

# CHANGE NOTICE FOR MANUAL NO. 08-07, POVERTY INCOME LIMITS

**DATE: FEBRUARY 14, 2007**

**Manual:** Family and Children's Medicaid  
**Change No:** 08-07  
**To:** County Directors of Social Services  
**Effective:** April 1, 2007

## **I. CONTENT OF CHANGE**

The purpose of this change notice is to issue the new poverty level income limits for MPW, MIC, Transitional Medicaid and NC Health Choice for Children (NCHC). This also provides implementation instructions for pending applications, new applications, and ongoing cases.

## **II. EFFECTIVE DATE**

Income limits for MPW, MIC, NCHC and Transitional Medicaid have been revised to reflect the increase in the federal poverty level. EIS edits will be updated effective Monday, February 26, 2007. You may now enter the new income limits on or after that date.

Cases keyed with a Medicaid effective date of 4/01/07 or later must use the new income limits in EIS.

## **III. IMPLEMENTATION**

### **A. Applications**

1. MPW applications that are Pending On or Taken On or After April 1, 2007
  - a. Determine eligibility prior to 04/01/07 using the income limits in effect prior to 04/01/07. If income does not exceed the income limits and all other eligibility requirements are met, approve the application. Authorize from the first month of eligibility through the end of the post-partum period. Refer to [MA-3310](#), MPW Budgeting.

- b. If ineligible for months prior to 04/01/07 due to excess income, determine eligibility effective 04/01/07 using the new income limits.

If eligible using the new income limits and all other eligibility factors are met, approve the application and authorize effective 04/01/07. Authorize through the end of the 60 day post-partum period. Refer to [MA-3310, MPW Budgeting](#). Evaluate months prior to 04/01/07 in other Medicaid aid program/categories.

- c. If ineligible using the new income limits, evaluate for medically needy coverage.

2. Applications for MIC-N, MIC-1, and NCHC (MIC-J, K, S, or A) Pending on April 1, 2007

Always evaluate for eligibility under any other aid/program category (including MAF-M) prior to evaluating for NCHC.

- a. Determine eligibility prior to 04/01/07 using the income limits in effect prior to 04/01/07. If the Medicaid effective date is prior to 04/01/07 and the income does not exceed the income limit in effect prior to 04/01/07 and all other eligibility requirements are met, approve the application using the income limit prior to 04/01/07. The 12-month certification/authorization begins with the first month of eligibility.
- b. If ineligible using the income limits in effect prior to 04/01/07, determine eligibility using the income limit that is effective 04/01/07.

(1) If eligible:

- (a) Authorize the case effective 04/01/07 through the end of the 12-month period. The certification would be 04/01/07 through 03/31/08.

Enter the new income limits in EIS if the Medicaid effective date is 04/01/07 or later.

- (b) Evaluate the case for medically needy coverage for months prior to 04/01/07.

(2) If ineligible:

- (a) For MIC-N applications using income limits effective 04/01/07, evaluate as MIC-1, NCHC or MAF-M.

- (b) For MIC-1 applications using income limits effective 04/01/07, evaluate as MAF-M.
  - (c) For NCHC applications, deny the case due to excess income and evaluate for MAF-M.
- 3. Applications for MIC-N, MIC-1 or NCHC Taken On or After April 1, 2007
  - a. Determine eligibility for MIC-N and MIC-1 for months in the retroactive period that are prior to 04/01/07 using income limits in effect prior to 04/01/07. Use the income limits effective 04/01/07 for April or later.
  - b. Determine ongoing eligibility for MIC-N, MIC-1 or NCHC using the income limits that are effective 04/01/07.
  - c. If eligible for MIC/NCHC, authorize beginning the first month of eligibility through the end of the 12-month period. Refer to [MA-3425](#), Certification and Authorization, for MIC authorizations.
- 4. Applications for MAF-M Pending On April 1, 2007

**Note:** Administrative applications, which are entered to authorize MIC, NCHC, or MPW coverage, do not count in the average processing time for application processing standards.

For MAF applications pending with a deductible or for reserve verifications, evaluate eligibility effective 04/01/07 using the new income limits. For individuals ages 0-5, evaluate for MIC-N or MIC-1. For individuals ages 6-18, evaluate for MIC-N or NCHC. Evaluate pregnant women for MPW.

- a. For MAF applicants ages 0-5 eligible for MIC-N or MIC-1 and ages 6 -19 eligible for MIC-N effective 04/01/07
  - (1) Enter an administrative DSS-8124 to create a new application. The application date is the date of the original MAF application.
  - (2) Enter a certification period of 04/01/07 through 03/31/08.
  - (3) Authorize the MIC-N or MIC-1 case effective 04/01/07, provided all eligibility requirements are met.
  - (4) Do not delete the child(ren) from the pending MAF application. The children remain on the MAF application until they are determined ineligible for MAF or are approved for MIC-N or MIC-1.
- b. For MAF applicants ages 6-18 eligible for NCHC effective 04/01/07:

- (1) Enter an administrative DSS-8124 to create a new application. The application date is the date of the original MAF application.
  - (2) Enter a certification period of 04/01/07 through 03/31/08.
  - (3) Authorize the NCHC case effective 04/01/07, provided all eligibility requirements are met.
  - (4) Do not delete the child(ren) from the pending MAF application. The children remain on the MAF application until they are determined ineligible for MAF or are approved for NCHC.
- c. For MAF applicants now eligible for MPW:
- (1) Enter an administrative DSS-8124 to create an MPW application. The application date is the same date as the MAF application.
  - (2) Authorize the MPW case effective 04/01/07, provided all eligibility requirements are met.
  - (3) Certify through the end of the 60-day post-partum period. See [MA-3240](#), Pregnant Woman Coverage.
  - (4) Do not delete the child(ren) from the pending MAF application. The child(ren) remains on the MAF application until he is determined ineligible for MAF or is approved for MPW.
- d. Continue to process the MAF application for months prior to 04/01/07.
- (1) Recalculate the deductible for months prior to 04/01/07 if all individuals on the MAF application are eligible effective 04/01/07 under MIC, MPW, or NCHC. Approve an open/shut MAF case for any months prior to 04/01/07 for which eligibility is determined. If ineligible for MAF for the months prior to 04/01/07, deny the application following policy in [MA-3215](#), Processing the Application.
  - (2) Recalculate the deductible for case members who remain in MAF only if an individual who had his own income is deleted from the MAF application and moved to a MIC-N, MIC-1, NCHC or MPW application.
    - (a) At the point MAF is approved, delete the individuals eligible as MIC-N, MIC-1, NCHC or MPW from the MAF application. The individual termination date is the date of application for individuals who have no eligibility under MAF.

- (b) For individuals who have eligibility under MAF prior to 04/01/07, the individual termination date is 03/31/07 since MIC-N, MIC-1, NCHC or MPW is authorized 04/01/07.

## **B. Ongoing Cases**

1. MAF Cases

Apply these changes at the next redetermination to determine eligibility for MIC-N, MIC-1, NCHC or MPW if the case is ineligible for MAF or has a deductible.

2. MIC-N and MIC-1 Cases

Apply these changes at the next redetermination. If the Medicaid Effective Date is prior to April 1, 2007, use the old limits. See [MA-3305](#), MAF, MIC, HSF Budgeting, for instructions regarding changes that affect MIC.

3. NC Health Choice for Children Cases

Apply these changes at the next reenrollment.

## **C. Transitional Medicaid**

Use the new 185% poverty limit for Transitional Medicaid for months beginning April 1, 2007.

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

**A. Remove MA-3255, NC Health Choice, pages 11-12 & Attachment 1.**

**B. Insert attached [MA-3255](#), NC Health Choice, pages 11-12 & [Attachment 1](#), effective 04/01/07.**

**C. Remove MA-3305, MAF, MIC, HSF Budgeting, Attachment – Income Charts.**

**D. Insert attached [MA-3305](#), MAF, MIC, HSF Budgeting, [Attachment](#) – Income Charts, effective 04/01/07.**

**E. Remove MA-3310, MPW Budgeting, pages 1 and 2.**

**F. Insert attached [MA-3310](#), MPW Budgeting, pages 1 and 2, effective 04/01/07.**

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

L. Allen Dobson, Jr., M.D., Assistant Secretary  
for Health Policy and Medical Assistance

(This material was researched and written by Steven F. Roberts, Medicaid Policy Consultant,  
Medicaid Eligibility Unit.)