P-2423 Processing Eligibility Decisions (Continued)

C. Closures (Continued)

Example: You approve a closure on July 6. The notice will be printed and should be mailed on July 7. The effective date is July 18 and the last day of Medicaid coverage is July 17. If you do not mail the notice on July 7, determine the new effective date, change the notice, and send a MAIL message to PPS.

Exceptions

1. Situations Listed at M141. These changes will be effective the date you take the action or whatever is appropriate for the circumstance (i.e., date of death).

2. ANFC Closures with no Medicaid Extension. If you have enough information to make a decision, close Medicaid the same day as ANFC, even if that means more than a 10-day notice is given. Since ANFC recipients are eligible for Medicaid, we do not close Medicaid sooner than the ANFC. If you do not have enough information to make a decision, see P-2411 C.

3. ANFC Closures with a Medicaid Extension (see M300-M399, #2 and #3). If ANFC closes mid-month, we will continue Medicaid until the end of the month so the extension will begin on the 1st.

4. Managed Health Care Plan

   If the recipient is in a managed health care plan, the last day of Medicaid coverage will always be the last day of a month because capitation payments are made for an entire month. The effective date of closure will be the first of the following month. If the person is in the one-time guaranteed period, closures occur only for specific circumstances (M101).

Special Circumstances

1. Closures Due to Age Changes. When an age change causes a person to close because he or she cannot meet eligibility criteria, the effective date of closure is the birthday. (See P-2420 E #6 for critical age change review procedures). Mail a closure notice 10 days before the birthday.

2. Closures Due to Excess Income. When new income or increased income will close Medicaid, the effective date can be no earlier than the day the first paycheck (or first increased paycheck) is received. ACCESS will derive the closure effective date based on the date the notice will be printed and the date of the first paycheck listed on the JINC panel, and will adjust the effective date as needed.

   Example: A client reports and verifies new income on July 14 but the first paycheck will not be received until August 15. This income makes the client over income for August. The effective date of closure will be August 15 (rather than July 26 if usual 10-day notice were mailed on July 15).

P-2423 Processing Eligibility Decisions (Continued)

C. Closures (Continued)

3. Closures/Reapplications. If a case is closed, then reopened in the same month, the first date of new eligibility is the effective date of the closure.

Example: A household's last day of eligibility in the fee-for-service system is July 13 (the effective date of the closure is July 14). The household reapplies on July 19 and is eligible. The new start date is July 14 (rather than the 1st because the client was already eligible from July 1 through July 13.

Medicaid Closes, VHAP Begins

* When Medicaid closes for an individual for reason code 10 or 11, ACCESS will determine VHAP (Vermont Health Access Plan) eligibility.

* Until programming is completed, if an individual closes for reason code 31 or 32, check for VHAP eligibility by entering a VHAP application.

* If the individual's Medicaid closes for failure to cooperate with a factor not applicable to VHAP, check for VHAP eligibility by entering a VHAP application.

If the person is eligible for VHAP, coverage will begin on the day after the last day of Medicaid eligibility. If the person was not in managed care and is moving into VHAP-Limited, a VHAP ID will be sent on the following day from the Office of Vermont Health Access (OVHA). If the person was in managed care, the same plan ID is used.

If a premium is due, the benefits counselor will send a letter to the recipient detailing the amount of the premium and how to pay it. If by the 18th day following the letter from the benefits counselor (or sooner if the 18th day is not a workday), ACCESS has not been notified that a premium has been received, it will generate a reminder letter to be printed in the district office. This letter will give the future closure date if the premium is not received by the deadline. If the premium is not received by that date,

which is 30 days from the date the benefits counselor's letter was first sent (the date will be specified in the letter from the benefits counselor), ACCESS will create and autoapprove the VHAP closure. No further notice is generated or needed.

If this change from Medicaid to VHAP happens during a six-month guaranteed period, and a VHAP premium would be required, it is waived until the next review period. The review period remains the same so a new six-month period may begin when the guaranteed period ends.

P-2423 Processing Eligibility Decisions (Continued)

C. Closures (Continued)

Example: Josie and her children are Medicaid recipients whose six-month guaranteed period in managed care is January through June and whose review is due in June. In February, she reports an increase in her resources that closes her Medicaid effective March 1. VHAP begins March 1 with no premium. When she is reviewed in June, she will need to pay a premium (if required) for the next six months for VHAP to continue.

If this change from Medicaid to VHAP happens at a review and the person was not previously in managed care, the benefit delivery system will stay fee-for-service until the next scheduled transition to managed care, which may be at the next review.

4. Desk Review Closures. When a case must be closed due to standards change implemented in a desk review, the effective date is always the first of the next month (when the new standard is effective).

D. Death of Recipient

Upon notification of the death of a recipient:

- Enter the date of death on the MEMB panel. Do NOT send notification of closure date due to death.

- If the deceased person is the head of the household, ACCESS will require that you close the household's Medicaid. Enter a new APPL and STAT and complete a new ME ELIG in the name of new head of household.

- If the deceased person is not the head of the household, recompute eligibility for the remainder of the Medicaid group.

- Update health insurance data, as needed, for remaining members.

- Complete Medicaid eligibility panels showing closure of the deceased member and the change in eligibility status, if any, for other members.

- Send the ACCESS-generated DSW 220 (Notice of Decision) or a manual
  DSW 220MD (Notice of Decision - Medicaid/Dr. Dynasaur) on the change in eligibility status for other members, if any.