North Carolina Department of Health and Human Services
Division of Mental Health, Developmental Disabilities and Substance Abuse Services
3001 Mail Service Center • Raleigh, North Carolina 27699-3001
Tel 919-733-7011 • Fax 919-508-0951

Beverly Eaves Perdue, Governor
Lanier M. Cansler, Secretary

Steven Jordan, Director

September 15, 2010

MEMORANDUM

TO: LME Directors

FROM: Steve Jordan SJ

RE: Income Data in CDW

As you will recall the collection of family income and family size data in the Division's Consumer Data Warehouse (CDW) was initiated in May 2008 in response to a mandate from the North Carolina Legislature in HB1473, Section 10.49 (ff) *"LMEs shall also gather income data for all individuals receiving service"*. The Patient Protection and Affordable Care Act (PPACA), the national health reform legislation, will have a significant impact on mental health, developmental disabilities and substance abuse services in the coming years. In order to accurately estimate the future impact of PPACA, we must improve the quality and reliability of the CDW family income and size data.

The Data Operations Group sent an e-mail on August 5, 2010 to Health Information Managers outlining a plan to review the family income and family size for accuracy during the month of October, 2010 (see enclosure). This data review effort was also announced in DMH/DD/SAS Implementation Bulletin # 77. Additionally, the Health Information Managers were offered a session on this topic at the North Carolina Health Information Managers Association Conference on August 4, 2010.

Please remind the Health Information Managers of the importance of this data integrity review scheduled during the month of October, 2010. If questions arise about this process, please contact Jeannette Barham at Jeannette.Barham@dhhs.nc.gov or Deborah Merrill at Deborah.Merrill@dhhs.nc.gov for assistance. Thank you for your support in this crucial endeavor.

SJ/DM/dm

cc: Secretary Lanier Cansler
Michael Watson
Beth Melcher
DMH/DD/SAS Executive Leadership Team
DMH/DD/SAS Management Leadership Team
Yvonne Copeland
Rebecca Troutman
MH Commission Chair
The Coalition Chair
Sharnese Ransome
Lisa Hollowell
Shawn Parker
Kaye Holder
Renee McCoy
Pam Kilpatrick
John Dervin
SCFAC Chair

Income and Family Size Information

The Patient Protection and Affordable Care Act (PPACA), the national health reform legislation, will have significant impact on mental health, developmental disabilities and substance abuse services in the coming years. Many thousands of individuals will become Medicaid eligible under new guidelines which raise the income level for Medicaid eligibility to 133% of federal poverty and experts estimate that a large percentage of those new Medicaid recipients will have MH/DD/SA service needs.

We have looked at the income and family size data of the consumers we are currently serving with state funds to estimate how many of those individuals will become Medicaid-eligible under the new guidelines. We have discovered that the income and family size data currently in our system appears, in some cases, to be of questionable accuracy. We have a large number of consumers who have been reported to have zero income and an equally large percentage who have reported incomes of $999,999,999! We have a surprising number of families who have 99 members, as well.

In order to accurately estimate the future impact of PPACA, we must improve the quality and reliability of our income and family size data. To that end, we are requesting LMEs to work with their providers to **pay special attention to the income and family size information for every consumer served during the month of October, 2010**. Income and who should be counted in the family should be determined based upon the attached guidelines. The data collected on clients served in October, 2010 will become the initial step for improved data integrity in the family income and size fields.

- LME health information managers will receive information at the NCHIMA conference to be held August 4, 2010 in Raleigh
- Tentatively, the month of September 2010 will be used as a training period so that the LME's can train their providers on updating this information
- A convenience sample of all clients served during Oct. 1-31, 2010 will be utilized.
- In order to utilize current existing data submission methods, the CDW record types of 11 for new admissions or 31 for updates for currently active clients will be used to collect the necessary data to sample income among clients served
- The income and family size fields should be reported using the clarification of the annual family income and family size definition
- For new admissions submit an 11 record to CDW with the consumer last served date field completed with a date during the time period Oct. 1-31, 2010, making sure that the family size and income is reported as defined under the clarification for these data elements.
- For currently active clients served during the month of Oct. 1-31, 2010 submit a 31 record to CDW with updated income and family size fields and the consumer last served date field in the date range of Oct. 1-31, 2010

HOW TO DEFINE ANNUAL FAMILY INCOME

[This is a summation of the income and family size definition used by the State of OK. MH/SAS and found in their data dictionary. They are considered a leader in the United States MH/SA data arena. For the most part, it is consistent with the definitions of annual income found at 24 CFR Part 5 which is used to determine eligibility for a variety of Federal programs such as (Section 8 Housing, Community Development Block Grant, etc., public housing, low income housing tax credit, etc.).]

Income includes total annual cash receipts before taxes from all sources and includes:

- Income includes money, wages, and salaries before any deductions
- Net receipts from non-farm self-employment (receipts from a person's own unincorporated business, professional enterprise, or partnership, after deductions for business expenses)
- Net receipts from farm self-employment (receipts from a farm which one operates as an owner, renter, or sharecropper, after deductions for farm operating expenses)
- Regular payments from social security, railroad retirement, unemployment compensation, strike benefits from union funds, workers' compensation, veterans' payments, public assistance (including Temporary Assistance for Needy Families, Supplemental Security Income, and non-Federally-funded General Assistance or General Relief money payments), and training stipends
- Alimony, child support, and military family allotments or other regular support from an absent family member or someone not living in the household; private pensions, government employee pensions (including military retirement pay), and regular insurance or annuity payments
- College or university scholarships, grants, fellowships, and assistantships
- Dividends, interest, net rental income, net royalties, periodic receipts from estates or trusts, and net gambling or lottery winnings
- Income does not include non-cash benefits, such as the employer-paid or union-paid portion of health insurance or other employee fringe benefits, food or housing received in lieu of wages, the value of food and fuel produced and consumed on farms, the imputed value of rent from owner-occupied non-farm or farm housing, and such Federal non-cash benefit programs as Medicare, Medicaid, food stamps, school lunches, loans, and housing assistance.

If there is no annual income, enter zeroes. Enter the dollar amount only, (no cents), which represents the total combined annual income of the client and any individuals with which the client is financially interdependent.

NOTE: In the case of an adult client living with his/her parents or family, such as grandparents, aunts/uncles or brothers/sisters, only the income of the client should be listed. The income of the parents or family members providing a home to the adult client should not be included in this total. A spouse or child living with the client and providing income would be included in the income total.

HOW TO DEFINE FAMILY SIZE - NUMBER CONTRIBUTING TO AND/OR DEPENDENT UPON THE INCOME (as defined in the preceding section)

- For family size enter the number (01-99) of individual's dependent upon or contributing to the income of the client. This should reflect the client, family members, or significant others who are interdependent financially. IT SHOULD INDICATE THE NUMBER OF PEOPLE WHO MUST LIVE ON THE INCOME REPORTED IN THE ANNUAL INCOME FIELD.

NOTE: In the case of an adult client living with his/her parents or other family, where only the income of the client was listed, then the family size should be listed as "01" to indicate the client only and not the parents. However, if the adult client has dependents also living with him/her in the parents' household, then the dependents should be reported in the number while still excluding the parents of the adult client.