

**DATE:** March 13, 2018

**OPERATIONS MEMORANDUM# 18-03-01**

**SUBJECT:** Medical Assistance (MA) Continuous Eligibility for Children under Age Four

**TO:** Executive Directors

**FROM:** Inez Titus  
Director  
Bureau of Operations

**PURPOSE**

To inform County Assistance Offices (CAOs) of the implementation of MA continuous eligibility for children under the age of four who are determined eligible for MA or Temporary Assistance for Needy Families (TANF), effective March 19, 2018.

**BACKGROUND**

Currently, only children under the age of one who are born to a mother on MA or CHIP are eligible for MA continuously until their first birthday. Continuity of care ensures children have primary and preventive care services that result in better health outcomes. Pennsylvania has chosen a federal option to provide children under the age of four, continuous eligibility for 12 months regardless of changes in circumstance. The 12-month period begins from the date of ongoing MA eligibility until the child's annual renewal. Under the continuous eligibility option, Pennsylvania is required to provide children in certain MA programs a 12-month continuous eligibility period.

**DISCUSSION**

A new category target type, MG 18 C, has been created for children under the age of four to ensure these children remain open in MA for a 12-month continuous eligibility period regardless of changes that would have previously affected their MA eligibility. MG 18 C has no income or resource test and it follows the same non-financial rules as other MAGI MA categories. See [Attachment 1](#) for an updated MA cascade.

When a change in household circumstances occurs during the current eligibility period and prior to renewal, the caseworker must update the case record with the new information and run eligibility. If a child under the age of four is no longer eligible for MA, MG 18 C will be authorized by the system until the end of the 12-month period.

**Important:** CAOs must not change the MA renewal date for budgets that qualify for continuous eligibility while aligning other budgets.

Eligibility in most MA categories qualifies children under the age of four to receive continuous eligibility even when they are no longer eligible for MA during each current 12-month period. However, there are MA categories that do not qualify children for continuous eligibility. See [Attachment 2](#) for the list of categories that are excluded from receiving 12-month continuous eligibility.

When updating and processing a case record for a change in circumstance, the data fields on the Individual Attributes screen “With Parent Since Birth” and “Received MA or CHIP at Birth” are not applicable to the MG 18 C category. The CAO must continue to check these fields when adding a newborn born to a mother on MA or CHIP at time of birth. The MG 18 N category will still be opened when a change in circumstances makes the newborn no longer eligible for MA during their first year.

The CAO may not close MA for children under the age of four before the end of the 12-month period for the following reasons:

- Excess income.
- Whereabouts unknown.
- Failure to provide information.
- Failure to keep an appointment.

**Reminder:** When the above reasons occur, the CAO must update and process the case. The child’s current MA budget will close if no longer eligible for MA and MG 18 C will be authorized.

**Note:** The CAO must ensure that when a TANF closure occurs, an appropriate MA budget is authorized for the child for the remainder of the 12-month continuous eligibility period.

The CAO may close MA before the end of the 12-month period for the following reasons:

- The child turns age four
  - A new age alert AGE 053 will be created to identify children in MG 18 C who turn four. The caseworker will have 10 days to review the case and run eligibility. The alert will be system cleared.
- The child moves out of state.
- The child is institutionalized.
- Citizenship or satisfactory immigration status is not verified following a Reasonable Opportunity Period (ROP).
- A voluntary withdrawal request is received for MA.

**Note:** If there is a withdrawal for TANF and not for MA, the CAO must open the appropriate MA budget and ensure that the child receives the remainder of the 12-month continuous eligibility period.

- The child is deceased.
- The CAO determined that the child's MA was opened in error.

**Reminder:** When any of the above reasons occur, the CAO must update and close the MA budget.

**Note:** MG 18 C can be closed at the 12-month renewal if a child is no longer eligible for MA. Changes will be made to address children under 4 on the MA Closure Checklist.

When MG 18 C opens, the system will maintain the renewal date of the original MA or TANF budget. At renewal, the CAO will re-determine the child's eligibility. If the child is eligible for another MA category, the child may qualify for another 12-month continuous eligibility period. If the child is ineligible for any MA, the child will be referred to CHIP or the FFM in accordance with the existing referral rules.

**Example 1:** The CAO processes an MA application for Anthony age two and he is determined eligible for MG 00 C effective December 1, 2017, with a renewal date of November 30, 2018. On March 10, 2018, the household income increases above the 157% of the Federal Poverty Level (FPL). The CAO will authorize MG 18 C, and the renewal date will remain as November 30, 2018.

**Example 2:** The CAO processes an MA renewal for Michael age one on September 30, 2017. He is determined eligible for MG 00 C with a renewal date of September 30, 2018. On April 14, 2018, the CAO discovers parental income that is not reasonably compatible with the information in the record and sends a PA 253 requesting verification. If the household fails to return verification by the due date, the CAO will take action on the case and the system will authorize MG 18 C for Michael, and the renewal date will remain as September 30, 2018. If the household fails to verify income at renewal, the CAO will close MG 18 C with 042 for failure to provide verification.

If a renewal is processed for another budget on the same case in any month before the child's MA renewal date, the following will take place:

- If the child remains eligible for MA, the CAO will authorize an MA category with a 12-month renewal date.
- If the child under four is not eligible for MA, the CAO will open MG 18 C for the child and maintain the child's MA renewal date. When the CAO processes the child's MA in the renewal month, the CAO will determine eligibility and close MA if the child is ineligible.

- If the child under four is not eligible for any MA other than MG 18 C and the renewal is processed through the Enhanced MA Renewal (EMAR) process, the system will exception the case from the EMAR for the CAO to process the child's MA renewal in the renewal month.

### MG 23 Renewal

When the CAO processes a renewal on an MG 23 budget for a child under the age of four and the child is determined ineligible for any MA, the CAO must review the case to determine if the child has received 12 months of eligibility from the date MG 27 or C/U was opened. If the child has not received 12 months of eligibility, the CAO will process the MG 23 renewal and complete an override to open the child in MG 18 C until the end of the 12-month period. The CAO will set the renewal date to 12 months from MG27 or C/U opening.

### Inter-County Transfer (ICT)

When a CAO processes an inter-county transfer for a child who was open for an MA category eligible for Continuous Eligibility and the child is determined ineligible for MA in a new county due to a change in circumstances, the CAO will open the child in MG 18 C with the original renewal date. The system will check for a closure with the reason code 099 within the last 45 days to open MG 18 C.

### Foster Care

When a child under four is no longer in custody of the Children and Youth agency, the CAO will take the following action to accommodate the 12-month continuous eligibility.

- If a child is returning to a household with a case record that has an open MA budget, the CAO will add the child and run eligibility for MA based on the information in the case. If the child is eligible for MA, the CAO will open the appropriate MA budget. If the child is not eligible for MA, the CAO will open MG 18 C. The CAO will set the renewal date for the child's MA budget to match the renewal date of the prior foster care budget. If the foster care budget did not have a renewal date, the CAO will set the renewal date to 12 months.
- When the CAO receives an MA application for a child who was in foster care and is returning to a household without an open MA budget, the CAO will review MA for the child and other applying individuals and take the following action:
  - If the child is eligible for MA, the CAO will authorize an MA category with a 12-month renewal date.

- If the child is not eligible for MA, the CAO will open MG 18 C and set the renewal date to match the renewal date of the foster care budget. If the foster care budget did not have a renewal date, the CAO will set the renewal date to 12 months.

**Note:** The CAO will perform an override to open MG 18 C if the MA application received within the 12-month continuous eligibility period is processed later than 45 days from the day the foster care budget closure.

The CAO will authorize MA for the child back to the day after the foster care budget was closed if an MA application was submitted within 90 days from the day the foster care budget was closed.

### **Adoption Assistance**

When a child under four is no longer eligible for adoption assistance as described in the Supplemental Handbook Chapter 850.68, the CAO will determine MA eligibility based on the family income. If the child is not eligible for MA, the CAO will perform a manual override to open MG 18 C and set the renewal date to 12 months.

### **NEXT STEPS**

1. Share and review this information with appropriate staff members.
2. Please contact your area manager if you have questions regarding this Operations Memorandum.

### **Attachments:**

[Attachment 1 – MA Cascade Table](#)

[Attachment 2 – Categories not eligible for Continuous Eligibility](#)