



Department of Human Resources
311 West Saratoga Street
Baltimore MD 21201

Family Investment Administration INFORMATION MEMO

Control Number: 12-24

Effective Date: Upon Receipt

Issuance Date: May 16, 2012

**TO: DIRECTORS, LOCAL DEPARTMENTS OF SOCIAL SERVICES
DEPUTY/ASSISTANT DIRECTORS FOR FAMILY INVESTMENT
FAMILY INVESTMENT SUPERVISORS AND ELIGIBILITY STAFF
HEALTH OFFICERS, LOCAL HEALTH DEPARTMENTS
LOCAL HEALTH DEPARTMENT ELIGIBILITY STAFF**

**FROM: ROSEMARY MALONE, EXECUTIVE DIRECTOR, FIA *Rosemary Malone*
DEBBIE RUPPERT, EXECUTIVE DIRECTOR, DHMH/OES *Debbie Ruppert***

RE: DECLARATORY INFORMATION INCLUDED IN AN APPLICATION

PROGRAM AFFECTED: MEDICAL ASSISTANCE

ORIGINATING OFFICE: OFFICE OF ELIGIBILITY SERVICES

SUMMARY

Governor O'Malley proposed and the legislature passed Senate Bill 6 (SB 6), the Working Families and Small Business Health Coverage Act during the 2007 Legislative Special Session. SB 6 included a provision to expand Medicaid eligibility to low income families with dependent children with incomes up to 116% of the Federal Poverty Level by streamlining eligibility requirements to reduce barriers to enrollment. The Affordable Care Act also requires Maryland to implement strategies to eliminate barriers to enrollment and increase enrollment in Medicaid. Additionally, the Medicare Improvement for Patients and Providers Act (MIPPA) mandated changes for eligibility effective January 1, 2010. The requirement to provide documentation of income and resources for Medicaid Family and Children's Eligibility Programs (FAC) was eliminated as a result of these initiatives.

Persons who apply for Medical Assistance (MA) Programs are bound by all rules and penalties pertaining to perjury and fraud. Therefore, the declaratory information that they include on their applications must be accepted unless the case manager has valid reasons to question the declaratory information. We expect case managers to confirm data with the interface of automated systems, documentation in an existing case record, and/or information reported by the customer to another agency or case manager. The case manager must contact the customer to discuss the inconsistency and/or discrepancy if the information received through these sources contradicts the customer's declaratory information.

The customer's explanation is an acceptable means of reconciling the inconsistency and/or discrepancy. However, the case manager may require the customer to provide written documentation to support the declared information if there is a credible reason to do so.

EXISTING POLICY/PROCEDURAL CHANGES

1. Verification of income is no longer mandatory for the F-Track and the P-Track coverage groups. Applicants/recipients will be permitted to **self-declare their income (including self employment)**;
2. Verification of resources is no longer mandatory for the QMB/SLMB coverage groups. S03, S07 and S14 applicants/recipients will be permitted to **self declare their resources**.

SAMPLE CASE SCENARIOS

1. The customer declares self employment income on her application. The customer's declaration of self employment income is acceptable unless questionable. For example: A prior year's recertification indicates the income from self employment was substantially more than the current declaration. Contact the customer and ask questions to resolve the issue.
2. The customer declares that he has \$3000 in a checking account on his application. He does not indicate any other assets. There is no requirement for the customer to submit verification of his checking account statement.
3. The customer declares no assets/resources on his application. The previous application indicated that he had a checking account with \$3000 in it. Since this raises questions regarding the status of the resource, the case manager can request that the customer verify the disposition of the checking account.
4. The customer declares no income on her application. The MABS printout does not reflect any current earnings. The customer's declaration of no income is acceptable.
5. The customer declares no income on her application. This is inconsistent with the MABS printout which lists earnings that are two quarters behind. The case manager should contact the customer to inquire if the customer is still working. If the customer states that she stopped working at the job in question 2 months ago, that is reasonable and sufficient for MA purposes only.

APPLICATION PROCESS

General Application Procedures

1. Review application and materials for the following information:
 - That the applicant has completed all appropriate portions of application;
 - That the applicant or representative has signed the application;
 - Verification of citizenship and identity;
 - Declaration of health insurance information (carrier, policy number, group number, etc., if applicable); and
 - Declaration of child care expenses, if applicable.
2. Perform the following clearances:
 - CARES (Client Automated Resources and Eligibility System);
 - MMIS (Medicaid Management Information System);
 - MABS (Maryland Automated Benefits System);
 - SVES (State Verification Exchange System), SDX (State Data Exchange) and SOLQ (State On-Line Query);
 - CS (Child Support); and
 - SAVE (Systematic Alien Verification for Entitlements).
3. Compare information received from clearances to information received from the applicant, then:
 - **Request appropriate verification if a discrepancy exists or if information is questionable. Use a telephone call to verify or clarify information when possible.**
 - A written request will only be required if there is a credible reason to request it.
4. Use the valid value code OT (Other) instead of DS (Declaratory Statement) in order to prevent the case from closing due to “no verification of income” and narrate. Use this work-around until CARES programming changes are made.
5. Do not delay the initial eligibility decision pending proof of questionable income. If questionable, request proof of the income and send a 745 alert to follow-up. Set the case up for adverse action if the applicant does not submit the information by the established due date.

REDETERMINATION PROCESS

Use the same procedures for redeterminations as for initial applications. Please note the following **reminders**:

- Verification of income and resources will not be mandatory;
- Do not consider assets for the F05 coverage group.

PLEASE REMEMBER TO NARRATE ALL INFORMATION IN CARES.

INQUIRIES:

For policy questions, contact the DHMH Division of Eligibility Policy and MCHP at 410-767-1463 or 1-800-492-5231 (select option 2 and request extension 1463). For CARES questions, contact Debbie Simon at 410-238-1363.

cc: DHR Executive Staff
DHMH Executive Staff
FIA Management Staff
DHMH Management Staff
Constituent Services
DHR Help Desk