



## NEW MEXICO HUMAN SERVICES DEPARTMENT

P.O. Box 2348  
Santa Fe, NM 87504-2348

### INTERDEPARTMENTAL MEMORANDUM

**MAD-GI: 06-03**

**DATE: July 19, 2006**

**TO:** ISD AND MAD STAFF

**FROM:** CAROLYN INGRAM, DIRECTOR, MEDICAL ASSISTANCE DIVISION  
HELEN NELSON, DEPUTY DIRECTOR, INCOME SUPPORT DIVISION

**THROUGH:** ROBERT D. BEARDSLEY, BUREAU CHIEF, CLIENT SERVICES BUREAU

**BY:** REBECCA SCHWARZ, CLIENT SERVICES BUREAU

**SUBJECT: MEDICAID FOR CHILDREN AGES 0 – 5 YEARS**

Higher earned income disregards and child care deductions apply to children ages 0 – 5 years, effective August 1, 2006. ISD2 has been programmed to perform the new eligibility criteria calculations after Misc. 1 and 2, July 14, 2006. The purpose of this GI is to illustrate what field workers will be seeing on ISD2 effective Monday, July 17, 2006.

ISD2 will determine eligibility for the individual child or children based on household circumstances. It will no longer determine eligibility on a "case" basis.

**Conversion:** All category 032 cases with children ages 0 – 5 years were converted using the new HHBG values which are Q, R, and Y in addition to L, M, and C on July 14, 2006. Children under age 6 years are now designated as either, Q, R, or a Y. Y is the equivalent of a C and requires co-pays for medical services the same as a "C" value. Children over age 6 will remain, M, or C. Note: Children <6 years that are designated as "C" before conversion, may be designated as a Q or a R after conversion because of the higher earned income disregard and child care deductions.

**Screen Changes:** Certain ISD2 screens have been modified to accommodate the new Category 032 rules. They are as follows:

**FACL** – Household Budget Group (HHBG) field will contain additional indicators for children 0 – 5 years of age. The new indicators are; Q, R, and Y. These new indicators are listed as valid values on the PF 2 help screen behind the FACL screen.

**PF 2 (Valid Values) - "Q, R, and Y" have been added**

- L (applies to child > 6) = Below 133% FPL
- M (applies to child > 6) = Between 133% and 185% FPL
- C (applies to child > 6) = Between 185% and 235% FPL
  
- Q (applies to child <6) = 032 Medicaid
- R (applies to child <6) = Legislative 185% FPL
- Y (applies to child <6) = SCHIP Medicaid FPL

When children turn age 6, ISD2 will automatically convert the child to the appropriate indicator or terminate the child's eligibility if no longer eligible on income. (SEE ATTACHMENT 1)

NOTE: There are no changes to the STATUS and REASON fields. What may be different is that for cases containing some children that are eligible and some children that are not eligible in the ongoing month, the STATUS field may reflect an "A" for active with a REASON code of "301". The ineligible child will reflect a HHBG indicator of "F".

**EI 2 – (PF6 - DEPENDENT CARE WORKSHEET)**

For each child, the worker will enter the same information as is currently done. Under the "DEPENDENT CARE AMT X NO OF HOURS RECEIVED/PERIOD = AVERAGE DAYCARE PAYMENT" line, a field has been added to capture the "032 COMPUTED AMOUNT", which is the actual amount of dependent care. If there is no dependent care expense for any children, the worker does not have to complete the worksheet or the EI 2 screen. (SEE ATTACHMENT 2 and 2A) ISD2 will compute the allowable expense based on the age of the child. The amounts shown in the "FS COMPUTED AMOUNT" and in the "FA COMPUTED AMOUNT" fields will be what are allowed under the old AFDC program methodology or what is currently allowed for children through age 12 years.

**EI 2 –**

Under "DEPENDENT CARE AMOUNTS" a fourth line which reads "032-AMT:" has been placed under "TM-AMOUNT": The purpose of this line is to capture the actual amounts of day care expenses for all category 032 children only. These amounts must be entered as well as the worker calculated amounts on the TM-AMOUNT line for children using the methodology based on full/part time working status of the parent and the child's age. In the event no day care expenses are applicable for a child or children, the worker does not have to complete this screen. Do not make these entries for other than category 032 children. (SEE ATTACHMENT 3)

**FAEL – (SEE ATTACHMENT 4)** This screen now contains two separate columns for the eligibility calculations. The first column is "KIDS 0-5" and the second column reads "KIDS 6-OVER".

For households with children under 6 years of age only, the first column will reflect the gross earned income, a \$750 earned income disregard, the actual dependent care amounts or \$375, whichever is higher, etc.. The second column will reflect all zeros in the different fields.

For households with children over 6 years of age only, the second column will reflect the appropriate earned income disregards and child care deductions. The first column will reflect all zeros.

For households with children under and over 6 years of age, both columns will be populated with the appropriate disregards and deductions.

Please direct questions regarding this material to Rebecca Schwarz at (505) 476-6818 or Joey Kellenaers at (505) 827-6208.

#### ATTACHMENTS

# ATTACHMENT 1

```
State Mainframe - RUMBA Mainframe Display
File Edit View Connection Transfer Options Tools Help
UPDATE                               *** F A / M A ***           032 FACL 01
Mnth: 0806   *** CASE PARTICIPANTS ***           LIST

CASE-ID: 942564935  CAT: 032                GEO: 01 ADMIN: 01 SUPV: 00 EW: 00
032 TYPE: C                MA-BEGIN-DATE:           MA-END-DATE:
STATUS: A REASONS:                STATUS-DATE: 083106           APPEAL-IND:
APPL-DATE: 072906  START-DATE: 070106  END-DATE:           LOCK-OUT:
RELATED-CASES:

---- CLIENT NAMES -- REL  HH STIN RSN STATUS APPL  START  END
      SSN  FIRST LAST  V  BG CASE CD  DATE  DATE  DATE  DATE          TP
942564935 CASE  EXA A Y  F  A           083106 072906 070106
942564936 OVER  FIV D Y  C  A           083106 072906 070106
942564937 UNDER FIV S Y  R  A           083106 072906 070106

VERIF-REMARKS: CASE  EXA 083106

"ENTER" KEY = CONTINUE  "PF3" = CANCEL
"PF4" = SKIP/HOLD      "PF5" = PAGE BACKWARD                               END

Ready Running APL NUMFLD TQX61IP1 OVR CAP NUM W 1,74 1:35:10 PM
Start | Inbox - Microsoft Outlook | Document2 - Microsoft W... | State Mainframe - R...
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# ATTACHMENT 2

State Mainframe - RUMBA Mainframe Display

File Edit View Connection Transfer Options Tools Help

MNTH: 0806 \* \* \* DEPENDENT CARE WORKSHEET \* \* \* 032 WORK 01  
GEO: 01 ADMIN: 01 SUPV: 00 EW: 00  
CASE-ID: 942564935 CASE-NAME: CASE EXAMPLE DATE: 08/31/06

PERSON WITH INCOME: CASE EXAMPLE CHILDS NAME: OVER FIVE  
FULL TIME/PART TIME EMPLOYMENT(F/P): F NO: 01 DATE OF BIRTH: 061997

PAYMENT SCHEDULE: WEEKLY BIWEEKLY SEMIMONTHLY MONTHLY X

PAY DATE	DAYCARE PAYMENT	HOURS	PAY DATE	DAYCARE PAYMENT	HOURS
081506	200.00	172			

TOTAL: 200.00 172

DEPENDENT CARE AMT X NO OF HOURS RECEIVED / PERIOD = AVERAGE DAYCARE PAYMENT  
200.00

FS COMPUTED AMOUNT	032 COMPUTED AMOUNT	FA COMPUTED AMOUNT
175.00	200.00	175.00

"ENTER" KEY = CONTINUE "PF3" = CANCEL "CLEAR" KEY = REFRESH

Ready Running APL NUMFLD TQX61IP1 OVR CAP NUM W 5,66 1:37:15 PM  
Start [Taskbar icons] Inbox - Microsoft Outlook Document2 - Microsoft W... State Mainframe - R... 1:37 PM

# ATTACHMENT 2A

State Mainframe - RUMBA Mainframe Display

File Edit View Connection Transfer Options Tools Help

MNTH: 0806 \* \* \* DEPENDENT CARE WORKSHEET \* \* \* 032 WORK 01  
GEO: 01 ADMIN: 01 SUPV: 00 EW: 00

CASE-ID: 942564935 CASE-NAME: CASE EXAMPLE DATE: 08/31/06

PERSON WITH INCOME: CASE EXAMPLE CHILDS NAME: UNDER FIVE  
FULL TIME/PART TIME EMPLOYMENT(F/P): F NO: 02 DATE OF BIRTH: 031205

PAYMENT SCHEDULE: WEEKLY BIWEEKLY SEMIMONTHLY MONTHLY X

PAY DATE	DAYCARE PAYMENT	HOURS	PAY DATE	DAYCARE PAYMENT	HOURS
081506	400.00	172			

TOTAL: 400.00 172

DEPENDENT CARE AMT X NO OF HOURS RECEIVED / PERIOD = AVERAGE DAYCARE PAYMENT  
400.00

FS COMPUTED AMOUNT	032 COMPUTED AMOUNT	FA COMPUTED AMOUNT
200.00	400.00	200.00

"ENTER" KEY = CONTINUE "PF3" = CANCEL "CLEAR" KEY = REFRESH

Ready Running APL NUMFLD TQ1A1IP1 OVR CAP NUM W 5,66 1:40:21 PM  
Start | Inbox - Microsoft Outlook | Document2 - Microsoft W... | State Mainframe - RUMB... | 1:40 PM



# ATTACHMENT 4

```
State Mainframe - RUMBA Mainframe Display
File Edit View Connection Transfer Options Tools Help
UPDATE          *** F A / M A F I N A N C I A L ***          032 FAEL 01
MNTH: 0806      *** E L I G I B I L I T Y ***                VERF
CASE-ID: 942564935 T CATEGORY: 032 NUM-IN-GRANT: 2 ADULTS: 0 CHILDREN: 2
                KIDS 0-5                                KIDS 6-OVER
NET-STD-OF-NEED: 2560.00                                3253.00
GROSS-EARNED:   3715.00                                3715.00
EI-DISREGARD:   750.00                                 90.00
DEPENDENT-CARE: 600.00                                 375.00
NET-EARNED-INC: 2365.00                                3250.00
UNEARNED-INC:   0.00                                  0.00
CASE-DEEMED-INC: 0.00                                 0.00
PAYMENT-STD:    2560.00                                3253.00
NET-INCOME:     2365.00                                3250.00
GRANT-AMOUNT:   0.00                                  0.00
SANCTION-AMT:   0.00                                  0.00
RECOUPMENT-AMT: 0.00                                  0.00
PR-END-DT: 0607
BNFT-EFF-DT: 080106   STRAT: 0002   BNFT-APPRV: y   REASON-CODES:
DEFICIT:           0.00               NOTICE-OVRD:   WAIVE-10-DAY-NOTICE:
PREV-BNFT:         0.00               BENEFIT-OVERRIDE
CLAIMS-AMT:        0.00               AMT:           EFF-DT(MMDDYY):   REASON:
MESSAGE  013
013 REQUIRED INPUT NOTED BY ???.
```

Ready Running APL NUMFLD TQ1A1IP1 OVR CAP NUM W 18.70 1:42:15 PM  
Start [Taskbar icons] Inbox - Microsoft Outlook Document2 - Microsoft W... State Mainframe - R... 1:42 PM