

DATE: April 30, 2018

OPERATIONS MEMORANDUM # 18-04-02

SUBJECT: Family Planning Services (FPS) Eligibility and Medical Assistance (MA) Overpayment Determinations

TO: Executive Directors

FROM: Inez Titus
Director
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PURPOSE

To inform County Assistance Offices (CAOs) that FPS is not a category of eligibility that eliminates an MA overpayment.

BACKGROUND

Currently, when determining if an overpayment exists for MA, the CAO considers if the individual would have been eligible in an FPS category (PSF14 or PSF15). If the person would have been eligible in an FPS category, partial overpayment information is entered into the Automated Restitution Referral and Computation System (ARRC) but not referred to the Office of State Inspector General (OIG).

DISCUSSION

The current policy of using FPS eligibility in determining MA overpayments was reviewed. Since FPS is not a full MA benefit category and it does not provide a full benefit package like other MA categories, the decision was made by the Office of Income Maintenance Executive Staff to no longer have FPS eligibility factor into determining an MA overpayment.

Effective immediately, when determining overpayments for MA, eligibility for any FPS category does not negate an overpayment, unless the individual was open in an FPS category. If the individual applied for FPS at the time of application but was not receiving FPS coverage, do not consider FPS when determining if an MA overpayment exists. The following examples give scenarios of when to determine overpayments using a FPS eligibility determination:

Open MA, Applied for MA

Example: Jasmin (age 30) is a single adult open for MA in MG 91 with a begin date of January 1st. Jasmin starts a new job February 1st, earning income that exceeds 133% FPIG (MAGI income limit), but below 215% FPIG (FPS income limit), and never reports this income to the CAO. On August 1st, the CAO receives a wage hit showing the income for Jasmin's new job for the past six months. At application, Jasmin requested MA only. When calculating an MA overpayment, only the MA MAGI income limit of 133% FPIG will be used, since Jasmin was never open for FPS.

Open MA, Applied for MA and FPS

Example: Sam (age six) is a tax dependent of his father, Larry, and they are both open in MA MAGI budgets. Sam has zero income and Larry has unreported wages that exceed 215% FPIG, which makes the family ineligible for MA and FPS. At application, Larry and Sam requested MA and FPS. Even though Sam has no income, the FPS income limit would not be used for an MA overpayment determination. In this case, both Sam and Larry would be considered for an MA overpayment based on the MA MAGI income limits.

Open FPS, Applied for MA and FPS

Example: Kendra (age 45), is open FPS as a single adult. At application, Kendra applied for both MA and FPS and did not report that she was married and living with her husband, James, and their child. An address match alerts the CAO of the household composition and James' income. When determining if an FPS overpayment exists, we would use the FPS income limit of 215% FPIG for a three-person household.

Open FPS, Applied for MA and FPS

Example: Sam (age six) is a tax dependent of his father, Larry, and they are both open in FPS budgets. Sam has zero income and Larry has unreported wages that exceed 215% FPIG for a two-person household, that makes the family ineligible FPS. Since Sam has no income, he would be considered for a 1-person household, because he was open in the FPS category at the time of overpayment evaluation.

Note: The CAO does not have to review past cases for MA overpayments, when FPS eligibility was used for a MA overpayment determination. The policy and procedure outlined in this Operations Memorandum is effective upon posting.

NEXT STEPS

1. Share and review this information with appropriate staff members.
2. This Operations Memorandum will obsolete policy clarification, P0-17680-910.