

CHANGE NOTICE 10-01, Poverty Level Income Limits

DATE: FEBRUARY 23, 2001

Manual: Families & Children Medicaid

To: County Directors of Social Services

Effective: April 1, 2001

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 and to provide implementation instructions for pending applications, new applications, and ongoing cases.

Manual sections have also been updated to reflect the new Medicare deductibles, premiums and co-insurance amounts that were effective January 1, 2001.

II. EFFECTIVE DATE

Income limits for MPW, MIC, NC Health Choice for Children and Transitional Medicaid are increased effective April 1, 2001, to reflect the increase in the federal poverty level. EIS edits were updated the night of February 23, 2001. You may now enter the new income limits. Cases keyed with a Medicaid effective date of 4/01/01 or later require use of the new income limits in EIS.

III. IMPLEMENTATION

A. Applications

1. MPW Applications That Are Pending On or Taken On or After April 1, 2001
 - a. Determine eligibility prior to 4/1/01 using the income limits in effect prior to 4/1/01. 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-3220.

- b. If ineligible for months prior to 4/1/01 due to excess income, determine eligibility effective 4/1/01 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 4/1/01. Authorize through the end of the 60 day post-partum period. Refer to MA-3220. Evaluate months prior to 4/1/01 for other Medicaid.

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

2. Applications for MIC-N Pending on April 1, 2001

- a. Determine eligibility prior to 4/1/01 using the income limits in effect prior to 4/1/01. If income does not exceed the income limits and all eligibility requirements are met, approve the application. The 12-month certification/authorization begins with the first month of eligibility.
- b. If ineligible using the income limits in effect prior to 4/1/01, determine eligibility using the income limit that is effective 4/1/01.

(1) If eligible:

- (a) Authorize the case effective 4/1/01 through the end of the 12-month period. The certification would be 4/1/2001 through 3/31/2002.
- (b) Evaluate the case for Medically Needy coverage for months prior to 4/1/01.

Note: Use the new income limits in EIS if the Medicaid effective date is 4/01/01 or later.

- (2) If the case is ineligible using the income limits effective 4/1/01, evaluate as NC Health Choice or MAF Medically Needy.

3. Applications for NC Health Choice Pending on April 1, 2001

Cases on the statewide waiting list for NC Health Choice are not pending applications. Do not apply these instructions to waiting list cases.

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

- a. Determine eligibility prior to 4/1/01 using the income limits in effect prior to 4/1/01. If income does not exceed the income limits and all other eligibility requirements are met (except for payment of fee), deny the application using denial code "C4". The child will be added to the statewide waiting list. See MA-3225 and DMA Administrative Letter No. 16-01.
 - b. If ineligible prior to 4/1/01 using the income limits in effect prior to 4/1/01, determine eligibility using the income limit that is effective 4/1/01.
 - (1) If eligible (except for payment of fee), deny the case using the denial code "C4". The child will be added to the statewide waiting list.
 - (2) If ineligible, deny the NCHC case due to excess income. Evaluate for MAF Medically Needy.
4. Applications for MIC-N or NC Health Choice for Children Taken on or After April 1, 2001
- a. Determine eligibility for MIC-N for months in the retroactive period that are prior to 4/1/01 using the income limits in effect prior to 4/1/01. Use the income limits effective 4/1/01 for retroactive months April or later.
 - b. Determine ongoing eligibility for MIC-N or NC Health Choice for Children using the income limits that are effective 4/1/01.
 - (1) If eligible for MIC-N, authorize beginning the first month of eligibility through the end of the 12-month period. Refer to MA-3320 for MIC authorizations.
 - (2) If eligible for NC Health Choice, deny the application using denial code "C4". The child(ren) will be added to the statewide waiting list. See MA-3225 and DMA Administrative Letter No. 16-01.
5. Applications for MAF-M pending on April 1, 2001

Note: Administrative applications which are entered to authorize MIC 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 4/1/01 using the new income limits. Evaluate individuals under age 19 for MIC-N and NC Health Choice. Evaluate pregnant women for MPW.

- a. For MAF applicants under age 19 eligible for MIC-N effective 4/1/01:
 - (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 4/1/2001 through 3/31/2002.
 - (3) Authorize effective 4/1/2001.

- b. For MAF applicants under age 19 eligible for NC Health Choice effective 4/1/01:
 - (1) Enter an administrative DSS-8124 to create a new application. The application date is the date of the original MAF application.
 - (2) Deny the application using denial code "C4". The child(ren) will be listed on the statewide waiting list. See MA-3225 and DMA Administrative Letter Number 16-01.
 - (3) 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 4/1/2001, provided all eligibility requirements are met.
 - (3) Certify through the end of the 60-day post-partum period. (See MA-3320.)

- d. Continue to process the MAF application for months prior to 4/1/01.
 - (1) Recompute the deductible for months prior to 4/1/01 if all individuals on the MAF application are eligible effective 4/1/01 under MIC or MPW. Approve an open/shut MAF case for any months prior to 4/1/01 for which eligibility is determined. If ineligible for MAF for the months prior to 4/1/01, deny the application following policy in MA-3303.

- (2) Recompute the deductible for case members who remain in MAF only if an individual who had his own income is deleted from the MAF applications and moved to a MIC-N or MPW application.
 - (a) At the point MAF is approved, delete the individuals eligible as MIC-N 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 4/1/01, the individual termination date is 3/31/2001 since MIC-N or MPW is authorized 4/1/2001.
- (3) Continue to process MAF applications that include NCHC eligible children added to the waiting list as though the child(ren) are ineligible for NCHC.
 - (a) Do not recompute the MAF deductible to exclude the income of children who are on the waiting list.
 - (b) The child(ren) remain in the pending MAF application until they are approved in another aid/program category (including NCHC) or until ineligibility for MAF is determined.

B. Ongoing Cases

1. MAF Cases

Apply these changes at the next redetermination or change in situation to determine eligibility for MIC-N, NC Health Choice for Children, or MPW if the case is ineligible for MAF or has a deductible.

2. MIC-N Cases

Apply these changes at the next redetermination or, if the certification period began prior to 4/1/01, the next change in situation. See MA-3270, V.C.8. for instructions regarding changes that affect the MIC.

3. NC Health Choice for Children Cases

Apply these changes at the next reenrollment.

C. Transitional Medicaid

Use the new 185% of poverty limit for Transitional Medicaid for months beginning April 1, 2001.

D. Cases on the NC Health Choice Waiting List

The State will mail a letter to all families on the waiting list to notify them of the change in poverty levels. The letter directs families to reapply at their local county department of social services if they think their income is below the limit for Medicaid.

IV. MAINTENANCE OF THE MANUAL

Remove MA-3225, pages 15 – 16 & Attachment 1.

Insert attached MA-3225, pages 15 – 16 & Attachment 1, effective 4/1/2001.

Remove MA-3270 – Attachment – Income Charts.

Insert attached MA-3270, Attachment – Income Charts, effective 4/1/2001.

Remove MA-3281, pages 1 and 2.

Insert attached MA-3281, pages 1 and 2, effective 4/1/2001.

Remove MA-3325, pages 11-14 and 17-20.

Insert attached MA-3325, pages 11-14 and 17-20.

Remove MA-3357, Table D.

Insert attached MA-3357, Table D, effective 4/1/2001.

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

Paul R. Perruzzi
Director

This material was researched and written by Renee Boston, Policy Consultant, Medicaid Eligibility Unit.