

## H-2300 FAMILY OPPORTUNITY ACT MEDICAID BUY- IN PROGRAM

### H-2310 GENERAL INFORMATION

On October 1, 2007, the Family Opportunity Act Buy-In Program was implemented to cover children up to age 13, with disabilities, and family gross income at or below 300% Federal Poverty Income Guidelines (FPL). Effective October 1, 2008, the program expanded to include children up to age 19 with disabilities \*\*. When applicable deductions are applied this makes the family gross income limit effectively at or below 300% Federal Poverty Income Guidelines (FPL) \*\*.

Families wishing to participate in Family Opportunity Act (FOA) Medicaid Buy-In Program for their child(ren) with disabilities are required to take employer-offered insurance when it is available and when the following conditions apply:

- the coverage is under a group health plan and
- the employer contributes at least 50% of the total annual premium.

Applicants/enrollees are eligible for the full range of Medicaid covered services.

A person who has insurance benefits, but has reached their lifetime maximum, is considered to no longer have creditable coverage.

In Family Opportunity Act (FOA), a person is only required to obtain/maintain creditable coverage. For instance, if a person has coverage and it is no longer creditable, the coverage may be dropped.

### H-2320 ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements have been listed in the most logical order, but work on all steps simultaneously.

Explore eligibility for programs that offer full Medicaid benefits without a premium before considering the Family Opportunity Act Medicaid Buy-In Program.

**Note:**

Individuals with disabilities no longer have income deemed

from their parents upon reaching age 18. Eligibility in other Medicaid programs, such as Provisional Medicaid, should be explored to insure certification in the most beneficial program and that premiums are not being charged to these individuals unnecessarily. Refer to [I-1425, Changes in Deeming Status](#).

### H-2320.1 Determine Assistance/Benefit Unit

The assistance/benefit unit consists of the applicant/enrollee.

### H-2320.2 Establish Categorical Requirement

Establish that the applicant/enrollee:

- is a child under age 19; and
- has a physical or mental impairment that is disabling under the Social Security Administration's listing of impairments; and
- has gross family income that is equal to or less than 300% of the FPL.

**Note:**

Disability determinations must be made by the Medical Eligibility Determination Team (MEDT) unless disability has been established by SSA. Refer to [G-1600, Securing Disability Decisions for B and D Categories](#).

### H-2320.3 Establish Non-Financial Eligibility

Verify eligibility for each member of the assistance/benefit unit with regard to the following factors:

- [Assignment of Third Party Rights](#) I-200
- [Citizenship/Identity and Alienage](#) I-300
- [Enumeration](#) I-600
- [Residence](#) I-1900

**H-2320.4 Establish Need****A. There is no resource test in determining eligibility.****B. Determine Composition of the Income Unit**

The income unit consists of the following persons living in the home:

- applicant/enrollee under age 19 who is unmarried,
- his/her legal/natural parent(s), and
- any legal siblings under age 19.

Do not include step parents or step siblings.

**C. Determine Countable Income**

Complete the following steps:

- Step 1 Determine total gross earned and unearned income of the income unit.
- Step 2 Subtract Family Opportunity Act Medicaid Buy-In Program deduction of \$85. This yields the countable income for premium determination. If eligible, at the end of all budget steps, this amount will be used to determine monthly premium amount due. (See H-2320.5)
- Step 3 Subtract  $\frac{1}{2}$  of the remainder from Step 2.
- Step 4 Compare the remaining monthly income to the comparable household size at 150% of the FPL. If income is greater than the limit, the applicant/enrollee is ineligible. If income is equal to or less than the limit, the applicant/enrollee is eligible.

**H-2320.5 Determine Monthly Family Opportunity Act (FOA) Medicaid Buy-In Program Premium Amount**

Premiums for the Family Opportunity Act (FOA) Medicaid Buy-In Program are charged per family or income unit.

Subtract the \$85 FOA Medicaid Buy-in Program deduction from the total gross earned and unearned income. Compare the remainder to the Federal Poverty Income Guidelines (FPL). Income units with income up to 200% FPL will not have a premium for the FOA Medicaid Buy-In Program. A premium payment is required for income units with income above 200% FPL according to the following:

- 1) An applicant/enrollee with income between 201% - 250% FPL with creditable health coverage paid by the legal/natural parent(s) living in the home will pay a Medicaid premium of \$12.00 per month.
- 2) An applicant/enrollee with income between 201% - 250% FPL who does not have creditable health coverage will pay a Medicaid premium of \$30.00 per month.
- 3) An applicant/enrollee with income between 251% - 300% FPL with creditable health coverage paid by the legal/natural parent(s) living in the home will pay a Medicaid premium of \$15.00 per month.
- 4) An applicant/enrollee with income between 251% - 300% FPL who does not have creditable health coverage will pay a Medicaid premium of \$35.00 per month.

The premium will be waived in any case where it is determined that requiring a payment would create an undue hardship. Undue hardship exists when a family:

- is homeless or displaced due to a flood, fire, or natural disaster,
- resides in an area where there is a presidentially-declared emergency in effect,
- has a current notice of eviction or foreclosure, or
- as a circumstance the Medicaid Director's office determines meets the criteria.

The first month, a premium applies, is the month after the eligibility decision is made. Premiums will not be applied for coverage in any months prior to the month the eligibility decision is made (including retroactive Medicaid eligibility).

Upon notification that the premium is 60 days past due, an advance notice to close should be generated. Once closed, all outstanding premiums must be paid before FOA Medicaid Buy-In Program eligibility can be re-established, unless:

- premium liability is cancelled by the Bureau of Appeals,
- premium liability is cancelled by the BHSF Recovery Unit, or
- it has been at least 12 months since last certified for the Family Opportunity Act Medicaid Buy-In Program.

#### **H-2320.6 Eligibility Decision**

Evaluate all eligibility requirements and verification received to make the eligibility decision to either reject, close, certify, or extend eligibility.

#### **H-2320.7 Certification Period**

Certification period shall not exceed 12 months from the month of application.

#### **H-2320.8 Notice of Decision**

An eligibility Notice of Decision shall be sent to the applicant.