

**NORTH DAKOTA DEPARTMENT OF HUMAN SERVICES
BISMARCK, NORTH DAKOTA
November 19, 2014**

IM 5221

TO: County Social Service Directors
Economic Assistance Policy Regional Representatives
Economic Assistance Policy Quality Control Reviewers

FROM: Julie Schwab, Director, Medical Services

SUBJECT: ACA Medically Needy Coverage for Individuals Under age 21
and Pregnant Women

ATTACHMENTS: ACA Estimated Client Share Determination Spreadsheet
ACA Medically Needy Processing Flow Chart
Updated 'Determining ACA Medically Needy' page for ACA
Processing Guide
ACA/Non ACA Medicaid Income Level Chart (Eff. 10-2014)

PROGRAMS: ACA – Health Care Coverage

EFFECTIVE: Immediately

RETENTION: Until superseded

**SECTIONS
AFFECTED:** 510-03-05 Definitions
510-03-30-05 Groups Covered Under ACA Medicaid
510-03-30-15 Assigning Category of Eligibility
510-03-85-40 Income Levels 510-03-85-40
510-03-90-50 Budgeting Procedures for Medically Needy
under ACA Medicaid

The Department needs to clarify policy regarding eligibility for individuals under age 21 and Pregnant Women. Individuals under age 21 (through the month the individual attains age 21) and Pregnant Women who fail ACA Medicaid at application or review due to excess income, must be tested and given the option to choose eligibility under ACA Medically Needy provisions. This provision applies only if the individual does NOT qualify for coverage under any of the ACA covered groups due to excess income.

Effective immediately, individuals under age 21 or Pregnant Women who are not eligible for ACA Medicaid (under any group) or Healthy Steps at application or review **due to excess income** must be tested and informed of this option.

Under ACA Medicaid Medically Needy, countable income will be determined based on ACA Medicaid policy. However, under ACA Medically Needy only, if a sibling of a child has countable ACA income and this results in an increased client share for the sibling needing coverage, the sibling with the countable income can be 'opted out' of the household.

Example: Case consists of mom, stepdad and mom's 2 children, ages 12 and 17. Mom, stepdad and the 17 year old are employed and the 17 year old is required to file income taxes. All household members fail ACA Medicaid coverage and the children fail ACA Healthy Steps coverage. The 12 year old has a medical need and the family is requesting ACA Medicaid Medically Needy. When determining the client share, mom can choose to 'opt out' the 17 year old from the Medically Needy determination so the 17 year olds income is not counted when determining the client share for the 12 year old. The stepparent's income continues to be counted.

A change has been made in the client share determination under ACA Medicaid Medically Needy. Households will be allowed a 5% disregard from their total countable ACA income and the ACA Medicaid Medically Needy Level will increase to 90% of the Federal Poverty Level for Pregnant Women and 92% of the Poverty Level for children up to age 21.

ACA Medically Needy Income Level

(Eff. 10/1/2014)

HH Size	90% of Poverty Level (Pregnant Women)	92% of Poverty Level (Children up to age 21)
	Monthly	Monthly
1	\$ 876.00	\$ 895.00
2	\$ 1,180.00	\$ 1,206.00
3	\$ 1,485.00	\$ 1,518.00
4	\$ 1,789.00	\$ 1,829.00
5	\$ 2,094.00	\$ 2,140.00
6	\$ 2,398.00	\$ 2,452.00
7	\$ 2,703.00	\$ 2,763.00
8	\$ 3,007.00	\$ 3,074.00
9	\$ 3,312.00	\$ 3,385.00
10	\$ 3,616.00	\$ 3,697.00
+ 1	\$ 305.00	\$ 312.00

An ACA Medically Needy Processing Flow Chart and an ACA Client Share Determination Spreadsheet have been developed to assist with processing and determining the monthly 'Client Share' for these individuals.

Note: The Attachments have been placed on the County Intranet
→Economic Assistance-Health Care Coverage→ Medicaid-Healthy Steps→ACAMAGI Information.

In addition, a Work Order has been written up to add additional language to notices informing the household of the option of ACA Medically Needy coverage and the estimated client share (recipient liability) when an individual under age 21 or a Pregnant Woman is not eligible for ACA Medicaid (under any group) or Healthy Steps at application or review, **due to excess income**. Until such time as the notices in the Mini-App can be updated, the following language must be added in the free form space, to the Mini-App denial, closure or review notices

'The individual(s) under age 21 or Pregnant Women who are not eligible for the reason of 'excess income', have a choice of choosing a private health plan by logging onto the FFM as indicated above, or eligibility under Medicaid provisions that will require you to pay a client share each month. Based on current income, the estimated monthly client share would be:

<u>Name</u>	<u>Estimated Monthly Client Share</u>
<i>(Enter Name of individual(s) Under 21 or Pregnant Woman)</i>	<i>(Enter Estimated Monthly client share for each individual)</i>

If the monthly medical care cost(s) of the above individual(s) is more than the estimated monthly client share listed above, and you would like to choose Medicaid coverage with the 'Client Share', please contact your Eligibility Worker by (Enter date that is 15 days in the future).

Example 1: Jack Huey is single and age 20. He applies for Medicaid and based on his income is not eligible for ACA Medicaid Coverage. Jack will be given the option of being referred to the FFM for private coverage or be eligible under the Medically Needy provisions with a client share (recipient liability). The Eligibility Worker must determine Jack's estimated 'client share' and inform him of this option.

Example 2: Elmer Gluey has been on Healthy Steps for the past year. His 19th birthday is in September and his income exceeds the 138% FPL. Elmer will be given the option of being referred to the FFM for private coverage or be eligible under the Medically Needy provisions with a client share (recipient liability). The Eligibility Worker must determine Elmer's estimated 'client share' and inform him of this option.

- If the individual does not respond within the 15 day period allowed in the notice, the denial/closure remains in effect. The individual would need to reapply if a need arises.
- If the individual responds within 15 days and:
 - The individual's medical need does NOT exceed the estimated client share, create and send another 'Decision' notice in the Mini-App (if the case was denied) or 'Closure' notice (if the case was closed). Add the 'RL Exceeds Need' sub form in the free form section of the newly created notice and send to the applicant/recipient. The notice currently includes the referral to the FFM.
 - The individual's medical need exceeds the estimated client share, register and process the application in Vision following the process described on pages 60 and 61 of the ACA Processing Guide.

Example: Paula Newman is due for her review of Medicaid eligibility in October. She just turned 19 and is working part time in the oil fields. Paula has been eligible as a continuously eligible individual. Her income fails the expansion group income level. Paula will be given the option of being referred to the FFM for private coverage or be eligible under the Medically Needy provisions with a client share (recipient liability). The Eligibility Worker must determine Paula's estimated 'client share' and inform her of this option.

Note: If Paula's client share is \$2,000 per month, but her medical need is for a prescription that costs \$300 per month, she would be denied for the reason of "Client Share Exceeds Need".

There have been individuals under age 21 and pregnant women who had excess income since January 1, 2014. The State Office will be attempting to contact these individuals to inform them of this option and complete the determinations. Should the individual(s) be eligible for ACA Medically Needy, the case will be processed by State Office staff and the Eligibility Worker will be informed when this has been completed. The ongoing case will be maintained by county staff.

If you have questions, please contact your Regional Representative.