



**ALABAMA MEDICAID AGENCY**

**NOTICE OF INTENDED ACTION**

**RULE NO. & TITLE:** 560-X-25-.15 Medicaid for Low Income Families, Extended Medicaid Benefits due to State Collected Child Support, and Transitional Medicaid Benefits

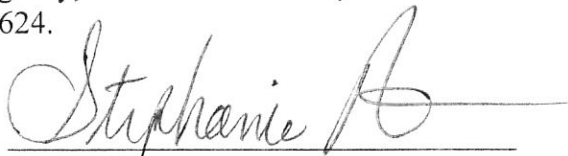
**INTENDED ACTION:** Amend 560-X-25-.15

**SUBSTANCE OF PROPOSED ACTION:** The above referenced rule is being amended. The amendment is to change the terminology 'family' to 'household', 'Medicaid for Low Income Families' to 'Parents and Other Caretaker Relatives', and change 'State Collected Child Support' to 'Spousal Support.' As required by law, policy change was added for Parents and Other Caretaker Relatives to reflect new income at or below 13% of the federal poverty level. Self-attestation is accepted for this group.

**TIME, PLACE, MANNER OF PRESENTING VIEWS:** Written or oral comments may be submitted to the Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624. Agency business hours are 8:00 a.m. to 5:00 p.m. Monday through Friday.

**FINAL DATE FOR COMMENT AND COMPLETION OF NOTICE:** Written/Oral comments concerning this change must be received by the Alabama Medicaid Agency no later than January 2, 2014.

**CONTACT PERSON AT AGENCY:** Stephanie Lindsay, Administrative Secretary, Alabama Medicaid Agency, 501 Dexter Avenue, Post Office Box 5624, Montgomery, Alabama 36103-5624.



Stephanie McGee Azar  
Acting Commissioner

**Rule No. 560-X-25-.15 Medicaid for Low Income Families Parents and Other Caretaker Relatives, Extended Medicaid Benefits due to State Collected Child Support Spousal Support, and Transitional Medicaid Benefits.**

(1) Medicaid for Low Income Families (MLIF): "Medicaid for Low Income Families" means individuals eligible for Medicaid through the Medicaid for Low Income Families Program or who meet the eligibility criteria for Medicaid for Low Income Families based on policies in effect for the AFDC program as it existed on July 16, 1996, as follows:

(a) Financial Requirements:

The family must have a child in need by Agency rules. To be considered "in need" a family may not have (1) total gross monthly income which exceeds the established gross income limit; or (2) net monthly income which equals or exceeds the eligibility standard. In establishing need, income of all persons in the family is considered. Before earned income is counted, the following deductions are allowed from gross earnings: \$90 per month for work expenses; \$30 plus 1/3 of the remainder of earned income and child/dependent care for up to \$200 per month for the care of each dependent under age 2 and up to \$175 per month for each dependent age 2 and older or incapacitated adult. A \$50 disregard is allowed per family for child support received. Lump sums are considered income and added to other monthly income, this amount is then compared to the agency need standard to determine periods of ineligibility.

(b) Medicaid Standards:

Family Size	Gross Income Limit	Eligibility Standards	Needs Standard
1	845	111	457
2	1042	137	563
3	1245	164	673
4	1467	194	793
5	1704	225	921
6	1909	252	1032
7	2172	287	1174
8	2375	315	1289
9	2599	344	1405
10	2812	372	1520
11	3025	400	1635
12	3239	428	1751
13	3452	457	1866
14	3665	485	1981
15	3879	513	2097
16	4092	541	2212

(c) Family Criteria

1. "Family" means all persons included in determining family size. Generally, persons to be included are the natural or legal parents and blood related or adoptive siblings of the child(ren) living in the home, who meet the age requirements and are otherwise eligible for Medicaid. (If the child or a sibling group is included, all his siblings who reside in the home and who meet the age requirements and are otherwise eligible can be included). Families whose countable income equals or exceeds the eligibility standard for the appropriate

family size are not eligible for Medicaid for Low Income Families, but some members may be eligible for another category of Medicaid administered by the Alabama Medicaid Agency.

2. Degree of relationship must be verified and the caretaker must be of a specified degree of relationship to the child. A relative other than a parent may be eligible if their income does not exceed the Medicaid Standard. The persons must be blood relatives of the half blood or the whole blood and relatives who have ever been "in-law" or "step" within the degrees listed below. This is an exclusive listing:

(i) Females — mother, adoptive mother, stepmother (but not her parents), sister, adoptive sister, stepsister, sister-in-law, aunt, great aunt, great-great aunt, aunt-in-law, grandmother, great-grandmother, great-great-grandmother, great-great-great-grandmother, step-grandmother (meaning the subsequent wife of the child's natural grandfather), adoptive grandmother (meaning the mother of a parent who was adopted), niece, first cousin, first cousin once removed (meaning the first cousin of the dependent child's parent or the child of the dependent child's first cousin.), spouses of any individual listed under males.

(ii) Males — Father, adoptive father, stepfather (but not his parent), brother, adoptive brother, stepbrother, brother-in-law, uncle, great-uncle, great-great-uncle, uncle-in-law, grandfather, great-grandfather, great-great-grandfather, great-great-great-grandfather, step-grandfather (meaning the subsequent husband of the child's natural grandmother), adoptive grandfather (meaning the father of a parent who was adopted), nephew, first cousin, first cousin once removed (meaning the first cousin of the dependent child's parent or the child of the dependent child's first cousin.), spouses of any individual listed under females.

3. Forms of verification:

(i) Primary sources: Birth record, school records, sworn, notarized or witnessed statement of applicant/recipient, affidavit of paternity, hospital birth record, court orders signed by the judge where the relationship is acknowledged as claimed and there is no evidence to the contrary. If no primary documentation use Declaration of Natural Relationship form with the applicant/recipient or other persons with knowledge of the relationship and secure secondary verification.

(ii) Secondary sources: Insurance policy, other agency records, (example Red Cross, SSA, Census records, VA, Department of Senior Services records, Department of Human Resources), bible records, income tax records, official records, (example school report card, juvenile court), other hospital records, clinic or Health Department records, church records, military records, statement from a minister, priest or rabbi, baptismal certificate or other.

(d) Technical Requirements:

1. The child must be living in the home of a parent or other close relative (relationship must be verified in all cases).

2. The child must be under age 19.

3. The child must be a U.S. citizen or an alien in satisfactory immigration status.

4. The child must not be receiving at the same time in his own right any other form of Medicaid.

5. The caretaker must cooperate with the Department of Human Resources and Alabama Medicaid Agency in Medical Support Enforcement Activities and in Third Party Medical Liability Activities unless good cause for not cooperating is determined.

~~6. When application is made for a child(ren) the relative who cares for him/her (them) automatically assigns to the State all medical insurance or medical support benefits to the extent medical assistance is provided him/her or a child in their care.~~

~~7. The parent/caretaker must furnish all Social Security numbers for everyone in the household or apply for a Social Security number for anyone who does not have a number and furnish the number upon receipt. (These numbers will be used in addition to any other means of identification in the administration of the program as provided for in Section 402(a)(25) of the Social Security Act). The number provided will be used in computer matches, program reviews and audits. Eligibility and income information will be requested regularly from the Internal Revenue Service, Social Security Administration, Alabama Department of Industrial Relations and other public and private organizations.~~

~~8. The parent/caretaker must apply for any other benefits for which they or other members of the household appear to be eligible, such as Veteran Benefits, Social Security, Unemployment Compensation, etc.~~

~~(e) The Agency uses less restrictive income and resource methodologies than those in effect as of July 16, 1996, as follows:~~

~~1. Resources are excluded.~~

~~2. A child shall be considered to be deprived of parental care of one or both parents if the family income does not equal or exceed the eligibility standards for the appropriate family size, even though both parents may live in the home.~~

~~3. The \$90 work expense, \$30 and 1/3 disregards are applied for 12 consecutive months.~~

~~4. Contributions of \$50 per individual per quarter is allowed.~~

~~5. Income may be deemed for: spouse to spouse, senior parent to minor parent, and stepparent to spouse based on income that exceeds the Standard.~~

~~(f) The following individuals are deemed to be eligible for Medicaid for Low Income Families:~~

~~1. MLIF qualified pregnant women whose family income falls within the standards for Medicaid for Low Income Families.~~

~~2. Individuals under age 19 who would qualify for Medicaid for Low Income Families but do not qualify as dependent children because they are children for whom public agencies have assumed custodial and financial responsibility and they are in foster homes or private institutions.~~

### **(1) Parents and Other Caretaker Relatives (POCR)**

(a) Parents and Other Caretaker Relatives (i.e. formerly Medicaid for Low Income Families [MLIF]): Parents and other caretaker relatives are defined as "parents and other caretaker relatives of dependent children with household income at or below 13%. A standard income disregard of 5% of the federal poverty level is applied if the individual is not eligible for coverage due to excess income.

Caretaker relative is a relative, who is related to the dependent child by blood, adoption, or marriage with whom the child lives and who has primary responsibility for the child's care. A caretaker relative includes:



1. The child's father, mother, grandfather, grandmother, brother, sister, stepfather, stepmother, stepbrother, stepsister, uncle, aunt, first cousin, nephew or niece;
2. The spouse of such parent or relative, even after the marriage ends due to divorce or death.

(a)(b) A "dependent child" is defined as a child who is under the age of 19 or, up to age 21 and a full-time student.

(b)(c) Self-attestation must be accepted for caretaker relatives unless there is information that is not reasonably compatible with such attestation. If the caretaker relationship must be verified the following documents are acceptable:

1. Primary sources: Birth record, school records, sworn, notarized or witnessed statement of applicant/recipient, affidavit of paternity, hospital birth record, court orders signed by the judge where the relationship is acknowledged as claimed and there is no evidence to the contrary. If no primary documentation use Declaration of Natural Relationship form with the applicant/recipient or other persons with knowledge of the relationship and secure secondary verification.
2. Secondary sources: Insurance policy, other agency records, (example Red Cross, SSA, Census records, VA, Department of Senior Services records, Department of Human Resources), bible records, income tax records, official records, (example school report card, juvenile court), other hospital records, clinic or Health Department records, church records, military records, statement from a minister, priest or rabbi, baptismal certificate or other.

(d) Technical Requirements:

1. The child must be living in the home of a parent or other close relative
2. The child must be under age 19 or up to age 21 if a full time student.
3. The child must be a U.S. citizen or an alien in satisfactory immigration status
4. The child must not be receiving at the same time in his own right any other form of Medicaid.
5. The caretaker must cooperate with the Department of Human Resources and Alabama Medicaid Agency in Medical Support Enforcement Activities and in Third Party Medical Liability Activities unless good cause for not cooperating is determined.
6. When application is made for a child(ren) the relative who cares for him/her (them) automatically assigns to the State all medical insurance or medical support benefits to the extent medical assistance is provided him/her or a child in their care.
7. The parent/caretaker must furnish all Social Security numbers for everyone in the household or apply for a Social Security number for anyone who does not have a number and furnish the number upon receipt. (These numbers will be used in addition to any other means of identification in the administration of the program as provided for in Section 402(a)(25) of the Social Security Act). The number provided will be used in computer matches, program reviews and audits.

Eligibility and income information will be requested regularly from the Internal Revenue Service, Social Security Administration, Alabama Department of Industrial Relations and other public and private organizations.

8. The parent/caretaker must apply for any other benefits for which they or other members of the household appear to be eligible, such as Veteran Benefits, Social Security, Unemployment Compensation, etc.

(c) The Agency uses less restrictive **income and resource methodologies** than those in effect as of July 16, 1996, as follows:

1. Resources are excluded.
2. A child shall be considered to be deprived of parental care of one or both parents if the family income does not equal or exceed the eligibility standards for the appropriate family size, even though both parents may live in the home.
3. Contributions of \$50 per individual per quarter is allowed.

(f) The following individuals are deemed to be eligible for Parents and Other Caretakers:

1. Parents and Other Caretakers qualified pregnant women whose family income falls within the standards for Parents and Other Caretakers.
2. Individuals under age 19 who would qualify for Parents and Other Caretakers but do not qualify as dependent children because they are children for whom public agencies have assumed custodial and financial responsibility and they are in foster homes or private institutions.

(g) Parents and Other Caretaker Relatives Income Chart:

<u>Household Size</u>	<u>Eligibility Standards</u>
<u>1</u>	<u>\$124</u>
<u>2</u>	<u>\$155</u>
<u>3</u>	<u>\$187</u>
<u>4</u>	<u>\$221</u>
<u>5</u>	<u>\$257</u>
<u>6</u>	<u>\$289</u>
<u>7</u>	<u>\$328</u>
<u>8</u>	<u>\$361</u>
<u>9</u>	<u>\$394</u>
<u>10</u>	<u>\$427</u>
<u>11</u>	<u>\$460</u>
<u>12</u>	<u>\$492</u>
<u>13</u>	<u>\$526</u>
<u>14</u>	<u>\$559</u>
<u>15</u>	<u>\$591</u>
<u>16</u>	<u>\$624</u>
<u>Add additional</u>	<u>\$33</u>

amount:

**(2) Extended Medicaid Benefits due to State-Collected Child Support Spousal Support Collections**

All persons who are correctly members of the household that becomes ineligible for Medicaid for ~~Low Income Families- Parents and Other Caretaker Relatives~~ due wholly or partly to the collection or increased collection of ~~child support spousal support~~ are entitled to extended Medicaid coverage for four months (children eligible for 12 continuous months) provided:

- (a) The case was terminated (wholly or partly) due to the collection or increased collection of ~~child support spousal support~~; and
- (b) The household (or any member of the household) **correctly** received Medicaid in Alabama for at least three of the six months immediately prior to the first month of ineligibility.

**(3) Transitional Medicaid Benefits**

When a ~~family household~~ loses eligibility for ~~MLIF-Parents and Other Caretaker Relatives (POCR)~~ because of earned income and has **correctly** received ~~MLIF- POCR~~ under this group in at least three of the preceding six months, the family is entitled to up to 12 months Transitional medical assistance. This is known as Transitional Medicaid benefits. Once eligibility is established, children are eligible for 12 continuous months following the month of the transitional Medicaid eligibility determination. In order to be eligible, the ~~family household~~ must file timely quarterly reports and the ~~family's household's~~ earned income, ~~minus the cost of child care,~~ must not exceed 185 percent of the Federal poverty level.

- (a) The household is eligible for Transitional Medicaid for the initial six months provided:
  1. The household correctly received ~~MLIF-POCR~~ in Alabama for at least three of the six months immediately prior to the first month of ineligibility, and
  2. The case was terminated due wholly or partly to the parent/caretaker's increased earnings or hours of employment, or
  3. ~~The case was terminated due wholly or partly to expiration of the \$30 and 1/3 disregards applied to any adult(s).~~
- (b) The parent/caretaker is eligible for the first six months of Transitional Medicaid coverage based on the termination reason. Children are eligible for 12 continuous months. The only reason (other than to return to regular ~~MLIF POCR~~ eligibility) Transitional Medicaid coverage may be terminated in any one of the first six months is that the household ceases to include a child and then, only the Transitional Medicaid of the adult(s) may be terminated.
- (c) Medicaid coverage may be extended to the parent/caretaker for an additional six months provided:
  1. The parent/caretaker is employed in each of the 12 months unless there is good cause for terminating employment, and
  2. The household continues to include a child, and



3. The household's average gross earnings, ~~less child care expenses necessary for the employment of the parent/caretaker,~~ do not exceed 185% of the federal poverty level, and
4. The household submits a completed quarterly report by the 21<sup>st</sup> of the fourth, seventh and tenth months of the extended benefits period. The quarterly report must contain information regarding gross earnings ~~and child care expenses~~ for the three months prior to the month the report is due. Income must be verified.

**Author:** Denise Banks, Medicaid Administrator I, Policy, Training, and Operational Readiness

**Statutory Authority:** Personal Responsibility and Work Opportunity Reconciliation Act of 1996. 1902(a)(10)(A)(i)(I) and 1931(b) and (d) of the Act, 42 CFR 435.110. 42 CFR 435.11, 408(a)(11)(B) and 1931(c)(1) of the Act, 408(a)(11)(A), 1902(a)(52), 1902(e)(1)(B), 1925, and 1931(c)(2) of the Act.

**History:** Emergency Rule Filed and Effective April 9, 2003. **Amended:** Filed April 21, 2003; effective July 16, 2003. **Amended:** Filed December 17, 2013.