

DATE: March 4, 2016

OPERATIONS MEMORANDUM #16-03-01

SUBJECT: Reinstatement of Medically-Needy Only (MNO) for Non-pregnant Adults Aged 21 through 64

TO: Executive Directors

FROM: Inez Titus
Director
Bureau of Operations

PURPOSE

To inform the County Assistance Offices (CAO) of the reinstatement of the MNO categories for individuals aged 21-64 effective March 14, 2016.

BACKGROUND

On January 1, 2015, as a result of changes related to *Healthy PA*, an age restriction was introduced in the Client Information System (CIS) for SSI-related and TANF-related MNO categories that only allows children under age 21 and adults who are pregnant or age 65 or older to be reviewed. This restriction included TC/TU and TJ spend-down categories (Program Status Code 22) and TJ with buy-in (Program Status Codes 66 and 80). When HealthChoices Expansion was implemented on April 25, 2015, MNO, including spend-down, remained restricted in CIS on the basis of age. This document explains changes to the MNO categories.

DISCUSSION

The following categories and program status codes are being reinstated for all age groups:

- TC 00/22
- TU 00/22
- TJ 00/22
- TJ 66
- TJ 80

Medical Assistance Eligibility Handbook (MAEH) chapters 305, 340, 350, 361, and 369 detail both financial and non-financial eligibility criteria for the MNO categories.

A few key points for MNO criteria:

- Target types
 - T is for TANF-deprived child and can apply to both children and adults.
 - N is for Non-TANF-deprived child and only applies to children aged 19 and 20.
 - P is for TANF-deprived pregnant woman and can apply to both the pregnant woman and her spouse. Target type P will only apply if there are no dependents.
- Income eligibility
 - MNO is based upon a semi-annual calculation and has deductions based upon category.
 - Spend-down can be done with both paid and unpaid medical bills incurred or paid within the retroactive period.
- Resources are excluded from households with children under the age of 21, including pregnant women.
- The category of TJ is for permanently disabled individuals aged 0 through 64. Although children aged 0 through 18 are eligible for TJ categories, they will only be placed into TC/TU categories until the age of 19. TJ 66 and TJ 80 are buy-in categories that also have medical coverage.
- The categories of TC and TU are for caretaker or pregnant adults and children aged 0 through 64.
- No overrides will occur to place an individual into TJ 00 or TC/TU 00.

Retroactive coverage can be authorized following policy in MAEH Section 369.3 if eligibility criteria are met in the requested months.

Example: Ray, 25, is a single parent. On 3/14/16, he submits an application for payment of a hospital bill he incurred in December 2015. Ray meets all criteria for TANF-related MNO and his hospital bill is high enough to spend-down his income to MNO limits. He is determined eligible for TC 22 beginning 12/1/15 through 5/31/16, because MNO is evaluated on a 6-month basis. Ray would be ineligible for MNO beginning 6/1/16 because it is a new MNO determination and

he does not have any medical expenses that have been incurred or are expected to be incurred for that time period, nor can the December hospital bill be used again to determine MA eligibility.

Note: The system is changed with this release to allow MNO spend-down categories to be authorized back to January 1, 2015, for provider applications, appeals, and any other situations necessary.

The TD category remains for non-citizens who are not eligible for federally-funded MA categories. Spend-down under this category has not been affected.

NEXT STEPS

1. Share and review this information with appropriate staff members.
2. Direct questions regarding this Operations Memorandum to your Area Manager.
3. This Operations Memorandum will become obsolete when this information is incorporated into the MA Eligibility Handbook.