



New Mexico Human Services Department  
P.O. Box 2348  
Santa Fe, NM 87504

**INTERDEPARTMENTAL MEMORANDUM**

**MAD-GI: 04-06**

**DATE: July 20, 2004**

**MAILED ELECTRONICALLY**

**TO:** ISD AND MAD STAFF

**FROM:** CAROLYN INGRAM, DIRECTOR, MEDICAL ASSISTANCE DIVISION  
KATHRYN FALLS, DIRECTOR, INCOME SUPPORT DIVISION

**THROUGH:** ROBERT D. BEARDSLEY, BUREAU CHIEF, CLIENT SERVICES BUREAU  
REBECCA SCHWARZ, CLIENT SERVICES BUREAU

**BY:** LIZ MARTINEZ, CLIENT SERVICES BUREAU

**SUBJECT: CHANGES IN ELIGIBILITY POLICY AND ISD2 PROGRAMMING –  
CATEGORY 035, 032 AND 072**

**GENERAL INFORMATION**

***Certification Period from 24 to 12 Months – Category 035F - Family Planning Services***

The certification period for Category 035F changed from 24 months to 12 months effective June 1, 2004. The change was apparent in ISD2 production since May 3, 2004.

The change affected new applications received after June 1, 2004 and recertifications with a PR End Date of 05/04 and thereafter. These new applications and recertifications will have a certification period of 12 months.

The change did not affect cases that were already in an existing 24-month certification period, or new applications received prior to June 1, 2004. An application with a date prior to June 1, 2004 should be certified for 24 months.

Examples of specific scenarios were included in an ISD2 Update issued on April 30.

**Certification Period From 12 to Six Months – Category 032 Children’s Medicaid, SCHIP and JUL Medicaid**

The certification period for Categories 032 and 072 changed from 12 months to 6 months effective July 1, 2004. The change has been apparent on ISD2 production since June 1, 2004.

The change affects new applications received after July 1, 2004 and recertifications with a PR End Date of 06/04 and thereafter. These new applications and recertifications will have a certification period of 6 months.

The change does not affect cases that are already in an existing 12-month certification period, or new applications received prior to July 1, 2004. An application with a date prior to July 1, 2004 will be certified for 12 months.

Examples of specific scenarios were included in an ISD2 Update issued on June 1.

**Continuous Eligibility – Category 032 and 072**

Effective July 1, 2004, Medicaid eligibility policy has been revised to remove 12-months continuous eligibility regardless of changes in income for category 032 and 072. Programming on ISD2 that allowed 12 months of continuous eligibility is no longer in place for benefit month July 2004. During MISC 1/2 on Friday July 9, all category 032 and 072 cases ran through eligibility. If changes in income were reported, the income could cause cases to be ineligible and close. ISD2 issued a Notice of Closure on these cases.

Applicants/recipients must report any changes in circumstances that may affect his/her eligibility within ten (10) days after the change to the local Income Support Division (ISD) office. Changes in circumstances that may affect eligibility are income increases/decreases and adds and/or deletes of people to households. When a change is reported on Category 032 or 072 cases, caseworkers must act on the change.

Changes in income on Category 032 or 072 will affect Semiannual Reporting (SR) TANF and Semiannual Reporting (SR) Food Stamp cases that are attached to Medicaid cases, as it is not necessary for clients to report certain changes during the SR reporting period. Before entering income changes, caseworkers should review the Medicaid case first, and check if there is an attached SR case. Guidelines to use when acting on income changes to Categories 032 and 072 cases with attached SR cases were issued on the ISD2 Update issued July 9.

**Transitional Medicaid**

When a category 072 denies or closes for excess earned income, a message “**CLSD ON EXCESS INCOME – EVAL CAT 028**” will appear on the FAEL screen and action item code 417 – Eval for Transitional Medicaid - Cat 028 will appear on the ACTI screen. The worker

should evaluate the Category 072 for eligibility under Category 028 without a new application. Please be sure that the Category 028 eligibility begin date does not overlap with the Category 072 end date.

If cases are eligible for Category 028, they will reflect a 12-month certification period. ISD2 will issue a Notice of Approval with the 12-month certification period. At month begin during the month the Category 028 eligibility will end, ISD2 will issue a Notice of Closure with information to reapply for Medicaid.

A report of all Category 072 cases that closed on July 9, 2004 with reason codes 301 or 320 is being sent to the ISD County Directors. Workers need to evaluate the cases for eligibility under Category 028 before close of business on Monday, July 26, 2004 to ensure that there is not a lapse in SALUD! enrollment.

### **Children who lose SSI**

Federal law mandates states to continue Medicaid coverage for children who lose SSI eligibility because their disability ceased and/or they no longer meet the SSA's disability criteria. Children who lose SSI because they no longer meet the disability criteria factor will receive a MAD 324, Medicaid Termination Notice for SSI Recipients. These children will appear with a **N07** in the PYMT ST field on the SDX. After July 1, 2004, workers must register these children on a category 032 without an application. After the 6-month PR period, the category 032 cases will require recertification.

Children who lose SSI due to excess countable income will also receive a MAD 324, Medicaid Termination Notice for SSI Recipients. These children will appear with a **N01** in the PYMT ST field on the SDX. Workers need to register an application for category 032 for these children.

Please address questions concerning eligibility policy to Liz Martinez at 476-6822 or [liz.martinez@state.nm.us](mailto:liz.martinez@state.nm.us) .