



# Kansas Health Policy Authority

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**To:** EES Program Administrators & Staff **Date:** July 6, 2007  
HealthWave Clearinghouse Staff

**From:** Jeanine Schieferecke

**RE:** Implementation Instructions - KEESM  
Revision 31 Effective May 1, 2007 and  
KEESM Revision 32 Effective July 1,  
2007

This memo sets forth implementation instructions regarding changes to the citizenship and identification verification requirements effective May 1, 2007, except for item number two below which is effective July 1, 2007. These requirements are applicable to any decisions made on or after 05-01-07. The changes regarding the reasonable opportunity period at review are applicable to cases in an existing reasonable opportunity period and the establishment of new reasonable opportunity periods. The policy information is found in KEESM 1322.1 and 2145.4.

This memo also clarifies the use of BASI records as verification of income in situations where the application is untimely processed.

## 1. Exemption of Social Security Disability Recipients

The Tax Relief and Health Opportunity Act of 2005 provides a specific exemption from the citizenship and identity verification requirements to persons who have received Social Security Disability benefits. This exemption is applicable to both current and former SSD recipients.

The exemption is not applicable to children and other dependents receiving Social Security benefits based on the disability status of another wage earner. For example, a child receiving Social Security income based on the fact he is a dependent of his father, who is receiving SSD benefits, is not entitled to the exemption.

For persons exempt under these criteria, a person alert of IE is entered on the KAECSES PRAP screen. The ES-3850, Record of Identity and Citizenship Documentation, is also to be noted with the applicable information.

Agency Website: [www.khpa.ks.gov](http://www.khpa.ks.gov)  
Address: Rm. 900-N, Landon Building, 900 SW Jackson Street, Topeka, KS 66612-1220

Medicaid and HealthWave:  
Phone: 785-296-3981  
Fax: 785-296-4813

State Employee Health  
Benefits and Plan Purchasing:  
Phone: 785-296-6280  
Fax: 785-368-7180

State Self Insurance Fund:  
Phone: 785-296-2364  
Fax: 785-296-6995

## **2. Adding coverage for an applicant when Citizenship/Identity has been provided**

This instruction is for actions taken on or after July 1, 2007.

New applicants must provide verification of citizenship and identity prior to receiving medical coverage. The following instructions are in reference to applications that result in an approval for some household members and denial for others.

When adding an applicant originally denied for failure to provide citizenship and/or identity verification to an open case, coverage will begin with the month of request, unless prior medical coverage is requested. If prior medical coverage is requested, coverage can be considered for the three months prior to the month of request. Coverage is not automatically dated back to the original application date.

Note: If the applicant is a TAF recipient, coverage may be reinstated beyond the prior medical period. MACM coverage is established for all months which TAF was received.

Example: Processing a new application received on 2/27/07. The plan consists of one adult and two children. After internal research for Citizenship/Identity and pending the application to allow the consumer to provide the information, only citizenship and identity verification has been provided for CH1. CH1 is approved for T19 coverage and CH2 is denied for failure to provide CI.

On 7/3/07, the consumer provides the citizenship/identity verification for CH2. Prior medical coverage was requested. Coverage is approved beginning April 2007 as this is the first prior medical month for a request received in July.

## **3. Reasonable Opportunity to Provide Citizenship/Identity for Recipients**

Reasonable opportunity is the time frame allowed to obtain adequate citizenship and identity documents for persons who have demonstrated a good faith effort to supply the verification. Beginning in January, 2007 an initial reasonable opportunity period of two months was provided to all cases otherwise eligible, except for citizenship and identity verification.

With this revision, the length of the reasonable opportunity period has been extended and the guidelines have been modified to include program changes (example: MP to MACM) occurring mid-benefit year.

The reasonable opportunity period is established at the time of any scheduled review, or at the time of a program change. The reasonable opportunity period lasts until the next case review or program change, which ever occurs first. Each individual will be given only one reasonable opportunity period.

Individuals receiving continued benefits during a reasonable opportunity period are referred to as 'conditionally eligible'.

Please note that no changes are being made to the establishment or duration of a reasonable opportunity period for an applicant. Although additional time to provide verification must be provided to the individual, benefits cannot be provided until such verification has been received.

The following provide additional information regarding the reasonable opportunity period.

## **A. What is conditional eligibility?**

Conditional eligibility is the time in which someone is receiving benefits during a reasonable opportunity period, pending verification of citizenship and identity documents. Each recipient is allowed conditional eligibility one time.

## **B. What is the reasonable opportunity period?**

A reasonable opportunity period is the time frame which conditional eligibility is provided to all General Assistance or Medical Assistance recipients who are otherwise eligible except for provision of citizenship and identity verification. The reasonable opportunity period is provided to allow the consumer additional time to obtain and provide the required verification of citizenship and identity.

The reasonable opportunity period continues to apply only to those situations where the individual is otherwise eligible except for citizenship and identity verification.

## **C. Who is a recipient for this provision?**

A reasonable opportunity period is available to any recipient who is currently receiving correct benefits or has been without benefits for less than 1 calendar month. The coverage break may be for any reason, including client request closures, failure to return review, program requirement failures, etc.

If a TAF review was completed, but the MA CM case has since closed, the individuals on the MA CM case at the time of the TAF review are considered recipients. This is true even if the MA CM case has been closed longer than 1 calendar month. When these cases are discovered, the MA CM case is opened with a reasonable opportunity period, and the review date is set to coincide with the TAF case. If the TAF review includes new household members that were not previously on the MACM case, these individuals must provide verification of citizenship and identity before receiving coverage.

Note: In the event a change was reported timely by a consumer, but was not acted upon timely by the agency and resulted in a longer break in coverage, the circumstances surrounding the actions shall be reviewed to determine if the consumer would have been considered a recipient at the time it was reported if the action were acted upon timely.

## **D. How does conditional eligibility impact continuous eligibility?**

Children receiving benefits during a conditional eligibility period are not provided the full protections of continuous eligibility. Continuous eligibility is intended to prevent a loss of medical coverage due to changes in income. Conditionally eligible children are still protected against a loss of coverage due to an income change. However, if a program change occurs during the reasonable opportunity period, the consumer will lose their continuous eligibility unless the proof of citizenship and identity is provided.

For example, an MP review is completed in May, 2007 for two children living with their mother. Verification requirements are not met, so conditional eligibility during a reasonable opportunity period is granted. A continuous eligibility date of 05/2008 is also set. In August, the mother and children apply for TAF and MA CM. Because this is a program change, verification must be obtained in order to continue benefits.

Note: For pregnant women, coverage continues through the end of the post partum period. For

continuously eligible newborns, verification is delayed until the child's first birthday. This is true even if a program change occurs before these events.

## **E. When does conditional eligibility end?**

Conditional eligibility ends with the earlier of the following:

- The last day of the month following a program change, allowing for timely and adequate notice
- The last day of the review period

If an individual has not provided acceptable citizenship and identity verification prior to the applicable date, the citizenship and identity verification must be requested from the consumer before taking negative action. The consumer will be given a minimum of ten days to provide the necessary information prior to terminating coverage. In rare instances, an individual may continue to be actively pursuing verification and the initial reasonable opportunity period may be extended. In these situations, the individual must be able to demonstrate a sincere and continued effort to obtain the verification has occurred since the beginning of the reasonable opportunity period. An individual who begins seeking verification upon receipt of the closure notice is not making a good faith effort.

## **F. KAECSES Notice**

A notice has been created as a result of this policy change and is currently available to staff.

The V116, Conditional Eligibility Approval notifies the consumer of conditional approval. It is designed to notify the consumer what information is required and for whom. It also offers information about what forms of documentation can be used to verify citizenship and identity.

### **EXAMPLES:**

#### **Example 1:**

Processing a January 2007 MP review. The plan consists of 1 adult and 3 children, all 3 children were receiving Title 19 benefits. All necessary documentation was provided, except citizenship and identity documents. Citizenship and Identity were located for CH 2 and CH 3. The review was processed approving CH 2 and CH 3 and granting a reasonable opportunity period for CH 1.

PRAP was coded with the following codes:

CH 1 – IP

CH 2 – IM

CH 3 – IM

The new period is established through January, 2008. At the time of approval, the family is notified that CH 1's citizenship and identity must be provided by the next review or at the time a program change occurs (ex. MP to MA CM) which ever occurs first.

In May 2007 the family applies for MA CM. All information is provided except citizenship and identity documents, which are required for the PI and CH 1. The case is sent a request for information and is given 10 days to provide the citizenship and identity documents. No response regarding the request is received. Because this is a program change, the reasonable opportunity period for CH 1 ends, and conditional eligibility terminates. Timely and adequate notice is required to end CH 1's coverage.

The MA CM case is opened for CH 2 and CH3. Mom and CH 1 are coded DI and CH 2 and CH 3 are coded IN on the KAECSSES SEPA screen. The PRAP code for both Mom and CH 1 is now ID. A CE period of 5/07- 4/08 is established. Notices are sent denying PI and CH 1 for failure to provide information. An approval notice is sent for CH 2 and CH 3.

If the family is not MA CM eligible due to excess income this would not be a program change and CH1 would continue the current conditional eligibility period as is.

**Note:** The children are not left on the existing MP case because MA CM is better coverage due to the possibility of future MA WT if the information is provided. It will also be easier to add the PI and CH 1 if they provide the missing documents at a future date. There may be situations when a separate case number may be required if coverage is requested for a prior period.

If the PI provides the required documents for herself and CH 1, they are added to the case at the time of request. Coverage is not automatically back dated back to the original MA CM application date. However, if prior medical is requested up to three months prior coverage can be considered.

### **Example 2:**

Processing a January 2007 MA CM review. The plan consists of 1 adult and 2 children; all have been receiving MA CM coverage for the last year. On the review form the PI provides verification that she is now pregnant with a due date of 7/5/07. All information necessary to process the review was provided except citizenship and identity. Verification was not located in data bases available to agency employees and/or contract employees. Coverage was approved under a reasonable opportunity period and all individuals are conditionally eligible. All family members are coded IP on PRAP.

In April 2007 the PI reports she is now getting child support for the 2 children. The amount of child support puts the family over the MA CM income limit. Although the family could be eligible for MA EM, citizenship and identity verification has not been received. A notice is sent requesting citizenship and identity documents allowing 10 days for the information to be provided. Because this is a program change, the reasonable opportunity period for both children ends and conditional eligibility terminates

The PI remains eligible because she is a PW and is continuously eligible through the post partum period. The case continues open under MA CM, the original program for the PW.

### **Example 3:**

Processing an April 2007 MA CM review. The plan consists of Mom, Dad, and 2 children; all have been receiving MA CM coverage for the last year. Consumer reports the father is working, but has not provided income verification. Citizenship and identity verification has not been provided. However, the agency obtained citizenship verification on the children and identity verification for everyone.

A notice is sent to the family requesting income verification and the date employment started, with the information due in 10 days. A separate notice is sent requesting citizenship verification on both adults.

The income information is provided. Employment started in December 2006 making the first month of MA WT January, 2007. MA WT is set up from 01/07 – 12/07, with a 6 month income report due in 06/07. The family is notified that the application is approved for TransMed. Citizenship verification was not provided for the parents so they are approved for conditional coverage under a reasonable opportunity period. The Mom and Dad are coded IP on the PRAP screen while the children are coded IM. An

approval notice is sent with the understanding that all missing documents must be provided by the next review or at the time a program change occurs (ex. MA WT to MA CM) which ever occurs first. The 6 month income reporting requirement is not a program change so missing citizenship will not be required at that time. This notice will ask the consumer to provide the information as soon as possible to ensure a future break in coverage does not occur.

On 6/15/07 the Clearinghouse worker is notified that the family is eligible for TAF. A notice is sent to the family requesting citizenship documents for the Mom and Dad to be provided within 10 days. Verification is not provided, therefore, the Mom and Dad are not eligible for coverage. However, the children are eligible. The MA WT case is closed, allowing for timely and adequate notice for the Mom and Dad. The MA CM case is opened for the children. Mom and Dad are coded DI on the KAECSES SEPA screen and their PRAP code is changed to ID. A review through date of 05/08 is entered.

On 11/10/2007, required documents for the Mom and Dad are provided. They ask for coverage to be reinstated back to 07/2007. Coverage is reinstated effective 07/01/2007. Even though July is outside of the prior medical period, the coverage is provided because the family was receiving TAF.

#### **Example 4:**

Jill has Title 19 coverage under her mom's MP plan at the Clearinghouse. Mom didn't provide proof of citizenship and identity for Jill at her last review in April 2007; therefore she is receiving conditional eligibility in a reasonable opportunity period.

On 7/3/07, Jill enters a Psychiatric Residential Treatment Facility (PRTF) for a stay expected to exceed 30 days. The SRS Service Center receives a new application for Jill now that she is residing in the PRTF along with proof of identity, but not proof of citizenship. Jill is otherwise eligible for the Child in an Institution (CI) program. Because this is a program change, verification of both citizenship and identity is required to provide ongoing coverage.

After requesting the citizenship verification and allowing the consumer a minimum of ten days to provide the information has not been received. The CI application is denied. The SRS Service Center notifies the Clearinghouse of the change, and Jill is removed from the MP case at the Clearinghouse.

#### **4. BASI as verification of income**

When working applications that are AT LEAST 45 days old, and complete current income verification has not been provided, the information in BASI may be used as verification of the applicant's earned income. The income on BASI must be consistent with the employment information reported by the applicant. At least one full quarter must be used, but additional quarters can also be used to establish representative income.

This does not apply to applications which also include a request for prior medical coverage. If the applicant is requested prior medical coverage, the income verification must still be requested.

Example: Application received 3/1/07, requesting current medical coverage only. The applicant reports working at ABC Plumbing earning \$800 every week ( $800 \times 4.3 = 3440$ ). No pay stubs were provided, but BASI shows the most recent quarter with ABC Plumbing is ( $\$11,000 / 3 = \$3,666$ ). You would then use the income figure from BASI as the monthly income.

Note: If BASI shows additional employers in the same quarter which were not reported by the consumer, then more research needs to be done. If the consumer is contacted and states both

employers are still current, BASI can be used as verification for both.

If you have any questions about the material included in this memo, please contact:

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Questions regarding any KAECSSES issues are directed to the SRS Business Help Desk at [helpdeskbusiness@srs.ks.gov](mailto:helpdeskbusiness@srs.ks.gov) .