

# DMA

## CHANGE NOTICE FOR MANUAL

**DATE: AUGUST 4, 2003**

**Manual:** Family and Children's Medicaid  
**Change No:** 04-04  
**To:** County Directors of Social Services  
**Effective:** September 1, 2003

### I. BACKGROUND

The 1999 legislature approved expanding Medicaid for working families from 12 months to 24 months. Prior to this expansion, Work First families were potentially eligible for Transitional Medicaid (TMA) for 12 months. To expand the coverage from 12 to 24 months, earned income was totally disregarded for the first 12 months after the parent/specified relative began work. This was called the Earned Income Disregard period. During the Earned Income Disregard period the family was eligible for Medicaid under MAF-C. There were no reporting requirements or income test and there were no reactions to increases in assets or completing a re-determination. At the end of the 12-month Earned Income Disregard period, the family was eligible for up to 12 months of the original 12 months Extended Transitional Medicaid. This was under Work First (AAF) pay type 5.

The 2003 Session of the General Assembly in House Bill 397 has eliminated the first 12-months of Extended Medicaid (Earned Income Disregard period). This means that the "old" Transitional Medicaid will be reinstated effective September 1, 2003.

### II. CONTENT OF CHANGE

- A. MA 3405 is reorganized and renamed from Extended Medicaid for Working Families to Twelve Months Transitional Medicaid.
- B. MAF-C cases now will be eligible to be transferred to 12 months Transitional Medicaid.
- C. In order for a parent/caretaker relative to receive TMA, there must be an eligible child receiving Medicaid or North Carolina Health Choice (NCHC) in the home.

### **III. EFFECTIVE DATE AND IMPLEMENTATION**

This policy change is effective September 1, 2003. Please refer to EIS Change Notice 02-04 for implementation procedures.

For applications currently in process, evaluate for TMA effective 09-01-03. For changes in situation or redeterminations currently in process, evaluate for TMA. Do not give the Earned Income Disregard Period.

### **IV. MAINTENANCE OF MANUAL**

Remove MA-3405, Extended Medicaid for Working Families and all Figures.

Insert MA- 3405, Twelve Months Transitional Medicaid and figures 1, 2, 3, effective September 1, 2003.

If you have any questions, please contact your Medicaid Program Representative.

Gary Fuquay  
Acting Director

(This material was written and researched by Angela Lassiter, Medicaid Policy Consultant, Medicaid Eligibility Unit.)