

**Policy Clarification  
Medical Assistance – All  
PMA-21599-339**

**Submitted: January 8, 2024**

**Agency: CAOs**

**Subject: Begin Date for Transitional Medical Assistance (TMA) Budgets**

**Question: If an individual becomes eligible for TMA based on an increase in earned income (MG 71) or spousal support (MG 23) but the change was not reported timely, should the TMA period begin based on when the change *should* have been reported?**

***Example:* Earned income increases in April. It is not reported until November and the County Assistance Office (CAO) adjusts the income. Should the TMA period start in August because the income should have been reported by the 10<sup>th</sup> of August?**

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**Response By: Division of Health Services**

**Date: January 8, 2024**

No. The TMA period begins on the processing date, even if the change was not reported timely or was not processed timely. Adjusting the renewal date to a certification of less than 12 months (MG 71) or four months (MG 23) from the processing date is considered a retroactive adverse action and is not allowable under federal regulations.

***Example:*** A parent and child are open in MG 27, and the parent begins a new job in April but does not report this change timely to the CAO. An Income Eligibility Verification System hit is received in August with earned income that exceeds the MG 27 limits. The CAO should adjust the verified income to the record, close MG 27, and open MG 71. The system will set a renewal date for the following August, and this date should not be changed.

The MA Handbook will be updated to reflect this information.