

## 2712 – FAMILY MEDICAID CHANGES OVERVIEW

<b>POLICY STATEMENT</b>	<p>When changes occur in a Medicaid AU's and/or BG's circumstances, ongoing eligibility must be established, based on the new circumstances.</p>
<b>BASIC PROCEDURES</b>	<p>The date the change occurs is the day the event actually happens. Examples include the following:</p> <ul style="list-style-type: none"><li>• the date a first paycheck is received</li><li>• the date a paycheck reflecting a change in pay is received</li><li>• the date unearned income is first received</li><li>• the date an A/R becomes aware she is pregnant.</li></ul> <p><b>NOTE:</b> This list is not all-inclusive.</p> <p>Changes may be reported in any of the following ways:</p> <ul style="list-style-type: none"><li>• in person</li><li>• by telephone</li><li>• by mail</li><li>• by email</li><li>• by facsimile</li><li>• by automatic system update</li><li>• through the COMPASS online system</li></ul> <p>AUs must report all changes within 10 calendar days of the date the change occurs.</p> <p>The agency must take action, based on the change, as soon as possible but no later than 10 days after the report.</p> <p>If the AU fails to report a financial change within 10 days, the agency must determine when the change should have been effective, based on the time frames specified above and allowing for timely notice, if appropriate.</p> <p>Changes are effective the month after the change occurs or the second month, depending on when the AU reports the change, when DFCS takes action and when timely notice expires.</p>

**BASIC  
CONSIDERATIONS  
(cont.)**

Ineligibility of an individual or an entire AU occurs the month after the required timely or adequate notice expires and a Continuing Medicaid Determination has been completed.

**EXCEPTION:** Individuals approved for Emergency Medical Assistance (EMA) have specific days of eligibility.

There is no penalty for late reporting in a Family Medicaid case. Financial changes do not affect Medicaid eligibility for pregnant women. Refer to [Section 2184](#), RSM Pregnant Women and [Section 2720](#), Continuous Coverage for Pregnant Women.

**PROCEDURES**

Follow the steps below to process changes.

- Step 1** Document the reported change.
- Step 2** Determine if the change is reported timely or untimely.
- Step 3** Determine if verification is necessary. Request that the AU provide verification within 10 days. Refer to Chart 2712.1, Required Verification.
- Step 4** Take appropriate action based on the change reported.
- Step 5** Provide the AU with appropriate notice of action taken. Refer to [Section 2701](#), Notification.

Use the chart below to determine if verification is required when an AU reports a change.

<b>CHART 2712.1 - REQUIRED VERIFICATION</b>	
<b>CHANGE</b>	<b>FAMILY MEDICAID</b>
income - new source or change in amount	client statement, unless questionable for PgW and Newborn COAs * For all other COAs, income must be verified. Refer to <a href="#">Section 2405</a> , Treatment of Income.
resources (vehicle, real property, life insurance, etc.) – acquisition, sale of, etc.	client statement, unless questionable * The value of all vehicles must be verified. Refer to Section 2308, Vehicles. Resources must be verified if the total of all liquid and non liquid resources exceeds 75% of the total resource limit. Refer to <a href="#">Section 2301</a> , Family Medicaid Resources Overview.
birth of a baby	client statement, unless questionable *
decrease in AU or BG size	client statement, unless questionable *
increase in AU or BG size	A new AU member who is a U.S. citizen must provide verification of his/her citizenship and identity. A new BG member is NOT required to verify citizenship/identity. A new AU member who is not a U.S. citizen must provide verification of his/her immigration status. A new BG member is NOT required to verify immigration status. Refer to <a href="#">Section 2215</a> , Citizenship/Immigration/Identity
dependent care costs	client statement, unless questionable *
medical expenses	yes (Medically Needy only)  client statement, unless questionable is acceptable for all other Family Medicaid COAs
pregnancy	yes (verification from physician required)
pregnancy <b>due date</b>	client statement, unless questionable *
residence	client statement, unless questionable * Refer to <a href="#">Section 2713</a> .

\* If verification is requested, the caseworker must document WHY the situation was considered questionable.

Use the following chart to determine procedures when an AU fails to provide verification.

<b>2712.2 - FAILURE OF A FAMILY MEDICAID AU TO PROVIDE VERIFICATION</b>	
<b>IF THE AU FAILS TO PROVIDE REQUESTED VERIFICATION OF:</b>	<b>THEN</b>
income (new source or change in amount) or change in resources (acquisition, sale, etc.) or questionable increase or decrease in AU and/or BG size or questionable change of residence	terminate Medicaid effective the month following the expiration of timely notice.  <b>NOTE: For LIM cases, if the AU fails to verify changes in resources, CMD to RSM.</b>
new medical expense	do not allow the medical expense in the Medically Needy spenddown calculation.
questionable change in dependent care expense	remove the original dependent care expense deduction and do not allow the new expense.