



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

Family Investment Administration
ACTION TRANSMITTAL

Control Number: #04-40

Effective Date: July 1, 2004

Issuance Date: July 13, 2004

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF
HEALTH OFFICERS, LOCAL HEALTH DEPARTMENTS
LOCAL HEALTH DEPARTMENT ELIGIBILITY STAFF**

**FROM: KEVIN M. MCGUIRE, EXECUTIVE DIRECTOR, FIA
JOSEPH E. DAVIS, EXECUTIVE DIRECTOR, DHMH/OOEP**

**RE: CHANGES TO THE MARYLAND CHILDREN'S HEALTH PROGRAM
(MCHP AND MCHP PREMIUM) EFFECTIVE July 1, 2004**

PROGRAM AFFECTED: MCHP

ORIGINATING OFFICE: OFFICE OF POLICY, RESEARCH AND SYSTEMS

Summary:

Effective July 1, 2004, the following changes will occur for children whose family income is above 185 percent Federal Poverty Level (FPL) but at or below 200 percent FPL (coverage group P14):

- Coverage group P14 will be reinstated as a MCHP coverage group.
- Children in coverage group P14 will not have to pay a premium to continue coverage after June, 2004. These children will remain enrolled in coverage group P14.
- Children who applied and were determined ineligible for MCHP prior to July 1, 2004, and whose representative indicated on the application that they will pay a premium for coverage, will be referred to MCHP Premium for coverage prior to July 1, 2004.
- Children who applied for MCHP prior to July 1, 2004, but are determined eligible on or after that date, will be enrolled in MCHP coverage group P14 and will not be referred to MCHP Premium.

- Responsibility for case management for children enrolled in coverage group P14 prior to July 1, 2004, will be transferred from the MCHP Premium Case Management Unit, DHMH, to the Local Health Departments (LHD's) and Local Departments of Social Services (LDSS's) at scheduled time of redetermination of eligibility.

These changes are the result of the sunset of changes in State law enacted by the Maryland General Assembly in the Budget Bill of 2003. The sunset of these 2003 provisions also affects the MCHP Premium Program effective July 1, 2004. Those changes are listed at the end of the Transmittal, for informational purposes only.

Action Required:

The Department of Health and Mental Hygiene (DHMH) will assume responsibility for notifying all affected MCHP Premium recipients of the changes in premium payment requirements and providing information about the effect of the change on continuing eligibility. In June, 2004, DHMH sent a notice to each family with a child enrolled in coverage group P14, advising that premium payments were not required for months of coverage after June, 2004.

DHMH revised the MCHP application form and brochure insert card (which states qualifying income levels and premium amounts), effective July, 2004. English language application forms can be ordered from the DHR Warehouse, following the standard procedure. Spanish language application forms can be ordered from the Maryland Children's Health Program Division. Contact information for ordering brochures, brochure insert cards, and Spanish application forms is given at the end of the transmittal.

CARES Changes

I. P14 Coverage Group changes

Effective July 1, 2004, MCHP coverage group P14 will be reinstated in CARES as an active coverage group for children whose family income is above 185 percent FPL but at or below 200 percent FPL.

NOTE: Children who were active in coverage group P14 on MMIS because they were enrolled in MCHP Premium between July 1, 2003 and June 30, 2004, will not be active in CARES. At time of scheduled redetermination, these children will receive redetermination notices and application forms from DHMH. When the completed application is returned to the LHD or LDSS, the application will be pending in CARES and the case manager will complete the eligibility process. (Most applications will be returned to the LHD's).

For coverage month June, 2004 only:

Children whose family income is above 185 percent FPL but at or below 200 percent FPL will be denied eligibility for MCHP and referred to MCHP Premium, if the representative indicated a willingness to pay a premium. The MCHP Premium Case Management Unit will offer the representative the option of paying the premium and enrolling the child in MCHP Premium for a portion of the month.

For coverage months July, 2004 and later:

A. New Applicants

1. Children whose family income exceeds 185 percent FPL but is at or below 200 percent FPL will be eligible for MCHP in coverage group P14. Eligibility will be recorded in CARES and reported to MMIS through the CARES--MMIS interface. LHD and LDSS case managers will be responsible for management of these cases.
2. Eligibility for retroactive coverage may be granted to applicants in coverage group P14 for coverage months July, 2004 and later. Retroactive eligibility is not available to children in this coverage group for any month from July, 2003 through June, 2004.
3. Children whose eligibility begins on or after July 1, 2004, regardless of coverage group, **will not** receive a 6-month guarantee of eligibility.
4. DHMH will provide eligible children with a Medical Care Program card to obtain services from the first day of the month of application through the date of enrollment in HealthChoice.

B. Redeterminations

1. Redetermination for children active in MCHP Premium coverage group P14 on MMIS but not on CARES prior to July 1, 2004:
 - a. DHMH will notify the family of redetermination due and will send a MCHP application form to the family. The family will complete and submit the form to the LHD or LDSS, if they wish to continue coverage for the children.

- b. The LHD or LDSS will determine MCHP eligibility. If the children are eligible, CARES will assign the appropriate coverage group when the application is finalized. CARES will update MMIS with any change in coverage group and the new eligibility period through the CARES-MMIS interface. The LHD or LDSS case manager will assume responsibility for ongoing case management from the date of the eligibility determination.

2. Redetermination for children active in coverage group P14 on CARES:

The current redetermination process used for any child active on CARES will apply to children in coverage group P14, after they are registered as eligible on CARES.

II. Eligibility processing for babies born to P14 coverage group mothers

- A. A baby born to a P14 coverage group mother on or after July 1, 2004 is automatically eligible in coverage group P03.
 1. **If the mother's eligibility is registered in CARES** for the date of the baby's birth, complete normal processing for adding a P03 Assistance Unit (AU) for the newborn, using the minor mother as the head of household.
 2. **If the mother's eligibility is registered in MMIS, but not in CARES**, for the date of the baby's birth, use the following procedures to establish eligibility for the baby:
 - a. **Reopen the AU for the minor mother**

Use the following procedures:

- Screen CARES for the P14 AU number for the minor mother that was previously denied (301) and referred to the MCHP Premium Unit.
- Reopen that Denied P14 AU for the minor mother by selecting Option J from the AMEN screen.
- Complete the INCH screen by placing a "Y" in the Indication field for the P14 AU previously denied and change the Med Cvg Group to P07.
- Use the newborn's date of birth as the application date.
 - Entering the baby's date of birth as the Application Date is required for eligibility to be determined from the date of birth.

- Continue normal eligibility processing for the minor mother’s AU.

- Complete Option “O” (Interview) and update narrative.
- Complete Option “P” (Process Appl Months).
- Complete Option “Q” (Finalize Application).
 - The case manager must enter a “Y” in the Notice Override field to ensure that the minor mother does not receive notice of this action.

b. Add the newborn

- After the MCHP AU is reopened for the minor mother, follow normal screening process for screening a P03 AU for the newborn, using the minor mother as the HOH.
 - The Case Manager must match the minor mother’s client ID during the screening process.
- Include only the minor mother (as HOH) and the newborn (as applicant) in the P03 AU; no other household members should be listed in this AU.
- On the INCH screen, place a “Y” in the IND field for the Medical Assistance Coverage Group of P03. Use the newborn’s date of birth as the application date.
 - Entering the baby’s date of birth as the Application Date is required for eligibility to be determined from the date of birth.
- Complete the screening process.
- Complete Option O (Interview) following normal newborn 1184 instructions, and narrate.
- On the STAT screen, list the minor mother as HOH with a “FINL RESP” of “IP” and the newborn with a “FINL RESP” of “PN”.
- Confirm continuing eligibility for all existing MCHP AU’s.
 - The case manager must enter a “Y” in the Notice Override field for all existing MCHP AU’s.
- Complete Option P (Process Appl Months).
 - Continue to suppress all notices.
- Complete Option Q (Finalize Application).
 - DO NOT suppress the P03 Notice.

c. Close the minor mother’s AU

- The Case Manager must close the minor mother’s MCHP AU after the newborn’s P03 eligibility has been finalized.
 - Responsibility for case management of the minor mother’s eligibility will remain with the MCHP Premium Case Management Unit until the minor mother’s scheduled redetermination of eligibility.

- Using Option R, update the case narrative to reflect the eligibility process to add the newborn.
- On the STAT screen for the minor mother's MCHP AU, enter 572 (Worker Voided Application) as the closure code in the AU Status Reason field.
- Complete eligibility and confirm closure of the minor mother's MCHP AU.
- Complete the MAFI screen, placing a "Y" in the Bnft Confirm field.
- Review the Notice Override field to ensure that a "Y" is populated to suppress the notice.

B. A baby born to a P14 coverage group mother between September 1, 2003 and June 30, 2004 is not automatically eligible for MCHP.

1. The mother must apply for coverage for the baby and, if the baby is eligible, the baby will be assigned to coverage group P06.

2. If the local health department or local department of social services receives a form DHMH-1184 to add the baby to the mother's case, the agency should advise the customer that the baby is not automatically eligible and provide a MCHP application form for the mother to complete, if she wishes to have MCHP coverage for the baby.

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FOR REFERENCE ONLY

Information provided below relates to MCHP Premium only. This information is provided for reference. Eligibility determinations for MCHP Premium are the responsibility of DHMH.

The sunset of the Budget Bill of 2003, effective June 30, 2004, requires DHMH to make the following changes to MCHP Premium effective July 1, 2004:

- **Remove the freeze** on enrollment for MCHP Premium for children in families with incomes above 200 percent FPL.
 - The freeze currently prohibits eligibility for new applicants with income above 200 percent FPL but at or below 300 percent FPL. This restriction will be removed effective July 1, 2004.
- **Raises the minimum income-qualifying level** for MCHP Premium eligibility to 200 percent FPL.
 - Children certified in coverage group P14 (185 percent FPL—200 percent FPL) will not be required to pay a premium for coverage after June 30, 2004. At time of redetermination, DHMH will provide families of these children with a MCHP

application form to complete and forward to the LHD or LDSS. If the children remain eligible, the LHD or LDSS will assume responsibility for case management.

- **For coverage month June, 2004 only:** CARES will refer children whose family income is above 185 percent FPL but at or below 200 percent FPL to MCHP Premium, if the representative indicated a willingness to pay a premium. The MCHP Premium Case Management Unit will offer the representative the option of paying the premium and enrolling the child in MCHP Premium for a portion of the month.

Redetermination of Eligibility for MCHP Premium-Eligible Children certified in coverage groups D02 and D04: The current redetermination process will continue for all MCHP Premium-eligible children certified in coverage groups D02 and D04. DHMH will notify the family of redetermination due and will send a MCHP application form stamped to identify it as a MCHP Premium case. The LHD or LDSS will determine MCHP eligibility and deny MCHP eligibility if the income exceeds 200 percent FPL. If the family has indicated a willingness to pay a premium for coverage of the children, the application will be referred to DHMH for MCHP Premium processing.

Inquiries

Questions about CARES procedures should be directed to Cathy Croghan-Sturgill at 410-238-1247. Questions about MCHP or MCHP Premium policies should be directed to the MCHP Division at 410-767-3641, 410-767-6890, or 410-767-6898. Questions about MCHP Premium procedures should be directed to Debbie Simon at 410-767-5359. Requests for brochures, brochure insert cards and Spanish language applications should be directed to Herb Washington at 410-767-6899.

cc: FIA Management Staff
DHMH Executive Staff
Constituent Services
DHR Help Desk
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