY 2016-2017 Budget, counties should be aware that use of these two (2) contractual arrangements for eligibility determinations is prohibited and could result in loss of federal administrative reimbursement and other sanctions.

Counties have also depended on temporary staff to assist with growing workloads. Temporary non-merit staff may be used to assist with several programs such as the Crisis Intervention Program (CIP) and the Low Income Energy Assistance Program (LIEAP). Non-merit staff may assist with non-interview/certification tasks in both Food and Nutrition Services and Medicaid, such as data matching, data entry, and document scanning.

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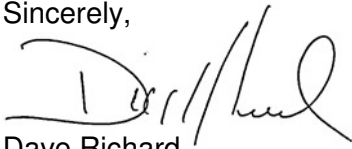
Counties may use temporary county staff for interviews/certification functions, only if the employee is classified as meeting the merit requirements of the federal Office of Personnel Management Standards as stated above.

DHHS recommends that counties hire permanent staff as needed to handle the ongoing workload in these programs. Merit based employees should be considered on a time-limited basis for handling seasonal work. Please refer to the "Dear County Managers and Directors of Social Services" letter dated February 17, 2016 entitled "Factors Impacting County Administration of Economic Services Programs" for a description of ongoing and seasonal factors impacting county workloads.

Questions regarding meeting merit requirements and delineating tasks that can be performed by non-merit employees, as well as assistance in planning for staffing resources for FY 2016-2017 can be directed to Wayne E. Black, Director of the Division of Social Services at Wayne.Black@dhhs.nc.gov or at 919-527-6336.

Thank you.

Sincerely,



Dave Richard
Deputy Secretary for Medical Assistance
Division of Medical Assistance



Wayne E. Black
Director of the Division of Social Services

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Attachments

cc: Linda Millsaps, NCACC
Sharnese Ransome, NCACDSS
County Managers
County Finance Officers
County Human Services Directors/Assistant County Managers
for Human Services

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