

## **Policy Clarifications – Medicaid – All PMA-17378-376**

**Submitted: Agency: CAOs**

**Subject: Semi-Annual Reporting (SAR) Processing and Medical Assistance**

**Question:**

1. What should the CAO do if a case is open for a combination of MAGI and Non-MAGI MA budgets and the SAR required for the Non-MAGI MA budget is not returned?
2. What action should the CAO take if a case is open for a combination of MA, SNAP and/or Cash and the SAR is due on Non-MAGI MA, SNAP and/or Cash budgets?

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**Response By: Division of Health Services**

**Date: 12/14**

These questions were previously addressed in [PMA-17332-376](#), Renewal and SAR Processing and Medical Assistance. As the renewal guidance in that clarification has been replaced with new guidance in [OPS 14-12-01](#), posted December 2, 2014, PMA 17332-376 will be obsolete.

The SAR and MA policy and procedure provided in the following questions and responses must continue to be followed for SAR Processing and MA.

- 1. What should the CAO do if a case is open for a combination of MAGI and Non-MAGI MA budgets and the SAR required for the Non-MAGI MA budget is not returned?**

MAGI MA budgets are not enrolled in SAR. If a case is open for a combination of MAGI and Non-MAGI MA budgets and the SAR required for the Non-MAGI MA budget is not returned, the CAO must not take any negative action on the MAGI MA budget.

- 2. What action should the CAO take if a case is open for a combination of MA, SNAP and/or Cash and the SAR is due on Non-MAGI MA, SNAP and/or Cash budgets?**

If a case is open for a combination of MA, SNAP and/or Cash and the SAR is due on Non-MAGI MA, SNAP and/or Cash budgets, the CAO must follow the procedure outlined below:

- If the SAR and L/IN packets are not returned, the CAO should close SNAP and Cash and keep MAGI MA budgets and Non-MAGI MA budgets not subject to SAR open.
  - The CAO must complete an “ex-parte” review for Non-MAGI MA budgets subject to SAR before the budget can be closed.
- If the SAR and L/IN packets are returned, but the required verification is not provided by the L/IN due date, the CAO must review the forms to see if there was a reported change that may affect MA eligibility.
  - If the reported change affects MA eligibility (example: an increase in income), the CAO will complete an “ex-parte” review by utilizing existing case data and the available data sources to obtain required verification electronically. If the information is reasonably compatible, this information will be used to process the MA budget. The CAO will use reasonable compatibility for both MAGI and non-MAGI budgets.

The CAO must follow SNAP and Cash policy in determining if the electronically verified information can be used for processing SNAP and/or Cash. See SNAP Handbook Chapter 570 Appendix A and Cash Handbook Chapter 178 Appendix C.

**Reminder:** Wages information posted on the Exchange 1 is not considered verification of earned income for SNAP and Cash.

- If the verified information can be used for processing SNAP and/or Cash, the CAO must process the SAR for all benefits.
- If the verified information cannot be used for processing SNAP and/or Cash, the CAO will process the SAR for any non-MAGI budget in which the SAR was due. For combination MAGI MA, SNAP and/or Cash cases, the CAO will adjust the MAGI MA budget in the system based on the change if closing SNAP and/or Cash.
- If the reported change on the SAR or L/IN affects MA eligibility and is not reasonably compatible with the data source information OR the required verification cannot be obtained electronically, the CAO must close the MA budgets with the reason code 042 and send a 15-day Advance notice. The notice must specifically state what verification has not been provided.

**Example:** If the individual reported income from Giant, the notice must indicate that the individual’s MA was closed due to a failure to provide

verification of wages from Giant instead of a general statement such as income.

- If the information reported in the SAR or L/IN does not affect the individual's eligibility for MA, the CAO must leave the MA budget open, if closing SNAP and/or Cash.

PMA 17332-376 is obsolete with the posting of this clarification.