

ARKANSAS REGISTER

Transmittal Sheet



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Secretary of State
State Capitol Room 017
Little Rock, AR 72201-1094

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Name of Agency Department of Human Services

Department Division of County Operations

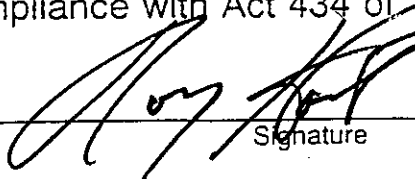
Contact Person Joie Wallis 682-8253

Statutory Authority for Promulgating Rules AR Code Ann. 20-76-201 et Seq. and
AR Code Ann. 25-15-201 et Seq.

	Date
Intended Effective Date	
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<u>September 1, 1997</u>	Reviewed by Legislative Council _____
	Adopted by State Agency <u>Sept. 1, 1997</u>

CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with Act 434 of 1967 As Amended



Signature

Director, Division of County Operations
Title

7/22/97
Date

BY
SHARON PRIEST
SECRETARY OF STATE
STATE OF ARKANSAS

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ARK. REGISTER DIV.

FILED

MANUAL TRANSMITTAL

Arkansas Department of Human Services

Division of County Operations

☒ Policy ☐ Form ☐ Policy Directive

Issuance Number MS 97-10

Medical Services Policy Manual

Issuance Date 09-01-97

From: Roy Hart, Director

Expiration Date Until Superseded

Subj: New Policy

<u>Pages to be Deleted</u>	<u>Dated</u>	<u>Pages to be Added</u>	<u>Dated</u>
None		MS 2300-2330	09-01-97
		MS 2330	09-01-97
		MS 2330	09-01-97
		MS 2330-2342	09-01-97
		MS 2343-2343.1	09-01-97
		MS 2343.1-2347.2	09-01-97
		MS 2347.2-2348.1	09-01-97
		MS 2348.2-2351	09-01-97
		MS 2351	09-01-97
		MS 2351-2353	09-01-97
		MS 2353-2355	09-01-97

Summary

The ARKids First Waiver is implemented effective September 1, 1997. Policy and procedures for determining participant eligibility are added to the Medical Services Policy Manual.

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2300 ARKids First Waiver

The ARKids First category was established by Act 407 of 1997 (the ARKids First Program Act), and it was implemented by Arkansas on September 1, 1997. It is designed to provide Medicaid eligibility for uninsured children age 18 and under whose family's gross income is at or below 200% of the federal poverty level. Persons who are already eligible for Medicaid under another category cannot be eligible concurrently in the ARKids First category.

2310 Extent of Services

Participants in the ARKids First category are not eligible for the full range of Medicaid services. Copayments and coinsurance will apply, as appropriate, for all services with the exception of immunizations, preventive health screenings, family planning, and prenatal care. Child Health Services (EPSDT) will not be offered. For a list of services provided, please refer to "<Insert Title of Brochure>."

2320 Nondiscrimination

No person will be prevented from participation, denied benefits, or subjected to discrimination on the basis of race, color, national origin, age, religion, disability, sex, veteran status, or political affiliation. The Agency will be in compliance with the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990, and regulations issued by the Department of Health and Human Services.

The Agency has the responsibility for informing applicants and recipients that assistance and services are provided on a nondiscriminatory basis and that they have a right to file a complaint with the Agency or federal government if it is thought that discrimination has occurred on the basis of race, color, national origin, age, religion, disability, sex, veteran status, or political affiliation.

2330 ARKids First Eligibility Criteria

To be eligible for services in the ARKids First category, the following criteria must be met:

1. Age: Each individual must be under age 19 (eligibility ends on the 19th birthday) to qualify. Proof of age is required (Re. MS 3321).
2. Relationship and Living with Specified Relative: An individual must meet these criteria (Re. FA 2252-2253.1), unless the individual has been removed from the custody of his or her parents by court order, has been court ordered to an institution, has been emancipated, or legal custody has been given to someone else (e.g., a guardian) (Re. MS 6130). Provisions at MS 6270 and 6275 (except that resources are not considered) also apply to participants in the ARKids First category.
3. Citizenship or Alien Status: Each individual must be either a U.S. citizen or a qualified alien (Re. MS 3310 #3). Proof of citizenship or alien status is required (Re. MS 3324).
4. Social Security Enumeration Requirement: Each individual whose needs are included in the budget must be enumerated or must apply for enumeration (Re. MS 1390).

5. Mandatory Assignment of Rights to Medical Support/Third Party Liability: State and federal law make assignment automatic for Medicaid participants (Re. MS 1350). Failure to cooperate in identifying and billing other resources and medical benefits may result in termination of the ARKids First case.
6. Referral to OCSE: If a parent of an eligible child is absent, or if both parents are present but paternity has not been established, an OCSE referral must be made (Re. MS 1310). ARKids First participants who are pregnant are not required to cooperate with OCSE for their children, but an absent parent of a pregnant participant must be referred.
7. Residence: Each individual must be a resident of Arkansas to qualify (Re. MS 2200).
8. Income: Gross income for participants cannot exceed 200% of the Federal Poverty Income Guidelines for the appropriate number included in the budget (See chart that follows this section). Total gross income will be counted (i.e., no earned income deductions, exclusions, or child care will be allowed). The income disregards at FA 2351, however will apply. Earned income will be verified according to FA 2361, except that a maximum of 4 check stubs will be required. Earned income will be computed according to FA 2362.1 and 2362.2. Any countable and verified unearned income will be added to earned income to derive the total gross income.

If a minor who is pregnant is living with her parent(s), then the gross income of the parent(s) will be counted in full to the pregnant participant.

In minor parent (MP) households, the income of the parent(s) of the minor parent is counted in full in the MP's need determination, but is totally disregarded in the need determination of the MP's child.

The income of an alien sponsor is disregarded.

Lump sums are considered income in the month received when determining eligibility for each of the three months in the retroactive eligibility period up through the date of certification. Lump sums and other income changes which occur after the date of certification will be disregarded.

Monthly Standards (9/1/97)

<u>Number in Standard</u>	<u>200%</u>
1	1315.00
2	1768.34
3	2221.66
4	2675.00
5	3128.34
6	3581.66
7	4035.00
8	4488.34
9	4941.68
10	5395.02

For each additional person, add \$453.34.

Standard of Need: In determining ARKids First eligibility, parents will be included in the need standard with their natural or adoptive children. Normally, all of the full siblings in the household will be included in the budget with their natural or adoptive parents. However, a parent or other relative may choose to exclude a child and that child's income from a case budget if inclusion of that child and the child's income would cause ineligibility for the other children. Children may be excluded for other reasons, and the parent or relative who applies need not state the reason. An unborn child of a PW will not be counted in the standard of need.

9. Resources: No resource test exists for the ARKids First category.
10. Health Insurance Through an Employer: Children who have been covered by primary comprehensive health insurance, other than Medicaid, within the 12 months preceding the date of application will not be eligible for services in the ARKids First category (unless insurance was lost through no fault of the applicant). Primary comprehensive health insurance is defined as insurance that covers both physician and hospital charges.

An applicant who has lost insurance through an employer is considered not at fault if his or her employment terminates for any reason. If an applicant loses insurance for any other involuntary reason (e.g., the employer ceases to provide group health insurance), he or she also is considered not at fault. If a parent or guardian voluntarily terminates insurance for any reason within the 12 months preceding application, his or her children will be deemed ineligible.

The Central Office Eligibility Unit will accept the applicant's declaration regarding his or her health insurance coverage, unless the worker has contradictory information or the applicant's circumstances make the declaration questionable (e.g., the applicant reports earnings from an employer who customarily provides group health insurance).

2340 Application Process

2341 Right to Apply

All individuals who wish to apply will be given the opportunity to do so without delay. No application or inquiry will be ignored. The Agency has the responsibility to follow up on any request for medical assistance and to make arrangements for completion of the application.

2342 Distinction Between Application and Inquiry

The distinction between an application and an inquiry is as follows:

1. An application is a written and signed request for assistance by an individual or his or her authorized representative.
2. An inquiry is a request for information by an individual or his or her authorized representative.

2343 Completion of the Application

The application process will require the completion of a DCO-995 by the individual, adult relative, custodian, guardian, or representative of an institution if the individual is court ordered. If emancipated, the minor must sign the application. If a child has been court ordered to an institution, a representative or designee of the institution must sign the application.

The DCO-995 will be available at DHS county offices, local health units, or by mail, if requested. To request an application by mail, an individual may call 1-888-474-8275. Application forms will also be given to churches, licensed day care centers, hospitals and institutions, selected physicians' offices, clinics, public schools, community neighborhood centers, and pharmacies, if they request a supply of forms.

After completion, the DCO-995 (along with proof of Social Security enumeration, age, and income), will be mailed by the applicant or by a DHS county office, if requested by the applicant, to the ARKids First Central Office Unit, Post Office Box 5701, North Little Rock, AR 72219-5701, for processing.

2343.1 Referrals to the ARKids Unit from County Offices

If all children of a Medicaid applicant are determined ineligible by the county office, and it appears that they may be eligible for ARKids First, the county office will deny the Medicaid application (if appropriate), make copies of the relevant parts of the record for their files, fax the first page of the application, and mail the remainder of the original case record to the Central Office Eligibility Unit at Pulaski County-North (60-2) for processing. Upon receipt of the application's first page, the central office worker will reregister the DCO-95 in category 01, using the original date of application.

If one or more children of a Medicaid applicant are determined ineligible by the county office (but other children appear eligible for Medicaid in another category), and the ineligible children appear eligible for ARKids First, the county office will fax the first page of the application and mail a copy of the relevant parts of the record to the Central Office Eligibility Unit at Pulaski County-North (60-2) for processing. The county will include a cover memo with the copy of the case record that indicates which children are ineligible for Medicaid. Upon receipt of the application's first page, the central office worker will reregister the DCO-95 in category 01, using the original date of application.

2343.2 Referrals to County Offices from the ARKids Unit

If any or all children of an ARKids First applicant appear eligible for Medicaid in another category, the central office worker will contact the applicant and ask if he or she would like to file an application with the DHS county office. If so, the central office worker will fax a copy of the DCO-995's first page and mail copies of relevant verification and documentation to the DHS county office in the applicant's county of residence. Upon receipt of the application's first page, the county office worker will reregister the DCO-995 in the appropriate category, using the original date of application. Also, the central office worker will mail page three of a DCO-95, along with a DCO-700, informing the applicant that the Medicaid application will be denied unless he or she completes page three and returns it to the DHS county office within 10 days.

2344 Completion of Forms During Eligibility Determination

In determining eligibility, the central office eligibility worker will complete Forms DCO-86, DCO-96, DCO-608, and the DCO-662 (when applicable). The SS-5 will be completed and mailed to the applicant for a signature if the applicant has not been previously enumerated. Each person to be included in the need standard must be enumerated. If necessary, the worker also will complete a DCO-002, listing specifically the information that is needed to determine eligibility and providing 15 days in which all required verification must be returned.

2345 Entry of Application on WIMA

On the date the application is received by the Central Office Eligibility Unit, it will be entered on WIMA. The worker will enter the register number on Form DCO-995. The category entered on WIMA will be ARKids First (category 01).

2346 Time Limit for Disposition of Application

The Central Office Eligibility Unit will have up to 45 days from the date of application to make disposition by one of the following actions: approval, denial, or withdrawal.

2347 Delayed Action on Application**2347.1 Agency Delay**

When action on an application will be delayed beyond 45 days by the Central Office Eligibility Unit, the applicant will be notified by DCO-700 of the reason for delay and of his or her right to appeal.

2347.2 Applicant Delay

When the applicant has been instructed by DCO-002 to provide information and has not done so by the end of a 15-day period, the application will be denied. If the applicant has difficulty in providing the information and requests additional time, the central office eligibility worker will send a second DCO-002 that clearly specifies what information is needed by the end of an extended 10-day time period, and, if requested, will assist the applicant in obtaining the information. If the information has not been provided by the end of the 10-day extension, the application will be denied.

2348 Disposition of the Application**2348.1 Approval**

When approving an application, the central office eligibility worker will:

1. Record pertinent information on the DCO-96;
2. Complete the DCO-608;
3. Complete, sign, and key the DCO-56 to authorize eligibility; and
4. Notify the applicant by DCO-55 or DCO-700.

The worker will certify eligible individuals as ARKids First (category 01) on the DCO-56. The head of household (parent, guardian, etc.) will be shown as "Payee," and each eligible child will be entered. When the head of household is also eligible, he or she is listed as both "Payee" and as an eligible. The eligible head of household under 19 must be given a child's suffix (201, etc.).

When the head of household over 18 has been included in the budget, he or she will be entered as a closed status adult member, with an "M" in the budget indicator.

If an ARKids First participant has been court ordered to an institution, the institution or its designee will be entered on the DCO-56 as "Guardian/Authorized Representative," and the child will be listed as "Payee and as an eligible participant.

Eligibility will begin on the date of application or up to three months prior to the date of application, if the individual alleges incurred medical expenses in for the retroactive period and all other eligibility factors are met. Retroactive eligibility for ARKids First will not begin prior to September 1, 1997.

After certification, the Central Office Eligibility Unit will produce and mail the ARKids First Identification Card to the participant.

2348.2 Denial

When denying an application, the central office eligibility worker will:

1. Record all pertinent information on the DCO-96. It is not necessary to verify any eligibility factor other than the one upon which the application is being denied. However, verification already obtained will be retained in the case record for future reference;
2. Complete denial information and key the DCO-995; and
3. Notify the applicant by DCO-55 or DCO-700.

2348.3 Withdrawal

When an applicant or representative requests that the application be withdrawn, the central office eligibility worker will:

1. Notify the applicant or representative by DCO-700 that the application will be denied in 10 days at the applicant's or representative's request. If a signed written statement requesting the withdrawal is received, the application may be denied upon request of the statement;
2. Record pertinent information on the DCO-96;
3. Upon receipt of a written request, or at the end of the 10-day notice, if a verbal request was received, whichever is appropriate, key the denial information on the DCO-995.
4. Notify the applicant or representative by DCO-55 or DCO-700 that the application has been denied.

2350 Continuing Eligibility2351 Reevaluations

ARKids First category cases will be scheduled for completion of a reevaluation every 12 months. The system will generate and mail a DCO-975 to every casehead on the sixth workday before the end of the 10th calendar month of eligibility. This form should be returned to the Central Office Eligibility Unit by the 10th day of the 11th calendar month of eligibility. The casehead must report and send verification of gross earnings received, and note any other changes that may affect eligibility.

Upon receipt of a complete DCO-975, the worker will redetermine eligibility, and, if still eligible, complete a narration on the DCO-96, complete a DCO-608, and key a reevaluation date and budget information on the DCO-56. If the participant is no longer eligible for the program, the worker will send a 10-day notice of adverse action, advising the participant that his or her case will be closed effective the last day of the certification period (i.e., after one full year of coverage).

If the casehead fails to return a DCO-975 by the 10th day of the 11th calendar month of eligibility, the central office eligibility worker will mail a DCO-700 and a manual DCO-975 to the casehead, advising him or her that a completed DCO-975 and proof of current income must be received by the Central Office Eligibility Unit within 15 days or the case will close effective the last day of the certification period.

If the casehead fails to return a complete DCO-975 by the 10th day of the 11th calendar month of eligibility, the central office eligibility worker will mail a DCO-700 to the casehead, specifying the information needed to redetermine eligibility, and advising him or her that the information must be received by the Central Office Eligibility Unit within 15 days or the case will close effective the last day of the certification period.

Example: A case is certified for eligibility beginning September 3 (the first day of the certification period). The system-generated DCO-975 will be mailed to the casehead on June 23 (the sixth workday before the end of the 10th calendar month), to be returned by July 10 (the 10th day of the 11th calendar month of eligibility). If the participants are no longer eligible after completing the reevaluation, or if the casehead fails to complete the reevaluation, the case will close effective September 2 (the last day of one full year of coverage).

If sufficient information to determine eligibility is received by the worker prior to the effective date of closure and the participant remains eligible, the reevaluation is complete and the case will remain open.

If sufficient information to determine eligibility is received by the worker after the case has been closed with a future end date, or if the information received prior to the end of the certification period could not be processed by the effective date of closure, the case will be reinstated.

If the requested information is received after the effective date of closure, a new application will be required.

2352

Changes

Changes in cases (e.g., adding or dropping an individual or change of address) will be made by the Central Office Eligibility Unit on Form DCO-56 for data entry. All changes will be documented in the case record. Participants are not required to report changes in income until the reevaluation.

2352.1

Facility Transfers of Court Ordered Juveniles

Arkansas Code Ann. §9-27-332(b) and 9-27-334(c) state that a facility cannot be specified by name when a juvenile is court ordered to an inpatient psychiatric facility. Therefore, a case will not be closed solely because the court ordered ARKids First participant moves from one facility to another.

After a child is returned to parental custody, a new court order is required to disregard parental income even if the child later returns to the same facility.

2353

Change Notification to Participant (Advance Notice)

The central office eligibility worker will notify the participant 10 days prior to case closure or to dropping an individual from the case by Form DCO-700 or DCO-55.

Advance notice is not required when:

1. The Agency has factual information confirming the death of a participant.
2. The Agency receives a clear written statement signed by the participant that her or she no longer wishes assistance or that gives information which requires termination, and the participant has indicated in writing that he or she understands the consequences of supplying such information.
3. The participant has been admitted or committed to a tax supported institution (e.g., state penal institution) and is not eligible for continued Medicaid assistance. (NOTE: Eligible children may continue to qualify while receiving inpatient psychiatric care from the Arkansas State Hospital, Little Rock (Re. MS 2070).
4. The participant's whereabouts are unknown and Agency mail directed to him or her has been returned by the Post Office indicating no forwarding address.
5. A participant has been accepted for assistance in another state, and that fact has been established by the Central Office Eligibility Unit.

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Case Closures

To close an ARKids First case, the central office eligibility worker will:

1. Record pertinent information in the case narrative;
2. Give 10 days advance notice to the participant by DCO-700 or DCO-55; and
3. Complete DCO-56 for data entry.

2355

Maintenance of Case Records

ARKids First case records will be maintained by the Central Office Eligibility Unit.