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To: Eligibility Services – Regional Directors
Program Managers
Eligibility Services Supervisors
Regional Attorneys
Hearings Officers

From: Stephanie Stephens, Director
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Subject: Administrative Renewals

Bulletins are sent to supervisors and other regional managers, who must share the information with eligibility staff. Please ensure that copies are provided to staff without access to email. For questions regarding the information in this memo, follow regional procedures. Find active bulletins at the following respective handbook websites:

- Medicaid for the Elderly and People with Disabilities (MEPD):
http://www.dads.state.tx.us/handbooks/mepd_policy/index.htm
- Texas Works:
http://www.dads.state.tx.us/handbooks/texasworks_bulletins/index.htm.

Federally Required Eligibility Changes for Medicaid and CHIP

Background

To comply with Affordable Care Act (ACA) regulations, the Health and Human Services Commission (HHSC) has modified the renewal process for Medicaid for the Elderly and People with Disabilities (MEPD), Texas Works (TW) Medicaid programs, and CHIP. An individual is now only required to complete and return a renewal form when HHSC cannot complete the renewal process based on existing information available in Texas Integrated Eligibility and Redesign System (TIERS) and information available through electronic data sources (ELDS). The new redetermination process is called the administrative renewal process.

Current Policy

HHSC redetermines an individual's eligibility at least once every 12 months.

When a recipient's redetermination is due, [Form H1233](#), Redetermination Cover Letter, and [Form H1200-A](#), Medical Assistance Only (MAO) Recertification, or the appropriate [Form H1200](#) application series form is sent to the recipient or authorized representative requesting that the application form be completed and returned along with required verification documents. Upon receipt of the completed, signed, and dated redetermination form, the specialist redetermines eligibility. When a redetermination form is not returned by the 45th day after mailing, eligibility is automatically denied.

For redeterminations that meet the criteria for Streamlined/Passive Redeterminations, Form H1200-SR is sent. The cover sheet indicates that if income and resources are the same and no changes have occurred, the redetermination form does not need to be returned. If the review packet is not returned, the redetermination will be automatically renewed using existing information in TIERS.

New Policy

The administrative renewal process is used for all MEPD types of assistance (TOAs) that require an annual redetermination.

Automated Renewal Process

Initiating an administrative renewal requires no specialist action and uses the automated renewal process to gather information from a recipient's existing case and from electronic data sources to determine whether the recipient remains potentially eligible for Medicaid benefits.

As part of the automated renewal process, electronic data is requested one month before it is used by TIERS. The electronic data is used the weekend before cutoff in the 9th month of the certification period to renew Medicaid benefits.

During the automated renewal process, the system will:

- Identify the eligibility determination groups (EDGs) due for renewal;
- Pull available information from ELDS;
- Run reasonable compatibility (RC) to compare the recipient's reported income information with income information available through ELDS;
- Determine if additional verification is required; and
- Generate and mail the appropriate renewal correspondence to the individual.

During the automated renewal process, TIERS checks for the required verification by program. If there is enough information to verify that the individual remains eligible for benefits, TIERS may be able to complete the entire administrative renewal process without any specialist action. This process does not change the verifications required at renewal.

If verification is required, the individual is federally required to return a renewal packet and all required verifications to HHSC in order to complete the redetermination and continue benefits.

Note: Resources cannot be verified by ELDS and must be addressed at renewal. Staff must follow the current policy for verification of resources.

If the individual does not return the renewal form and required verifications, the system automatically denies the EDG for failure to return at cut-off in the 12th month.

If the individual returns the renewal packet, a task is automatically created to process the renewal. The specialist must work the task and process the renewal according to the current process.

Below is a list of possible automated renewal process outcomes.

Automated Renewal Process Outcomes

<p>“Eligibility Potentially Approved”</p>	<ul style="list-style-type: none"> • All required eligibility information can be verified during the automated renewal process and no additional verification is needed from a recipient. • Recipients must review the information used to determine their eligibility but are only required to return a signed renewal form, Form H1206, if the information was incorrect or there has been a change to their case.
<p>“Additional Information Needed”</p>	<ul style="list-style-type: none"> • All required information cannot be verified during the automated renewal process and additional verification is needed from the recipient. • The recipient must return a signed renewal form, Form H1206, and all requested verification(s).
<p>“Eligibility Potentially Terminated”</p>	<ul style="list-style-type: none"> • The information from electronic data sources indicates that there has been a change in income that may result in the recipient being income ineligible for Medicaid and additional verification is needed from the recipient to redetermine eligibility. <ul style="list-style-type: none"> ○ This occurs when the reasonable compatibility calculation results in “Need Info because ELDS above limit” or verification of information found on a New Hire Report is required. • The recipient must return a signed renewal form, Form H1206, and all requested verification(s) within 30 days. <p>Note: SNAP and TANF may also be impacted if a member of the household is included in a SNAP or TANF budget group.</p>

The automated renewal process generates recipient correspondence depending on the eligibility outcome.

Administrative Renewal Correspondence

Two new forms have been created for the administrative renewal process:

- A new cover letter, H1211 – It is Time to Renew Your Health Care Benefits.
- A new prepopulated renewal form, H1206 – Health Care Benefits Renewal.

Form H1211, It's Time to Renew Your Health-Care Benefits Cover Letter

The new cover letter, H1211, It is Time to Renew Your Health Care Benefits, will replace the existing cover letter, H1233, Redetermination Cover Letter, for MEPD EDGs with a review due date in January 2015 or later.

The cover letter, Form H1211, notifies the recipient of:

- The eligibility outcome from the automated renewal process,
- The action the individual needs to take to complete the renewal, and
- The types of changes that recipients are required to report.

Based on the eligibility outcome and the type program, Form H1211 informs the individual of the action needed to complete the renewal process. The system generates and mails this form to the recipient with no specialist action required.

Form H1206, Health-Care Benefits Renewal

Form H1206, Health-Care Benefits Renewal, is pre-populated with information from the recipient's case and, in some scenarios, information from ELDS.

The new Form H1206 will replace the existing renewal forms listed below for MEPD EDGs with a review due date in January 2015 or later:

- H1200-A, Medical Assistance Only (MAO) Redetermination.
- H1200-MBIC-R, Application for Benefits.
- H1200-EZ, Application for Assistance – Aged and Disabled.
- H1200-PFS, Medical Application for Assistance.

Form H1206 is pre-populated with the following information for a recipient who needs to renew benefits:

- Contact, demographic, and case information;
- Income and expense information;
- Residency status and intent to reside in Texas;
- Citizenship or immigration status; and
- Third party insurance information.

Forms H1211 and H1206 are prepopulated based on the eligibility outcome and the type program and are not available to print as blank forms.

For MEPD recipients, Form H1206 is mailed along with Form H1211, Form M5017, and Form H1020, if needed.

For TW Medicaid recipients, Form H1206 is generated but not automatically mailed. The cover letter advises the recipient of the options available for completing the renewal form. Staff can access a recipient's Form H1211 and complete renewal packet that includes Forms H1206 and M5017, Documents to Send with your Renewal Application, in "History Correspondence" on www.YourTexasBenefits.com. This can only be done once the administrative renewal correspondence has been generated for the specific recipient.

Notes:

- TW applications and renewal forms, including Form H1010 and Form H1010-R, cannot be used to renew MEPD benefits.
- Form H1206 cannot be used to renew SNAP or TANF benefits. Recipients must still use the Form H1010R, Your Texas Works Benefits: Renewal Form, to renew SNAP and TANF benefits.

Forms modified for the Administrative Renewal Process

The existing Form H5017-MEPD, Items We Need from You, is being replaced with Form M5017, Documents to Send with your Renewal Application. Form M5017 indicates the verification documents needed for all programs including MEPD and is included with Form H1206 in the renewal packet.

The existing Form H1020, Request for Information or Action, has been updated to provide instructions to recipients about how to access their renewal packet and is included with the H1206 when additional verification is needed.

Reasonable Compatibility (RC): Reasonable compatibility (RC) is the method of verification used for Medicaid and CHIP that compares existing income information in TIERS against income information provided by ELDS.

TIERS uses the RC calculation to automatically attempt to verify income. RC only applies to the MEPD TOAs listed below and only during the automated renewal process. In order for RC to run, an individual must already meet the applicable non-financial eligibility rules and resource rules for the specific program.

- TA 10: ME- Waivers
- TA 12: ME- State Group Home
- TP 10: ME- State School
- TP 15: ME- Non-State Group Home
- TP 16: ME- State Hospital
- TP 17: ME- Nursing Facility
- TP 23: MC- Specified Low-Income Medicare Benefits (SLMB)
- TP 24: MC- Qualified Medicare Benefits (QMB)
- TP 25: MC- Qualified Disabled and Working Individuals (QDWI)
- TP 26: MC- Qualifying Individuals (QI-1)
- TP 03: ME- Pickle
- TP 14: ME- Community Attendant
- TP 18: ME- Disabled Adult Child (DAC)
- TP 21: ME- Disabled Widow(er)
- TP 22: ME- Early Aged Widow(er)
- TA 88: Medicaid Buy-In for Children (MBIC)
- TP 87: Medicaid Buy-In for Adults (MBI)

During the Administrative Renewal Process, RC compares the current income in TIERS to the income information found through ELDS. When the current income in TIERS is compared to the ELDS income during RC, the system determines whether it is necessary to pend an

individual for further income verification. Once available verifications are assessed during the automated renewal process, the system runs eligibility.

The eight possible results for the RC calculation are described in the following table:

TIERS Reasonable Compatibility Calculation Results

TIERS Result	Meaning
“Pass”	Applicant or recipient statement of income is considered reasonably compatible with electronic data.
“Fail”	Applicant or recipient statement of income is above the applicable FPIL.
“Need Info because ELDS above limit”	Applicant or recipient statement of income is below the applicable FPIL.
	Electronic data indicate that income may be above the applicable FPIL.
“Need Info for Expense”	Applicant or recipient has unverified countable expenses that need to be verified in order for the applicant or recipient to be determined income eligible.
“Need Info for Incomplete Recipient Income”	Applicant or recipient did not provide sufficient information to calculate a monthly income (i.e. the recipient did not provide the income type, frequency, and/or amount).
“Need Info for Recipient Income”	Applicant or recipient has provided more income sources than are available from electronic data.
“Need Info for Non-Verifiable Income”	Applicant or recipient has unverified countable income other than earned income, RSDI, or unemployment.
“Process Failure”	TIERS is unable to access a third-party system to acquire electronic data, or electronic data was insufficient to complete reasonable compatibility.

Automation

Electronic Data Sources (ELDS)

The system begins requesting information from ELDS for an EDG in the 8th month of a 12-month certification. The system uses the information from ELDS to run the RC part of the administrative renewal process the weekend before cut-off of the 9th month. The system does not request data for an individual from a source if that same source has been accessed within the previous 31 days.

Renewal Status

The renewal status on the EDG Search/Summary page in TIERS inquiry has been updated to display the outcome of the automated renewal process.

When TIERS initiates an administrative renewal, the renewal status must display as one of the following:

- Review Required: Eligibility Approved,
- Review Required: Additional Information Needed, or

- Review Required: Terminated.

The following chart provides the renewal status, the eligibility outcome, and the required specialist action:

Renewal Status Outcomes

Renewal Status	Eligibility Outcome	Specialist Action and Correspondence
<p>“Review Required Eligibility Approved”</p>	<p><i>Eligibility potentially approved</i> (TIERS had sufficient information to determine the recipient potentially eligible.)</p>	<ul style="list-style-type: none"> • Form H1211, It’s Time to Renew Your Health-Care Benefits Cover Letter and Form H1206 – Health Care Benefits Renewal, have been sent, Form H1211 informs the recipient that they must review the information used to renew their eligibility but are only required to return a signed renewal form if the information used was incorrect or there has been a change to their case. • If the recipient: <ul style="list-style-type: none"> ○ Does not return a renewal form, the EDG is auto-disposed approved on the cutoff date of the review due date month. ○ Does return a renewal form, the specialist manually processes the renewal.
<p>“Review Required: Additional Information Needed”</p>	<p><i>Additional Information Needed</i> (TIERS did not have sufficient information to determine the recipient potentially eligible.)</p>	<ul style="list-style-type: none"> • Form H1211, It’s Time to Renew Your Health-Care Benefits Cover Letter and Form H1206 – Health Care Benefits Renewal, have been sent, Form H1211 informs the recipient that they must return a signed renewal form and additional verification to renew their Medicaid Benefits. • If the recipient: <ul style="list-style-type: none"> ○ Does not return a renewal form, the EDG is auto-disposed denied on the cutoff date of the review due date month. ○ Does return a renewal form, the specialist manually processes the renewal.

<p>“Review Required: Terminated”</p>	<p><i>Eligibility Potentially Terminated</i></p> <p>(TIERS had sufficient information to determine the recipient potentially income ineligible.)</p>	<ul style="list-style-type: none"> • Form H1211, It’s Time to Renew Your Health-Care Benefits Cover Letter and Form H1206 – Health Care Benefits Renewal, have been sent. Form H1211 informs the recipient that within 30 days they must return a signed renewal form and additional verification to continue and to renew their Medicaid Benefits. • If the recipient: <ul style="list-style-type: none"> ○ Does not return a renewal form by 30 days from the date the Form H1211 is mailed, the EDG is auto-disposed denied on the cutoff date of the review due date month. ○ Does return a renewal form by 30 days from the date the Form H1211 is mailed, the specialist manually processes the renewal.
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Timeliness

After the completed and signed Form H1206 is received, staff must process the renewal within 30 days or by cutoff of the review due date month, whichever is later.

Verification and Pending Information

Verification previously provided can be used to renew eligibility. The specialist must check to see whether there is any verification that can be used before requesting verification from the recipient. The individual must be allowed at least 10 days to provide missing information, and the due date must fall on a workday. If the 10th day does not fall on a workday, the final due date is the next business day.

All missing information must be received before the cutoff date of the review due date month.

If the missing information is received:

- Before the date of denial, the EDG must be updated with the new information.
- After the date of denial, the denied EDG must be reopened, which may result in a break in Medicaid coverage.

Renewal Form or Information Returned After Termination

Information or Verification Returned After Termination

When an individual returns a completed and signed Form H1206 but does not provide other required information or verification, the renewal is denied. If the information or verification is provided after the date of denial but by the 90th day after the last day of the last benefit month, the system will create a task and staff must reopen the EDG. In this situation, a written request to reopen is not required because the completed H1206 was received. The date the information or verification is provided is the new file date.

Renewal Form Returned After Termination

If an individual does not return a renewal form by cut-off of the review due date month, the EDG is denied the last day of the review due date month for failure to return the renewal form. A renewal form received after the last day of the review due date month must be treated as an application using application processing time frames. The file date is the day that any local eligibility determination office receives the renewal form.

Note: If the renewal form is received after the date of denial but before the last day of the review due date month, the EDG is reopened and processed as a renewal.

Renewal Form Not Returned

Administrative Renewal Automatic Eligibility Determination

When a renewal form is not returned, the system automatically updates the EDG through a mass update based on the eligibility outcome from the automated renewal process. The specialist is not required to run eligibility or dispose the EDG. The automated process occurs on the cutoff date of the 12th month of certification.

Below are the eligibility outcomes during the automated process:

- **Eligibility Potentially Approved**, the EDG is auto-disposed and approved without specialist action. The review due date is extended for another 12-month period.
- **Additional Information Needed**, the EDG is auto-disposed and denied without specialist action.

Verification returned without a renewal packet

Specialists manually process information returned during an administrative renewal as a change when a renewal packet has not been returned. If the renewal form is not returned by cut-off of the review due date month, the EDG is denied the last day of the review due date month for failure to return the renewal form.

The Task List Manager (TLM) creates Alert #831, Information Received Related to Income Expense, when income or expense information is returned without a renewal form during an administrative renewal.

Mass Update Exceptions

In some cases, an EDG may exception out of the mass update for the administrative renewal auto-disposition. When this occurs, the system creates a TLM task based on the eligibility outcome from the automated renewal process.

TLM creates Alert #840, Process Mass Update Exception—Approve, when the eligibility outcome is “Eligibility Potentially Approved.” This requires the specialist to process the task and approve the EDG. No additional verification is required because the automated renewal process verifies all the required information. The file date is the date the auto-disposition should have occurred.

Specialists manually approve EDGs that exception out of the mass update auto-disposition for administrative renewals using the following steps:

- Claim the task, Alert #840, Process Mass Update Exception—Approve.
- For approval during an administrative renewal:
 - Select the “Complete Action” mode from the drop down menu for the “Interview Mode” question on the **Initiate Interview** page in Data Collection.
 - Use the disposition date (the date the task is claimed) as the “Packet Received Date.”
 - Run EDBC and dispose the EDG.

TLM creates Alert #839, Process Mass Update Exception—Termination, when the eligibility outcome is determined as “Additional Information Needed.” This requires the specialist to process the task and deny the EDG. The EDG is denied because the recipient has not returned the renewal packet by the final due date.

Specialists manually terminate EDGs that exception out of the mass update auto-disposition for administrative renewals using the following steps:

- Claim the task, Alert #839, Process Mass Update Exception—Termination.
- For a termination during an administrative renewal:
 - Select the “Change Action” mode from the drop down menu for the “Interview Mode” question on the **Initiate Interview** page in Data Collection.
 - Navigate to the **Run Eligibility** page through Left Nav.
 - Select “Manually Select Eligibility Determination Date?”
 - Enter the begin date as the current month.
 - Select “Next” on **Run Eligibility**.
 - Select “Run EDBC.”

Handbook

Staff will be informed when the MEPD Handbook is updated.

Training

Training is available as part of the instructor-led training series titled “Course AG12: ACA - Reasonable Compatibility for MEPD” and “Course AG14: ACA - Administrative Renewals for MEPD.”