

**2701 - NOTIFICATION****POLICY STATEMENT**

Written notice to the AU is required when any of the following occur:

- approval or denial of an application for benefits
- change in patient liability/cost share
- addition or deletion of an individual in an AU
- denial, reduction or termination of an individual's benefits because of a sanction, IPV disqualification or ineligibility
- termination/reduction of benefits to the AU or to an AU member.

**BASIC  
CONSIDERATIONS**

Written notifications must include the following:

- the proposed action
- the reason for the action
- period of eligibility
- notification of appeal rights and information regarding the filing of an appeal
- the availability of free legal representation, including telephone number
- the telephone number and name of a person to contact for additional information
- the specific Medicaid regulation must be cited for denials.

Written notice is program specific and is generated by the system. When system-generated notice explanation is inadequate, additional documentation on the notice is required. Generic denial reasons may be used as a secondary or tertiary denial/termination reason, but **never** as the sole reason for denial/termination.

Written notice can be mailed to the AU or hand delivered to the AU during an interview.

**Adequate notice** is a written communication provided to the AU no later than the date the action is taken.

**Timely notice** is a written communication provided to the AU with at least a 10 day waiting period before the date the proposed action is effective.

**PROCEDURES****Adequate  
Notice**

Provide adequate notice in the following circumstances:

- mass changes in benefits initiated by the State or federal government including the following:
  - TANF, RSDI and SSI adjustments
  - financial standards and benefits levels
  - deductions
- death of all members of the AU reported through reliable information
- a decrease in PL/CS
- an increase in PL/CS if ten days remain in the month in which the change is to be effective (notice and change are effective the same month)
- denial of an application
- a clear written statement from the A/R requesting termination of benefits for the entire AU
- a written request by the AU for voluntary termination
- the AU reports information in writing and ineligibility can be determined without verification
- benefits were approved for a specific time period and the AU was informed in writing of the proposed termination, or change in benefits at approval
- the AU moves out of state.

**Timely Notice**

Implement the proposed change effective the month following the expiration of the 10 day timely notice period. (Exception may be increases/decreases in PL/CS. See bullets above and below.)

If the AU provides information within the 10 day timely notice period that alters the proposed change, stop the action and reevaluate the circumstances.

**PROCEDURES****(cont.)****Timely  
Notice  
(cont.)**

Allow the system to automatically track the 10 day timely notice period if the action is entered in the system.

Manually track the 10 day timely notice if a manual notice is sent.

The AU may request a fair hearing and continuation of benefits. Refer to Appendix D, Hearings for policy regarding continuation of benefits.

Provide timely notice in the following circumstances:

- changes in AU circumstances causes termination/reduction of benefits
- increase in patient liability/cost share if 10 days do not remain in the month in which the notice would be sent  
**NOTE:** Do not make the change for the current month; make change effective the ongoing month when adequate notice can be given.
- mail returned and/or whereabouts unknown