

1.6 AFDC MEDICAID

A. APPLICATION FORMS

The **DFA-2** is used. See Section 1.3 for reapplications when a new form is not required.

B. COMPLETE APPLICATION

When the applicant signs an **DFA-2** or **DFA-5** which contains, at a minimum, his name and address, his application is complete.

An application is considered incomplete when the client chooses not to sign the **DFA-2**, or **DFA-5**. When this occurs, it is a withdrawal, and appropriate data system action and client notification must be completed. The recording in case comments must specify that the client did not want to sign the application and the reason for his decision. The client should always be encouraged to sign the application so there is no misunderstanding that he was denied the right to apply.

C. DATE OF APPLICATION

The date of application is the date the applicant submits a DFA-2, in person, by fax or other electronic transmission or by mail, which contains, at a minimum, his name and address and signature. When the application is submitted by mail or fax, the date of application is the date that the form with the name, address and signature is received in the local office.

NOTE: When a faxed copy or other electronic transmission of an application is received that contains a minimum of the applicant's name, address and signature, it is considered an original application and no additional signature is required.

If the client, who became ineligible due to a lump sum payment requests recomputation, the date of application is the date of his request.

D. INTERVIEW REQUIRED

No interview is required.

E. WHO MUST BE INTERVIEWED

An interview is not routinely required, but when an interview is conducted, the following person(s) must be interviewed:

If the child is living with both parents, both must be interviewed unless:

- One parent is hospitalized; or
- One parent is incarcerated; or
- One parent is employed and his working hours preclude participation in the interview during the agency's normal working hours.

When the specified relative with whom the child lives has a legal committee, the committee must be interviewed.

If the child is living with only one specified relative who is unable to participate in the interview, a representative may be interviewed. A written statement, signed by the specified relative, which gives the representative authority to apply on his behalf, is required.

F. WHO MUST SIGN

The specified relative with whom the child lives. If the child is living with both parents, both must sign unless:

- **One parent is hospitalized; or**
- **One parent is incarcerated.**

When the specified relative with whom the child lives has a legal committee, the committee must sign.

G. CONTENT OF THE INTERVIEW

Although no interview is required, when an interview is conducted, the interview requirements found in Section 1.2 are applicable. In addition, the following specific requirements apply **and must be discussed with the applicant even when an interview is not conducted.**

- BCSE: When the adult relative is applying for or receiving Medicaid and there is a child with an absent parent, explain assignment of support rights, redirection requirements, good cause, penalties for failure to cooperate without good cause, possible referral to BCSE for signature of paternity acknowledgement, and obtain the signature on the **DFA-AP-1** of the relative with whom the child lives.

When an AG includes a child with an absent parent(s) and the adult relative is not included in a Medicaid AG, a referral to BCSE is made only when the adult relative requests BCSE services. These services must be explained to him and a voluntary referral encouraged.

Application/Redetermination Process

- Eligibility: Explain beginning date of eligibility and that it can be backdated.
- Lump Sum: If the client indicates he may receive a lump sum payment, explain the lump sum policy.
- Pregnancy: Explain the need for the client to report immediately when anyone in the household who receives Medicaid becomes pregnant.
- TPL: Explain Third-Party Liability procedures.

H. DUE DATE OF ADDITIONAL INFORMATION

The client and the Worker agree on the date by which additional verification must be obtained.

I. AGENCY TIME LIMITS

Data system action must be taken to approve, deny or withdraw the application within 30 days of the date of application.

EXCEPTION: When the delay is a result of factors outside the control of the Department and the applicant; e.g., inability to obtain medical reports.

J. AGENCY DELAYS

When the Department fails to request necessary verification, the Worker must immediately send the RAPIDS verification checklist or form **DFA-6** to request it. He must inform the client that the application is being held pending. When the verification is received and the client is determined eligible, medical coverage is retroactive to the date eligibility would have been established for AFDC Medicaid.

When the application is not processed within agency time limits, the application must be processed immediately upon discovery of the delay.

The AFDC Medicaid client is eligible to receive direct reimbursement for out-of-pocket medical expenses if the Department has not acted on the application within a reasonable period of time. See Chapter 2.

K. PAYEE

The payee is the individual in whose name the medical card is written. The following rules apply.

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- Deprivation Factor Is Not Unemployment: The specified relative with whom the child resides is the payee.
- Deprivation Factor Is Unemployment: The unemployed parent is the payee, unless it is in the best interest of the family for the other parent to be the payee.

L. REPAYMENT AND PENALTIES

See Section 20.4.

M. BEGINNING DATE OF ELIGIBILITY

Eligibility begins the first day of the month in which eligibility is established. However, eligibility may be backdated up to 3 months prior to the month of the application, when the client met all eligibility requirements in the prior month(s).

When the client is eligible for backdated coverage, the system must be coded with the month, year on which the backdated period begins.

This date is always the first day of the month of backdated coverage.

When a client, who became ineligible due to a lump sum payment, requests recomputation of the period of ineligibility, his date of eligibility can be no earlier than the date of his request.

N. REDETERMINATION SCHEDULE

Cases are normally redetermined annually. The redetermination schedule is set automatically by the data system, unless the Worker and Supervisor agree that a redetermination must be completed earlier. When a case is reopened without an **DFA-2**, the Worker must ensure that the client continues in the same redetermination cycle.

O. EXPEDITED PROCESSING

There are no requirements for expedited processing. Cases are approved in the order in which eligibility is established.

P. CLIENT NOTIFICATION

The client must be informed that he is eligible for Medicaid coverage and the date that his coverage begins.

See Chapter 6.

Q. DATA SYSTEM ACTION

Each application requires data system action to approve, deny or withdraw.

R. REDETERMINATION VARIATIONS

1. Completion Of The Redetermination

If the client continues to be eligible, the Worker must make necessary data system changes to indicate changes in the client's circumstances. If the client is no longer eligible, the case is closed after proper notification.

2. Overdue Redeterminations

A case is overdue if changes are not transmitted by the last day of the month in which the redetermination was due, regardless of the effective date.

S. THE BENEFIT

1. Retroactive Benefits

The first medical card generated by the data system shows eligibility through the end of the current month. In situations where retroactive eligibility is established, a separate card is used for each retroactive month.