

DMA CHANGE NOTICE FOR MANUAL NO. 03-02, County of Residence of Children in Subsidized Adoptions

DATE: July 20, 2001

Manual: Family & Children's Medicaid

Change No. 03-02

To: County Directors of Social Services

Effective: August 1, 2001 make the following change(s)

I. BACKGROUND

County of residence for a child in subsidized adoption is the county that sponsored the adoption and provides the adoption subsidy. A subsidized adoption is one in which the child is receiving adoption assistance as an adoptive child with Special Needs.

When a child in a subsidized adoption who also receives SSI is placed in a county other than the sponsoring county, the county recorded on the SDX changes to the county where he is placed and the county that sponsored that adoption loses responsibility for the Medicaid case.

When we designed our SSI Medicaid program an intentional decision was made to rely on the SDX to maintain SSI Medicaid cases. This meant that the county of residence for an SSI recipient was based on the county recorded on the SDX. Taking advantage of automation relieved counties of the burden of maintaining these cases. The issue of potential incorrect county residence due to relying on the SDX was discussed in great detail with counties at the time. While long-term care cases and HSF cases were identified as needing an exception, adoption assistance cases were not.

II. CHANGE IN COUNTY RESIDENCE POLICY

We have reassessed our position on county responsibility for children receiving both an adoption subsidy and SSI. We now have more experience with SSI cases and have refined our procedures for adoption cases in response to North Carolina joining the Interstate Compact on Adoption and Medical Assistance (ICAMA). The county handling the adoption subsidy should retain responsibility for Medicaid even when the child receives SSI.

The number of children potentially affected by this change is unknown. However, we do not believe there are many of these type cases. Therefore, we are not requesting any changes to EIS at this time. As you identify children who are affected by this change in policy, please coordinate with your local Social Security Administration to correct the SSI record.

Changes will not be made retroactively. Also, claims already paid will not be adjusted.

III. OTHER POLICY CHANGES

- Current policy regarding IV-E adoption assistance requires the worker to reverify a IV-E child's eligibility for Medicaid at the same time the adoption agreement is renewed. However, adoption assistance agreements are no longer renewed every year. They remain

in effect until the adoption is terminated under one of the terms outlined in the adoption agreement. Therefore, it is only necessary to verify adoption assistance at the initial determination of Medicaid eligibility.

- Children who receive SSI can also receive adoption assistance. They are considered to have special needs status because the SSI indicates a special need. If a child receives SSI as a foster child, he is automatically eligible for adoption assistance if he has been in the custody of DSS or a private agency prior to the adoption. Children who are independently adopted and receive SSI are not eligible for adoption assistance.
- Children for whom foster care maintenance payments are made under Title IV-E are eligible for Medicaid. In some instances these IV-E eligible children are placed in living situations for which IV-E foster care payments may not be paid. If the placement is temporary (does not exceed 12 months), the foster child continues to be eligible for Medicaid. These children would not be eligible for Medicaid if the absence exceeds 12 months. Conversely, foster children who do not receive IV-E foster care maintenance payments but for whom the county claims reimbursement for IV-E administrative funds may not be automatically eligible for Medicaid as IV-E foster children. Medicaid eligibility must be determined under HSF or another program category.
- There are changes to county residence policy to comply with federal requirements to evaluate for all possible eligibility coverage groups using an ex parte review process when an individual ceases to be eligible under his current coverage group.
- Figure MA-3231-3 is deleted. It referred to transferring a pending application when the applicant moves. This is not current policy. When an applicant moves from the county where he applied, the original county of residence disposes the application. If approved the case is transferred to the second county. The figure is replaced with a sample transfer letter that is given to the client with a copy sent to the second county.

IV. EFFECTIVE DATE AND IMPLEMENTATION

The manual is updated effective August 1, 2001.

V. MAINTENANCE OF MANUAL

- A. Remove MA-3231, pages 1-13 and Figure 3.
Insert MA-3231, pages 1-14 and Figure 3.
- B. Remove MA-3453, pages 1-5.
Insert MA-3453, pages 1-5.
- C. Remove MA-3454, pages 1-7.
Insert MA-3454, pages 1-9.

Please refer questions to your Medicaid Program Representative.

Nina M. Yeager
Director

[This policy was researched and written by Cinnamon Narron, Policy Consultant, Medicaid Eligibility Unit.]