INTRADEPARTMENTAL MEMORANDUM
MAD GI: 17 - 03
DATE: October 17, 2017

TO: ISD AND MAD STAFF
FROM: MARY BROGDON, DIRECTOR, INCOME SUPPORT DIVISION
      NANCY SMITH-LESLIE, DIRECTOR, MEDICAL ASSISTANCE DIVISION
THRU: ROY BURT, BUREAU CHIEF, ELIGIBILITY BUREAU
BY: JORDAN BARELA, ELIGIBILITY BUREAU
SUBJECT: REASONABLE COMPATABILITY

The attached Job Aid 36 for Reasonable Compatibility has been created to assist field staff in understanding what Reasonable Compatibility is, and how to apply Reasonable Compatibility to new Applications, Administrative Renewals, and Recertifications for MAGI Medicaid only. Reasonable Compatibility does not apply to other COEs.

If you have any questions regarding this GI, please contact Lee Cabeza de Vaca, Training Staff Manager, at Lee.CabezaDeVaca@state.nm.us or (505) 383-2009.

Attachment:
Job Aid 36 for Reasonably Compatibility
Job Aid 36: Reasonable Compatibility

Purpose
The purpose of this job aid is to understand what Reasonable Compatibility is, and how to apply Reasonable Compatibility to new Applications, Administrative Renewals, and Recertifications for MAGI Medicaid only. Reasonable Compatibility does not apply to other COEs.

Reasonable Compatibility for New Applications and Recertifications
Reasonable Compatibility is comparing information from the application or recertification to the data sources that we have available for use. Data sources include; NMDWS, the Work Number, SOLQ, etc. If information is Reasonably Compatible the case can be processed without requesting any additional information from the applicant/recipient. If information is not reasonably compatible due to lack of information, additional verification or a reasonable explanation will be required.

You will use the chart below to make a determination based on if the comparison between the data sources and the client statement from the application or recertification is reasonably compatible. Once you have compared the two, you will find the corresponding space on the chart and use the information provided to act accordingly on the case.

How to Read the Reasonable Compatibility Charts
If the income section on the application is left 'Blank'.

NOTE: When reading the chart you follow it like you would ASPEN. Top to Bottom and left to right.
Application/Recertification is Blank and No Data Source Available
This instance will occur when the income section of the application is left blank and no income information is available from data sources. In this instance a HUMAD would be appropriate because the applicant/recipient did not attest to any source of income and we have no data source that confirms that the applicant/recipient has or does not have income.

For Example: An applicant submits an application and the income section is blank. You run NMDWS, the Work Number, SOLQ, and New Hire and no income information comes back on any data sources. You need to issue a HUMAD.

NOTE: if another COE is attached that requires an interview, once the applicant attests to information during the interview the information should be entered into ASPEN as the client states during the interview.

ASPEN Coding
Since we need to issue a HUMAD but we have no income information available we will need to enter the income into ASPEN as $0.00 on the Employment Information page in ASPEN. Use the steps below to enter your income appropriately.

Entering Unknown Income
1. In the Earned Income section, click the Is anyone in the case employed or has been employed in the last 3 months drop-down list and select YES.
2. Click Next.

The Employment - Employer Page Displays
1. In the Individual Information section, click the Name drop-down list and select A Recipient.
2. Click the When did the circumstance begin or change text boxes, and enter the 1st of last month.
3. In the Employer section, click the Employer Name textbox and type Unknown.
4. In the Employment Information section, click the employment Start Date text boxes, and enter 1 year ago today.
5. In the Employment Type section, click the Job Title text box and type Unknown.
6. Click the Employment Type drop-down list and select Wages, Salaries, Tips, and Commissions.
7. Click the Pay Frequency drop-down list and select Weekly.
8. Click the Is income accessible drop-down list and select YES.
9. Click Next.
The Employment - Pay Details page displays

Paycheck – No Verification

1. In the Pay Details section, click the Reported On text boxes and type today's date.
2. Click the Pay Type drop-down list and select Check.
3. Click the Pay Indicator drop-down list and select Check.
4. Click the Pay Verification drop-down list and select Not Verified.
5. Click the Pay Date text boxes and enter Last Friday.
6. Click the Pay Period Hours text box, type 40.
7. Click the Regular Pay Amount textbox, type 0.00
8. Click the Include In Projections drop-down list and select YES.
9. Click Add.
10. Click Save and Continue.
The Employment – Projection Period page displays

1. In the Projection Dates section, select projection dates as appropriate.
2. Click Save and Continue.

The Employment Budget - Summary page displays

Continue processing the case as normal and run EDBC. At this point a HUMAD should generate for the Income you have requested.

Help Us Make a Decision (HUMAD)

Please read each page of this notice carefully.

We need documents that will help us decide if you can start or keep getting Medicaid benefits. These documents are called proofs. You can provide proof(s) in one of the following ways:

- Mail: Income Support Division CENTRAL ASPEN SCANNING AREA P.O. BOX 830 BERNALILLO NM 87004
- Fax: (866) 996-8960
- Online: https://www.yss.state.nm.us
- In person: NW Bernalillo City ISD Field Office 104 LAMBERTON ALBUQUERQUE, NM 87104

Below is a list of proof(s) we need to make a decision about your benefits. If you do not provide proof(s) we may deny or close your benefits:

<table>
<thead>
<tr>
<th>Name</th>
<th>Type of Information we need</th>
<th>Program</th>
<th>Due Date</th>
<th>Examples of proof(s) that will give us the information we need (please return one of the following):</th>
</tr>
</thead>
</table>

If you need more time or help getting proof(s), please contact the Income Support Division (ISD) at (505) 283-4465. If you need help, it is the Department's responsibility to help you provide the proof you are cooperating.

You will receive a receipt for any proof(s) you provide.

Information is not Reasonably Compatible between the Data Source and the Application/Recertification

Information is not considered reasonably compatible when information reported on the application/recertification and on the data source does not match as per the FPL guidelines for the COE. In this instance however, the applicant/recipient has attested to information on the application/recertification and information has been found on the data source that is not compatible with what was reported on the application/recertification.
Zero Income
When an applicant attests to $0.00 income on the application this is different than application is left blank. In this instance the applicant/recipient has attested to not having any income. The applicant/recipient could write $0.00 in the income sections of the application or write something like “none” or “N/A”. In all of these instances they are attesting to $0.00 income.

For Example: A recipient reported that her income is 660.00 biweekly and the data source showed that her income is 800.00 biweekly. Since the income we found in the data source is over the limit for the FPL for a household size of 1, we would ask for additional information from the recipient by sending out a HUMAD.

ASPEN Coding
When information is not considered reasonably compatible between what the applicant/recipient attested to on the application/recertification and what is found on the data source you will enter the income source into ASPEN using the Earned Income or Unearned Income sections as appropriate and use a verification source of Client Statement (not Client statement – reasonably compatible) and allow ASPEN to issue out a HUMAD for the information you could not verify with data sources.

When Information is Reasonably Compatible
Information is considered reasonably compatible when information reported on the application/recertification and on the data source does match as per the FPL guidelines for the COE.

For Example: A recipient has applied for SNAP and Medicaid and you were able to find income listed in the work number, but it does not match exactly what the recipient has reported. For SNAP purposes you could not verify. However, since the recipient’s income in work number is below the FPL for Medicaid for a household of 1, we can use the income found on the application to verify the income for Medicaid purposes. In this situation we would use the income found on the application to process the Medicaid and the SNAP should pend for additional verification.

ASPEN Coding
When information is Reasonably Compatible you will enter the income information found on the Application/Recertification and use the verification selection of Client Statement – Reasonably Compatible. By making this selection it will enable you to process the Medicaid application and any other COE attached will pend for additional verification.
## Reasonable Explanation

Applicant/recipients can provide a reasonable explanation as to why information on the data source differs from their statement. **For Example**: an applicant/recipient applies for Medicaid. The reasonable compatibility standard is used, and it is determined that the information on the data source is higher than the FPL for the applicable Medicaid category, and the applicant's statement is below the FPL for the applicable Medicaid category. A HUMAD is sent to the applicant. The applicant calls CSC and states the reason the income was so high on the data source is due to working more overtime because of the holidays, but it is not the normal pay. The FAA at CSC updates the income verification source with the applicant's statement about the income using the **Reasonable Explanation** dropdown.
Reasonable Compatibility for Administrative Renewals

You will read this section of the chart very similarly to the chart for applications and recertifications. There are two differences however; the left column represents what the recipient last reported either on an application or recertification (this is what we have listed in the income screens in ASPEN) and the second difference is if an Administrative Renewal could not be completed you will 'STOP! Allow the MAD 608 to mail out in 45 days before the end of the certification Period. Once the MAD 608 is provided proceed to table 1'.

<table>
<thead>
<tr>
<th>Administrative Renewals</th>
<th>Data Source Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>Client’s last reported information in ASPEN</td>
<td>No Data Source</td>
</tr>
<tr>
<td>Zero Income Previously listed in ASPEN</td>
<td>Process with no income</td>
</tr>
<tr>
<td>$0 Income Previously listed in ASPEN</td>
<td>Process with Zero Income</td>
</tr>
<tr>
<td>$ Income &lt; FPL Previously listed in ASPEN</td>
<td>STOP! Allow the MAD 608 to mail out in 45 days before the end of the certification Period. Once the MAD 608 is provided proceed to table 1.</td>
</tr>
</tbody>
</table>
Examples of Administrative Renewals

1. When income previously reported in ASPEN is below the FPL and information found in a data source is also below the FPL, you will process the administrative renewal with the income verified.

2. When income previously reported in ASPEN is less than the FPL and you find income above the FPL, you will NOT process the administrative renewal. You will allow the MAD 608 to be mailed out so the recipient can renew Medicaid in their recertification month.

3. When there was no income previously listed in ASPEN, but you find income in a data source below the FPL, you will process with zero income listed in ASPEN. In this instance you will leave the income section in ASPEN as it was previously with no income.

4. When there was $0.00 income previously listed in ASPEN, but you find income below the FPL you will process the administrative renewal with $0.00 income in ASPEN. In this instance you will leave the income section in ASPEN as it was previously with no income.

5. When income previously listed in ASPEN is less than the FPL and you find no income in the data sources, you will NOT process the administrative renewal. You will allow the MAD 608 to be mailed out so the recipient can renew Medicaid in their recertification month.