

# **Policy Clarifications – Medical Assistance – All PMA-17332-376**

**Submitted: 10/14      Agency: CAOs**

**Subject: Renewal and 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?
3. What is the renewal processing procedure for MA only cases that include MAGI and non-MAGI budgets?
4. What is the renewal processing procedure for cases that are open for a combination of MA, SNAP and /or Cash benefits?
5. Have there been any changes to the MA processing procedure once a Cash budget is closed due to a reason that does not affect MA eligibility?

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**Response By: Division of Health Services**

**Date: 10/7/14**

- 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 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.

### 3. What is the renewal processing procedure for MA only cases that include MAGI and non-MAGI budgets?

The CAO must complete an "ex-parte" review of MA-only cases before renewal packets are mailed out to the individuals.

- If all necessary verification can be obtained from existing case data and/or electronic data sources, the CAO must process the MA renewal without scheduling a renewal packet if the individual continues to be eligible for MA in a category that provides the same or a higher level of coverage.
  - If the renewal can be run based on the results of the "ex-parte" review, a full renewal narrative must be entered.
  - If the renewal can be completed based on the "ex-parte" review, a signed renewal form is not required.
  - A notice will be issued for the renewal even if there is no change in benefits.
- If all necessary verification cannot be obtained from the existing case data, electronic data sources, or if the verification obtained makes the individual ineligible for MA or the MA coverage decreases, the CAO will schedule the renewal packet.

**Exception:** The CAO must always schedule renewal packets for cases containing MAWD budgets.

- The CAO must give the individual 30 days to return the renewal form and all required verification.

**Note:** The CAO will use the "Detail" process to schedule the renewal packets to give the individual 30 days to return the renewal packet.

- The CAO will narrate that the "ex-parte" review was completed and indicate the reason why the packet must be mailed.

- If the individual fails to return the renewal packet, the CAO must confirm that the renewal packet was not received in the CAO. The worker will check Imaging, the reception and mailroom areas of the CAO before closing MA for failure to provide verification.

**Reminder:** The CAO must make sure that MA for pregnant women and children under the age of one remains open.

- If the individual returns the renewal packet and the CAO is unable to locate required verification, a review of information reported on the renewal form and information available through data sources must be completed.
  - If the information reported on the renewal form is reasonably compatible with the information available through data sources, the renewal will be processed based on this information.
  - If the information reported on the renewal form is not reasonably compatible with the information available through data sources, the CAO will close MA for failure to provide verification.

#### **4. What is the renewal processing procedure for cases that are open for a combination of MA, SNAP and /or Cash benefits?**

The CAO must always schedule a renewal packet for a case that contains a combination of MA, SNAP and/or Cash budgets.

- If the individual fails to return the renewal packet, the CAO will complete an “ex-parte” review for MAGI and Non-MAGI MA budgets.
  - If information necessary to renew MA can be obtained from existing case data or electronic data sources, the CAO will process the MA renewal without the renewal packet.
  - If information necessary to renew MA cannot be obtained from existing case data and/or electronic data sources, the CAO will close MA for failure to provide verification with the exception of MA for pregnant women and children under the age of one.

**Example:** A case is open for SNAP and PH80. The renewal is due for both budgets, but the individual fails to return the renewal form and complete the required SNAP interview. The SNAP budget will be closed. The caseworker will complete an “ex-parte” review for the PH 80 budget. If all required information can be obtained electronically, the caseworker will process the MA renewal. If the renewal can be completed based on the “ex-parte” review, a signed renewal form is not required. If the

caseworker is unable to obtain the required documentation electronically, the caseworker will close PH80 for failure to provide verification.

**Example:** A case is open for C and SNAP. The renewal is due for both budgets, but the individual fails to return the renewal form and complete the required interview. The SNAP and Cash budgets will be closed. The caseworker will complete an “ex-parte” review to evaluate for MA. If MA eligibility can be determined based on the “ex-parte” review, the caseworker will open an appropriate MA budget. If MA eligibility cannot be determined based on the “ex-parte” review, the caseworker will close MA for failure to provide verification.

**5. Have there been any changes to the MA processing procedure once a Cash budget is closed due to a reason that does not affect MA eligibility?**

No. The MA processing procedure for cases in which Cash is closed for any reason that does not affect MA eligibility has not changed. When a Cash budget is closed, the CAO must always review the reason for the Cash closure. If the Cash closure reason does not affect MA eligibility, the CAO must open the household in an appropriate MA category.

**Example:** Anna and her son Derek are open for C only. Anna reported that she received an inheritance, which made her ineligible for cash assistance. The caseworker will close the C budget and will evaluate the household for MA.