Operations Memorandum - Cash Assistance/Medicaid/Food Stamp
OPS060403
(Revised 6/12/06)

4/13/06

SUBJECT: **Application Processing for Households and Families Recently Discontinued or Denied Benefits**

TO: **Executive Directors**

FROM: **Joanne Glover, Director, Bureau of Operations**

Purpose

To inform County Assistance Offices (CAOs) that a new application or renewal form (paper or electronic) is not required when an application is denied or when ongoing benefits are discontinued and the client reapplies within 60 days of the application date for denials or within 60 days of the date for **cash and Medicaid.** This change in policy is effective May 1, 2006.

For Food Stamps, a new application is not required when the household reapplies with 30 days of the date of closing during the ceritification period. There is no change in policy for the FS application or recertification (renewal) process.

Background/Discussion

The basis for this proposed change is to more closely align cash assistance and Medicaid policy with Food Stamp (FS) program requirements. FS policy provides that a household must file an application, participate in an interview and provide verification of eligibility by the 30th day. The application is denied if the household fails to complete the application process by the 30th day. However, if the household completes the application process within 60 days of the original application date, a new application is not required.

While waiving the paper or electronic application process will usually benefit CAOs and clients alike, this new policy does not preclude having the client complete a new application if doing so would expedite benefit delivery. For example, obtaining a new application may benefit the client if there are delays in locating/transferring previously completed documents from district to district or county to county.

Old Policy:

Cash assistance and Medicaid rules currently require the client to complete and file a new application whenever an application is denied or a case is closed, regardless of how much time has elapsed from the original application filing date or case closing date.

NOTE: Under Medicaid Eligibility Handbook (MEH) Section 323.8, Whereabouts Unknown, it has always been the Medicaid policy to open Medicaid benefits back to the day after date of closure if it was determined that benefits were incorrectly

terminated due to circumstances that may have prevented the individual from getting mail timely, such as hospitalization of the individual.

New Policy:

AT APPLICATION

- For cash assistance and Medicaid, a new application form is not required when an individual or family reapplies for benefits within 60 days of the date of the application.
- For cash assistance, CAOs should use discretion when determining whether another face-to-face interview is needed. Factors to consider are the reason(s) for denial, the period of time that has elapsed since the original interview and whether required forms have been signed or need updated.
- When authorizing Medicaid, including provider applications, benefits will be authorized effective the original date of the application as defined under MEH Section 304.2. For the GA-related MA-NMP (PD) applicant who establishes eligibility, Medicaid will be initially authorized effective the date all conditions of eligibility are verified. Refer to MEH 305.5.
    - If retroactive coverage had been requested, the original date of application is used when establishing the retroactive period.

NOTE: When establishing retroactive eligibility for a case that is not using the MED software, use the instructions under MEH Section 380.33. When establishing retroactive eligibility for a case that is using the MEDA software, complete t CARMRQ screen to request retroactive eligibility in the appropriate months

- **Example 1:** Mr. A, age 66, comes to the CAO on 3/1/06 to apply for Medicaid. The CAO caseworker processes the application on 3/15/06 and notifies Mr. A that additional information is needed to authorize Medicaid by 3/30/06. On 4/5/06 , the caseworker denies Medicaid for failure to provide required verification and sends the appropriate 162 notice. On 4/30/06 , Mr. A visits the CAO with the required information. The CAO authorizes Medicaid effective 3/1/06.
- **Example 2:** Mrs.B is admitted to XYZ Nursing Home on 1/5/06 . An application for Long Term Care (LTC) Services/Medicaid is signed and dated on 2/10/06 at the nursing facility. The facility is requesting an effective date of 1/5/06 for the LTC Services. The application is received and date-stamped in the CAO on 3/1/06 . On 4/15/06 , the caseworker denies the application for failure to provide information and sends the appropriate 162 notice. On 4/25/06 , the applicant's representative contacts the CAO and provides the required information. The caseworker authorizes LTC Services/ Medicaid effective 1/5/06 using the application received in the CAO on 3/1/06.
- There is no change to policy regarding the effective date of authorization for cash and FS:
    - Cash assistance is authorized from the date eligibility is established (i.e. when all eligibility factors are reviewed, required verification is provided and rights and responsibilities are explained).
    - FS are authorized retroactive to the filing date of the application, if required

information is provided by the 30th day. If the required information is provided by the 60th day, FS benefits must be prorated to the day the required information is provided.

NOTE: There is no change to policy regarding entitlement to expedited service.

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RENEWAL/RECERTIFICATIONS

- For all programs, a new application form is <u>not</u> required only when all these conditions are met:
  - Recipients completed the required renewal form, but failed to provide pending information or verification; and
  - Benefits were discontinued; and
  - Recipients provided pending information or verification within 60 days of discontinuance.

- Cash assistance is authorized from the date eligibility is established (i.e. when all eligibility factors are reviewed, required verification is provided and rights and responsibilities are explained).
- For cash assistance renewals, determine whether another face-to-face interview is needed. Factors to consider are the reason(s) for closing, the period of time that has elapsed since the renewal interview and whether required forms have been signed or need updated.
  - Review client's most recent AMR and update as necessary or complete a new AMR if changes are significant.

NOTE: When a cash budget is reopened, the CAO will evaluate if a retroactive perio Medicaid must be authorized to cover medical services obtained since the da cash discontinuance.

- Medicaid benefits, including LTC, are authorized effective the day following the date of closure to prevent a lapse of medical coverage.
- FS are authorized retroactive to the first of the month following the certification end date, if required information is provided by the 30th day. If the required information is provided by the 60th day, FS benefits are prorated to the day the required information is provided.

CASE CLOSINGS

- When benefits are discontinued prior to the cash and Medicaid renewal due date, an application form is not required if the individual or family reapplies within 60 days from the date of closing. Reasons for discontinuing benefits may include returned mail (whereabouts unknown), excess income/resources or failure to provide information or verification.
- For cash assistance, CAOs should use discretion when determining whether a face-to-face interview is needed. Factors to consider are the reason(s) for closing, the period of time that has elapsed since the closing and whether required forms have been signed or need updated.
- Review all eligibility factors, including the AMR. Update or complete a new AMR as necessary. Explain rights and responsibilities and authorize cash assistance effective the date eligibility is established.
- Authorize Medicaid (including LTC) effective the day after the date of discontinuance.
- DPW has asked the Federal Food and Nutrition Service for a waiver to align FS policy with Cash/Medicaid **and FNS approved a modified version of our request.** CAOs will not require a new application if the household reapplies within **30** days of closing. FS benefits will continue to be prorated to the date the household provides the required information and verification.

NOTE: If a change in household circumstances requires the closing of cash benefits a the CAO does not have enough information to determine FS eligibility, the C will:

  - Send a request to the household for clarification or verification.
  - If the household fails to respond, send the household an advance noticeof adverse action (PS 162A) to close the FS benefits.
- When reopening cash assistance or FS benefits, the renewal date should remain the same as previously established in CIS whenever the system allows. To do this, the renewal due date must be manually reset on the CCBUDG screen. In situations where the system does not allow the worker to manually reset the renewal date for cash assistance, use the renewal date set by the system.

NOTE: If the FS recertification period ending date is within one to two months of the reopen date, reopen FS benefits with an NCE payment and manually send the 10 SP. Keep the original recertification date.

CIS INFORMATION

CIS Refresh Procedures—Clerical Function

CIS case/budget/individual refresh rules have been modified. The timeframe to refresh information has increased from 30 days to 60 days.

Procedures are as follows:

- The Income Maintenance Caseworker (IMCW) submits a PW 764 to initiate Application Processing and Case Initiation.
- Clerical staff enters the case record number on CAAPMN – MCI Action Screen, Line 03, "Build AP Registration From Record Number" to initiate the refresh process. Clerical will then progress with the normal AP screen flow.
- All case, budget and individual level data previously present in the record will be refreshed, except for employment-related data. If no changes exist, clerical staff will transmit through the screens, mark AP/CI as being completed and return to the IMCW for budget authorization.

NOTE: Currently, if an application is processed and subsequently rejected by the IMCW, neither MCI nor CIS retains detailed information on the applicant. Consequently, clerical staff cannot use the Build From function to refresh case/budget/individual level information. Staff from the Division of Automation Planning and Support is reviewing changes to MCI and CIS so that this information is retained and able to be refreshed.

Next Steps

1. Review this memorandum with appropriate staff.
2. Retain this Operations Memorandum until the policies are incorporated into the Cash Assistance, Medicaid and Food Stamp Handbooks.
3. Direct questions regarding this Operations Memorandum to your Area Manager.