



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

FIA ACTION TRANSMITTAL

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**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF**

FROM: ROSEMARY MALONE, EXECUTIVE DIRECTOR, FIA *Rosemary Malone*

**RE: INTERIM PROCEDURES FOR PROCESSING MEDICAL ASSISTANCE
APPLICATIONS**

PROGRAM AFFECTED: MEDICAL ASSISTANCE

ORIGINATING OFFICE: OFFICE OF HEALTH CARE INITIATIVES & SUPPORT SERVICES

SUMMARY:

In December, the Family Investment Administration (FIA) issued Action Transmittal 14-08 that described procedures for processing paper Maryland Health Connection (MHC) applications. This action transmittal replaces AT 14-08 for processing Medical Assistance applications and interim changes as of January 1, 2014 and establishes workaround procedures to use in CARES instead of the Maryland Health Connection. The workarounds ensure that applications for families, single adults and children are tested under the new Modified Adjusted Gross Income (MAGI) rules. **This revision includes procedures for processing applications for childless adults under 65 who are receiving Social Security Disability Insurance (SSDI), adding another attachment, C-3, and for processing applications for former foster care recipients. The changes are noted in red.**

ACTION REQUIRED:

I. Intake

1. When a customer applies for Medical Assistance (MA) in person:

- If the customer is applying for other benefits as well as Medical Assistance, give the customer both the 9701 DHR Application and the Maryland Health Connection paper application. Please see **Attachment A** for the appropriate MHC application to issue to customers.
Note: Do not give the MHC application to customers applying for Long Term Care, PAA and QMB/SLMB benefits.
- Inform the customer that applications for families, children, pregnant women, and certain single adults can be filed at any time via the Maryland Health Connection online at www.marylandhealthconnection.gov, or by contacting the Maryland Health Connection Call Center at 1-855-642-8572 if they do not wish to complete an MHC application while in the office.

- You may hand off an applicant to the navigator/assister immediately unless they have an active case on CARES or want to apply for a DSS benefit program in addition to MA.
2. When a customer applies for MA on SAIL, bring the application into CARES through the **VMEN** and process as usual.
 3. When a customer mails in an MA application or an MHC application, pend the application in CARES and process as usual.
 4. Perform the appropriate clearances (CIS and MMIS) on all MA applications to identify:
 - The correct IRN (Client IDs) to ensure a correct match in case you need to put the MHC application into the Maryland Health Connection system;
 - The correct household composition; and,
 - Any applicants who are already active in a MA category in CARES and/or MMIS.
 5. **If MAGI eligible, applicants are not subject to a resource test.**

II. **Processing Temporary Cash Assistance Applications (TCA) and MA (MA) Applications for Parents, Families, Children and Pregnant Women**

1. Pend all applications in CARES.
 - All existing CARES procedures for processing TCA applications remain in effect.
 - Pend all applications for newborns (P03's) and pregnant women into CARES because MHC does not support these coverage groups at this time. Follow the existing procedures for processing 1184 forms for newborns.
 - **Reminder:** Use the ACE procedures to process all applications for pregnant women within 10 days.
2. Complete the MA eligibility determination in CARES.
3. If all applicants in the household are approved for MA, no further action is needed.
4. If only some household members are approved for MA in CARES, leave their cases in CARES. Take the following action for any household member who is denied or placed in spend-down (**F99**):
 - Examine the household's circumstances to determine if any of the applicants who were denied:
 - Is 65 years old or older (unless a caretaker relative);
 - Is already Active on MMIS or Active on CARES in a Medical Assistance category;
 - Was denied because the MA application was pended in error;
 - Has other health insurance;
 - Is deceased;
 - Is an undocumented immigrant or,
 - Moved out of state.
 - If the applicant meets any of the seven conditions above, no further action is needed.

- If a P13 or P14 category customer denies due to overscale income, refer the case to the DHMH MCHP Premium Unit, which will process the application accordingly.
- Use the **MHC App Screening Tool** to determine whether the applicant is eligible for “MAGI” or “QHP.” The Excel file is available in your local office’s shared drive and opens as a read-only version. **Attachment B-1** is a version for Excel 2007 and 2010 users; **Attachment B-2** is a version for Excel 2003 users.
- If the result of the screening is “QHP,” follow your local office’s procedure for “handoff” of the paper MHC or printed SAIL application to the on-site Navigator. The Navigator will assist the applicant in enrolling in a Qualified Health Plan. Your local procedure should include the following steps:
 - Write on the paper application the IRNs (Client IDs) for each household member to ensure a correct match in MHC.
 - Give the Navigator the paper MHC application.
 - Inform the Navigator if anyone included on the paper application was determined eligible under current Medicaid rules.
- If the result of the screening tool is “MAGI:”
 - Pend and process the MA application in CARES using the FAC (Scenario 2) workaround instructions as described in **Attachment C-2**. These workarounds ensure the customer has access to health care by coding CARES as if the individual is disabled.
 - You need to enter a specific code on the **ADDR** screen, and adjust coding on the **ERN1 and ERN2** screens a special way.
 - For applications processed more than 30 days after the application date, on the Miscellaneous (**MISC**) screen, in the delay reason field, enter “**TP**”, (third party liability). This code places no fault on the agency or the customer for processing the application beyond the 30-day period.
 - After using the workaround, remember to check the **MAFI** screen to ensure the household’s income is not counted.
 - When the household receives Food Supplement Program benefits, review the **FSFI** screen to ensure the benefit amount is unchanged. Do not enter medical expenses on the **FSME** screen unless the customer is elderly or disabled and receiving a disability benefit.
 - Narrate in CARES the actions you took for the workaround.
- If you use the workaround, but CARES still denies the MA application, press the PF 13 key in CARES and:
 - Enter this free form text for the CARES denial notice:

“With your consent, we have entered your application for Medicaid (MA) into the Maryland Health Connection for an eligibility determination.”
 - Then enter the applicant into MHC.
 - Include all household members who are listed on the CARES application.

- Indicate those who are not requesting health coverage (for example: individuals who are active on CARES, or who already have health insurance or Medicare, or who are ineligible due to citizenship).
- A list of all denied and spend-down decisions is posted periodically to the **PIRAMID/MA APPS TO MHC** folder in your local office's shared drive. Using this list will help identify the cases that need to be screened for the CARES workaround or entry into MHC.

III. Processing MA Applications for Childless Adults under 65

Pend these MA applications in CARES in the S98 coverage group.

1. If the customer is requesting Retroactive coverage for 2013:
 - Follow existing State Review Team procedures for the Retro months of October, November and December 2013.
2. If the customer is requesting MA effective January 2014:
 - Pend and process the MA application in CARES using the S98 workaround (Scenario 1) as described in **Attachment C-1**. This workaround ensures the customer has access to health care by coding CARES as if the individual is disabled.
 - You need to enter specific codes on the **ADDR, DEM2, UINC and MISC** screens. You will also need to code unearned income on the **UINC** screen and earned income on the **ERN1** screen in a special way.
 - For applications processed more than 30 days after the application date, on the Miscellaneous (**MISC**) screen, in the delay reason field, enter "**TP**", (third party liability). This code places no fault on the agency or the customer for processing the application beyond the 30-day period.
 - After using the workaround, remember to check the **MAFI** screen to ensure the household's income is not counted.
 - When the household receives Food Supplement Program benefits, review the **FSFI** screen to ensure the benefit amount is unchanged. Do not enter medical expenses on the FSME screen unless the customer is elderly or disabled and receiving a disability benefit.
 - Narrate in CARES the actions you took for the workaround.
 - If you use the workaround, but CARES still denies the MA application, press the PF 13 key in CARES and:
 - Enter this free form text for the CARES denial notice:

"With your consent, we have entered your application for Medicaid (MA) into the Maryland Health Connection for an eligibility determination."
 - Then enter the applicant into MHC.
 - Include all household members who are listed on the MA application.
 - Indicate those who are not requesting health coverage (for example: individuals who are active on CARES, or who already have health insurance or Medicare, or who are ineligible due to citizenship).

3. If the customer is a Temporary Disability Assistance Program (TDAP) Type 2 applicant or recipient.

- When a TDAP Type 2 applicant or recipient applies for Medical Assistance, code the Approval Source "PA" on the DEM2 screen.
- This code allows the TDAP and MA case to be certified for 12 months.

4. If the customer is a Childless Adult under age 65 who receives Social Security Disability Insurance (SSDI) and is not Medicare Eligible:

- Pend and process the MA application in CARES using the S98 workaround as described in **Attachment C-3**. This workaround ensures the customer has access to health care.
- Code the disability type field on the **DEM2** screen based on the approval source, "**RS**" (Social Security Disability approval.).
- Use the **MHC App Screening Tool** to determine if the customer is MAGI eligible. Use the **original source** of income (in this instance "**SA**") if the income is below the appropriate **ABD MA1** standard.
- If the income exceeds the appropriate **ABD MA1** standard, you will need to code the unearned income on the **UINC** screen in a special way.
 - If SSA Disability income exceeds the appropriate **ABD MA1** standard, use the correct income amount and code as '**OF**' on the **UINC** screen.
 - If the amount of income does not exceed the appropriate MA1 standard, code appropriately as "SA".
- Remember to check the **MAFI** screen to ensure the household's income is not counted.
- When the household receives Food Supplement Program benefits, review the **FSFI** screen to ensure the benefit amount is unchanged.
- Narrate in CARES the actions you took for the workaround.
- If you use the workaround, but CARES still denies the MA application, press the PF 13 key in CARES and:
 - Enter this free form text for the CARES denial notice:

"With your consent, we have entered your application for Medicaid (MA) into the Maryland Health Connection for an eligibility determination."
 - Then enter the applicant into MHC.

4. If a customer is already active in an S99 spend-down or is currently Pending in the S98 coverage group (Aged, Blind or Disabled):

- Use the workaround in **Attachment C-1**.
- Keep the current S98 AU pending because the State Review Team procedures continue for any months of application prior to January 1, 2014.
- Use the Add-A-Program function on CARES to create a new S98 AU number, and use January 1, 2014 as the application date or the date of application if the customer applied for MA after January 1, 2014.
- Use the workaround for Childless Adults under 65 (**Attachment C-1**) to provide immediate coverage effective January 1, 2014 if the application date

was prior to January 1, 2014 or the date of application if the customer applied after January 1, 2014.

IV. Processing Applications for Former Foster Care Children

Pend these applications in CARES in the E02 coverage group.

- Enter “MH” in the Special Circumstances field on the **ADDR** screen to identify applications processed using the interim procedures.
- Verify the applicant was a Maryland foster care recipient and receiving Medicaid in the E-track at the age of 18.
 - It does not matter when the applicant aged out of the system as long as they are **under age 26**.
- Income is not considered for former foster care applicants up to age 26.
- If the customer is receiving other FIA benefits (i.e. FSP) and has income, code the income countable to the **FSP case only**.
- Individuals who were reunified with their parents and were not receiving foster care services on their 18th birthday, or who participated in related permanency programs such as subsidized adoption as of that date, are *not* eligible.
- Former foster care children already enrolled in Medicaid will continue to receive full benefits.
 - Everyone enrolled in PAC will automatically be enrolled in full Medicaid benefits on January 1, 2014, as part of the expansion population covering adults up to 138% FPL.
 - Anyone already receiving benefits will be able indicate their former foster care status when their case is up for redetermination.

V. Verifications

1. Proof of income, citizenship and Social Security Number are the most common verifications for MAGI MA. Check MABS, The Work Number, SVES and SAVE to resolve any outstanding verifications before you contact the customer.
2. If those systems do not match the information on the customer’s application, take the following action:
 - For customers who apply for MA and other DHR benefit programs, use the 1052 pending form to request verifications.
 - For MA-only applications and MHC applications that are missing verifications, use the **fillable** verification templates that appear in **Attachments D-1, D-2 and D-3** to request proof of income, citizenship and/or Social Security Numbers. **The worker should enter his/her name and office address in the space provided.** **Reminder:** the Social Security card is NOT needed; only the Social Security number.
 - Scan all returned verifications into the Enterprise Content Management System (ECMS) using the head of household Client ID in CARES. DHR’s partner agencies (the Local Health Departments and the Connector Entities) can view documents that have been scanned into ECMS.

- Retain the MHC application for one year as noted in AT 13-14, “ECMS Record Retention Guidelines.”

VI. Life Events (also called Interim Changes)

1. When an interim change is reported on an active MA case in CARES, process the change in CARES.
 - If the household remains eligible, no further action is required.
 - If any member of the household is no longer eligible for MA in CARES, take the following action:
 - Use the **MHC App Screening Tool** to determine whether the customer is eligible for “MAGI” or “QHP.” The Excel file is available in your local office’s shared drive and opens as a read-only version. The file also appears as **Attachment B-1** for Excel 2007 users and **Attachment B-2** for Excel 2003 users.
 - If the result of the screening is “QHP,” follow your local office’s procedure for “handoff” of the CARES screen prints and the change form to the on-site Navigator. The Navigator will assist the customer in enrolling in a Qualified Health Plan. Your local office procedure should include the following steps:
 - Write on the documents the IRNs (Client IDs) for each household member to ensure a correct match in MHC.
 - Inform the Navigator if anyone included on the case was determined eligible under current Medicaid rules.
 - If the result of the screening tool is “MAGI,” use the appropriate workaround in **Attachment C-1, Attachment C-2 or Attachment C-3.**
2. When an interim change is reported for a customer who is active in MMIS as a Single Adult (the new A01 coverage group), take the following action:
 - If the customer is reporting the addition of a child:
 - Complete a 491 Change Form and fax it to PAC team at (410) 528-6047. The PAC team will close the A01 case on MMIS.
 - Pend an FAC application in CARES.
 - For all other changes in circumstances, complete a 491 Change Form and fax it to PAC at (410) 528-6047.
3. When an interim change is reported for a customer whose MA case is in MHC:
 - If the customer is not active in CARES, complete a 491 Change Form and fax it to the **MHC Call Center** at 1-855-642-8574.
4. When an interim change is reported for a Food Supplement, Temporary Cash Assistance, Temporary Disability Assistance Program or a Child Care Subsidy (POC) case and the customer does NOT have an active MA case in CARES you must check MMIS and MHC to determine if any further action is required:
 - **Check MMIS.** If an active case is found for any of the household members, follow the steps outlined in # 2 above.
 - **Check MHC.** If an active case is found for any of the household members, follow the steps outlined in # 3 above.

Note: If ALL household members are active on MMIS, you do not have to check MHC.

VII. MA Cards

MA cards are no longer issued as plastic cards. Recipients who are new to Medical Assistance or change from one program to another will receive a paper Medical Assistance card. The design and format of the cards remain the same. Recipients who already have a plastic card will not be issued a new paper card.

VIII. Problems

1. As we transition from CARES to MHC, you may receive inquiries about applicants' eligibility decisions. In order to address these issues and provide answers to our customers, follow the steps below:
 - Perform a clearance in MMIS to determine if the customer's case is active. It is possible that an agency other than yours is handling the customer's application or case.
 - If the case is not active, check CARES for the status and narration.
 - If the application is not in CARES, check MHC to determine if the customer's application has been authorized.
 - If verifications are still needed, inform the customer of which ones are needed.
 - If the status of the customer's case on MHC is unclear or if MHC generates an error message, then contact the FIA Rapid Response Team (RRT) at **(410) 767-1727**. The RRT will use the job aids provided by MHBE or open a ticket with MHC to resolve the issue.
2. For problems with your MHC user account (password reset or activation), contact the RRT at **(410) 767-1727**. The RRT will submit your problem via established procedures to the Maryland Health Benefit Exchange.
3. For questions about MA case processing procedures, contact the Office of Health Care Initiatives and Support Services at FIA.RRT@maryland.gov. For questions about the Food Supplement Program, contact Stephanie Barteel at Stephanie.bartee@maryland.gov or (410) 767-8121. For questions about Temporary Cash Assistance (TCA), contact Marilyn Lorenzo at Marilyn.lorenzo@maryland.gov or (410) 767-7333.
4. For questions about MA policy, contact the DHMH Division of Eligibility Policy and MCHP at (410) 767-1463 or 1-800-492-5231 (select option 2 and request extension 1463).

ATTACHMENTS

[Attachment A – Use the Correct Maryland Health Connection Paper Application](#)

[Attachment B-1 – MHC App Screening Tool for Excel 2007](#)

[Attachment B-2 – MHC App Screening Tool for Excel 2003](#)

[Attachment C1- Revised Workaround for Childless Adults](#)

Attachment C-2 – Workaround for Families with Children

Attachment C-2 Individuals receiving SS Disability

Attachment D-1 – Verification for Citizenship

Attachment D-2 – Verification for Income

Attachment D-3 – Verification for Social Security Number

cc: DHR Executive Staff DHMH Executive Staff
FIA Management Staff DHMH Management Staff
Constituent Services DHR Help Desk