

To:	EES Program Administrators & Staff HealthWave Clearinghouse Staff	Date:	May 10, 2012
From:	Russell Nittler	RE:	Implementation Instructions – KFMAM Revision 13, various effective dates

This memo sets forth implementation instructions regarding changes to the KFMAM, Revision 13. The effective dates for the changes are stated in the respective sections of this memo. The memo addresses changes made to the following topics:

- Applications for 18 year olds
- Application Requirements when adding to an open medical program

## A. Applications for 18 year olds

Effective with December 2010 MP reviews, and all other requests for coverage processed on or after May 1, 2012, an approved caretaker may apply on behalf of an 18-year old child for the MP program. Prior to this change, 18 year olds were required to apply on their own behalf. With the implementation of this policy, an application for any family medical program will be accepted when either the 18 year old applies for themselves or an approved caretaker applies on their behalf.

Until the point at which an 18 year old begins acting in their own behalf, they are defined as a child according to KFMAM 2100. All policies referencing children will apply to these 18 year olds as long as they remain a member of the caretaker's case. An 18 year old begins acting in their own behalf by submitting a signed application. Once an 18 year old begins acting in their own behalf they are treated as an adult and a caretaker is not permitted to later apply on their behalf.

As part of this change, KFMAM 5520 has also been modified to expand on the concept of children's earnings. The earnings of a child are exempt as countable income regardless of the family medical program involved. An 18 yr old who is considered a child will have their earnings exempted. An 18 yr old who is acting in their own behalf will have their earnings counted. In order for earnings to be exempt, the child must be working towards obtaining a high school diploma or its equivalent. A child, including an 18 year old, is assumed to be attending school or working towards a high school equivalent unless information is provided to the contrary.

Rm. 900-N, Landon Building, 900 SW Jackson Street, Topeka, KS 66612-1220

## <u>www.khpa.ks.gov</u>

 Medicaid and HealthWave:

 Phone:
 785-296-3981

 Fax:
 785-296-4813

 State Employee Health Plan:

 Phone:
 785-368-6361

 Fax:
 785-368-7180

 State Self Insurance Fund:

 Phone:
 785-296-2364

 Fax:
 785-296-6995

The assistance planning for the 18 year old follows the same guidelines for all children in assistance plans for the MP program. See the attached Training Guide for examples of this policy.

## B. Application Requirements When Adding an Individual to an Open Program

Effective with applications processed on or after May 1, 2012, an application form is not required to add an individual to an open medical program unless that individual was closed for failing to complete their review requirement and a form has not yet been received from the household. With this policy change, it is no longer necessary to ensure that a paper application has been filed within the last 24 months.

When a case closes for failing to return a review form, a form is required from the household before coverage may be reinstated. This provision is met when an application form is filed for the household, even if it is just for one or more household members.

Consider the following examples:

Example 1: The family has an open MP program for the children which has recently been passively reviewed. After receiving the passive review letter, the family calls to report a decrease in the household income and requests coverage for the parents. An application form is not required to add the parents to the case. In addition, based on the self-declaration of income policy, verification is not required to add a person to a case at review. Because this request for coverage was in response to the passive review, income verification is not required.

Example 2: The family had MACM that closed for failing to return the review in November 2011. In February 2012, an application is filed for the children only. MP is opened for the children beginning in February 2012. In May 2012, the PI calls to request coverage for herself and her spouse. An application form is not required to add the parents to the case, because the application filed in February 2012 for the children met the requirement to submit an application after being closed for failing to return a review form.

Example 3: The family had an MP program that closed for failing to return the review in March 2012. The family included a continuously eligible newborn, so coverage for the newborn was reinstated. The PI calls to request coverage for the other children in the family. An application form is required to add the children.

Example 4: The family had an MP program for three children that closed for failing to return the review in March 2012. The family included a continuously eligible newborn, so coverage for the newborn was reinstated. The PI calls to request coverage for herself because she is pregnant. An application form is not required to add the PW because she was not closed for failing to complete the review process. The two remaining children would need an application if coverage is requested for them.

## Conclusion

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

Allison Miller Family Medical Policy Manager (785) 291-3881 <u>Amiller@kdheks.gov</u>

Questions regarding any KAECSES issues are directed to the SRS Business Help Desk at <u>helpdeskbusiness@srs.ks.gov</u>