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DEPARTMENT OF HUMAN SERVICES
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Reissued August 9, 2002
Attachment corrected; please disregard original issuance

MEDICAID COMMUNICATION NO. 02-18 DATE: August 2, 2002

TO: County Welfare Agency Directors
Statewide Eligibility Determination Agency

SUBJECT: Clarification of changes in the NJ FamilyCare Program,
effective June 15, 2002

This is a follow-up to Medicaid Communication No. 02-15, June 3, 2002, and reissued June 12, 2002, regarding eligibility issues that have been brought to our attention as a result of the changes in the program. The following provides you with additional guidance in processing cases to determine new and ongoing NJ FamilyCare eligibility.

Definition of a Beneficiary

For purposes of clarification, a beneficiary is anyone who was receiving services through AFDC Medicaid, AFDC Medicaid Expansion, New Jersey Care...Special Medicaid Programs for pregnant women and children under the age of one, and NJ FamilyCare, including the NJ KidCare segment, on or after June 15, 2002. This does not imply, however, that individuals can always transition from one segment to another. Transition guidelines for processing these cases follow. Individuals who are not defined as beneficiaries are considered applicants and the restrictions implemented on June 15, 2002 must be considered in determining eligibility.

TRANSITION SCENARIOS

Parents

- To be consistent with the current rules regarding processing eligibility for single adults and couples without dependent children, parents with PSC 497 will be allowed to move into PSC 498 and visa versa. Once a parent is eligible for, or becomes eligible for AFDC Medicaid (July 16, 1996 rules or Medicaid Expansion), he/she will not be able to move into the PSC 497 or 498 segments of NJ FamilyCare. **In addition, if there is a change in income, a PSC 497 or 498 parent cannot transition into AFDC Medicaid Expansion PSC 380.** These parents will continue to be eligible only if they qualify for AFDC Medicaid (July 16, 1996 rules).
- Please note that members of an AFDC Medicaid family who are currently receiving the 12-month disregard or currently in Medicaid Extension are considered to be beneficiaries. Should there be a change in their income, the 133% FPL earned income disregard would be applied, where applicable. Again, these parents cannot transition into a NJ FamilyCare PSC 497 or 498. Parents ending Medicaid Extension benefits may only qualify for AFDC Medicaid (July 16, 1996 rules).

Please note that after June 15, 2002, parents may only transition into AFDC Medicaid Expansion PSC 380 from AFDC Medicaid (July 16, 1996 rules). An edit will be implemented in the Medicaid eligibility system to prevent the coding of inappropriate transitions.

Children

- A 19 year-old who had been receiving coverage under the NJ KidCare segment of NJ FamilyCare on or after June 15, 2002, may be evaluated for Medicaid Special, as a beneficiary, using the 133% FPL earned income disregard, if applicable.
- A 19 year-old, applying for the first time on or after June 15, 2002, is considered a new applicant and will be eligible for medical assistance only if he/she qualifies for Medicaid Special using the July 16, 1996 AFDC Medicaid rules, or, is eligible for WFNJ/GA benefits.
- New applicant children, including restricted alien children, who are born prior to 10/1/83 and under 19 years old (PSC 484), with family incomes below 100% FPL, and those children who are six years old and under 19 years old, with family incomes between 100% FPL and 133% FPL (PSC 485), and apply on or after June 15, 2002, must be uninsured to qualify for the NJ KidCare segment of NJ FamilyCare. However, these children can drop their insurance without a six-month penalty.
- When a beneficiary, under age 6, (PSC 481) with other insurance, who is eligible for coverage under the child segment of the New Jersey Care...Special Medicaid Programs turns age 6, he/she will not have to drop the insurance in order to qualify for continued NJ FamilyCare coverage, if he/she is being evaluated using the 133% FPL earned income disregard. Please note that if the beneficiary child's family income does not exceed 133% FPL, and the child retains the other insurance, he/she will be coded using PSC 380. A child determined to be eligible for NJ KidCare PSC 484 and PSC 485 can drop their insurance without a six month penalty.

Pregnant Women

- After the post-partum period ends, a pregnant woman who has no other children is not considered a beneficiary and must be evaluated as a new applicant. Therefore, she is not eligible for NJ FamilyCare benefits, except for coverage under the July 16, 1996 AFDC Medicaid rules.
- If a pregnant woman was receiving NJ FamilyCare benefits on or after June 15, 2002, and the only reason she was removed from that program was because of her eligibility under the New Jersey Care...Special Medicaid Programs, she may be reinstated to the NJ FamilyCare program, if eligible, and continue to receive those benefits after her post-partum period ends.

REDETERMINATION PROCESS AND NON-COMPLIANT BENEFICIARIES

- If a beneficiary was notified timely of his/her redetermination/renewal, and appears in person, or his/her redetermination/renewal is received prior to the end of his/her eligibility period, he/she will be evaluated as a beneficiary.
- Any administrative error resulting in an incorrect termination should be corrected by the agency so that the beneficiary is not penalized. For example, if the agency did not notify the beneficiary timely of his/her redetermination/renewal, or did not process his/her redetermination/renewal in a timely manner, that is considered an administrative error, and eligibility should be processed without penalty to the beneficiary.
- If the family did report a change of address, but the agency failed to update the address information, that action is considered an administrative error.

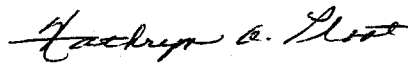
- If the family failed to report a change of address to the agency, and as a result, was not notified timely, that action is considered to be a beneficiary error. If he/she appears in person, or if the redetermination/renewal is received prior to the end of his/her eligibility period, he/she may be evaluated as a beneficiary.

To assist you in understanding the various transitions for parents within the segments of NJ FamilyCare, attached is a guide that outlines the allowable transitions within the program.

In addition, to assist beneficiaries in accessing fee-for-service medical care, Medicaid provider information is available via the Internet at www.njmmis.com, by clicking "Provider Directory" on the left-hand side of the screen. For your reference, provider information is sorted by county and provider type or specialty. We ask that you assist beneficiaries as much as possible by providing a listing of names and other information they may need to contact a provider.

We appreciate your dedication and contributions to the success of the NJ FamilyCare program. If you have any questions regarding this Communication, please contact the Division's Bureau of Eligibility Policy field staff assigned to your county at (609) 588-2556.

Sincerely,



Kathryn A. Plant
Acting Director

KAP:S

Attachment

c: Clifton R. Lacy, M.D., Commissioner
William Conroy, Deputy Commissioner
Department of Health and Senior Services

David Heins, Director
Division of Family Development

Doris Jones, Acting Director
Division of Youth and Family Services

NJ FAMILYCARE TRANSITIONS FOR PARENTS

Existing Category <i>* Applied after 6/15</i>	AFDC Medicaid (7/16/96) ➔	AFDC Medicaid Extension (inc. 12 mos. disregard)	AFDC Medicaid Expansion (PSC 380) ➔	AFDC Medicaid Extension (inc. 12 mos. disregard)	NJ FamilyCare (PSC 497 & 498)
PW after delivery (other children) *	Yes	Yes	No	N/A	No
PW after delivery (other children)	Yes	Yes	Yes**	Yes	Yes**
PW after delivery (other children/legal restricted alien) * (SPC 40)	No	N/A	No	N/A	No
PW after delivery (other children/legal restricted alien) (SPC 40)	No	N/A	Yes**	Yes	Yes**
PW after delivery (no other children) *	Yes	Yes	No	N/A	No
PW after delivery (no other children)	Yes	Yes	No	N/A	No
PW after delivery (no other children/legal restricted alien) * (SPC 40)	No	N/A	No	N/A	No
PW after delivery (no other children/legal restricted alien) (SPC 40)	No	N/A	No	N/A	No
PSC 380 Medicaid Expansion with earnings > 133% FPL	N/A	N/A	N/A	Yes	No
PSC 380 Medicaid Expansion with earnings > 133% FPL (legal restricted alien) (SPC 40)	No	N/A	N/A	Yes	No
PSC 497/498 unearned income - get earnings >133%FPL	N/A	N/A	N/A	N/A	Yes
PSC 497/498 unearned income - get earnings >133%FPL (legal restricted alien) (SPC 40)	N/A	N/A	N/A	N/A	Yes
PSC 497/498 unearned income - get earnings <133%FPL	Yes	Yes	No	No	Yes (If not eligible for AFDC Medicaid)
PSC 497/498 unearned income - get earnings <133%FPL (legal restricted alien) (SPC 40)	No	No	No	No	Yes

**** If NJ FamilyCare eligible prior to pregnancy**

Assuming that all eligibility criteria are met, this chart explains how pregnant women and NJ FamilyCare parents may transition within the program. For **pregnant women**, it is important to note when the application was filed, if she is a legal restricted alien, and if she has other children and was eligible for NJ FamilyCare prior to her pregnancy. For **parents**, it is important to note their beneficiary status and under what program they qualified. The chart shows a continuum of coverage available through the various segments. The arrow ➔ indicates transition into extended benefits.