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**INTRADEPARTMENTAL MEMORANDUM**

**MAD GI: 17 - 03**

**DATE: October 17, 2017**

**TO: ISD AND MAD STAFF**

**FROM: MARY BROGDON, DIRECTOR, INCOME SUPPORT DIVISON  
NANCY SMITH-LESLIE, DIRECTOR, MEDICAL ASSISTANCE DIVISON**

**THRU: ROY BURT, BUREAU CHIEF, ELIGIBILITY BUREAU**

**BY: JORDAN BARELA, ELIGIBILITY BUREAU**

**SUBJECT: REASONABLE COMPATABILITY**

The attached Job Aid 36 for Reasonable Compatability has been created to assist field staff in understanding what Reasonable Compatability is, and how to apply Reasonable Compatability to new Applications, Administrative Renewals, and Recertifications for MAGI Medicaid only. Reasonable Compatability does not apply to other COEs.

If you have any questions regarding this GI, please contact Lee Cabeza de Vaca, Training Staff Manager, at [Lee.CabezadeVaca@state.nm.us](mailto:Lee.CabezadeVaca@state.nm.us) or (505) 383-2009.

Attachment:  
Job Aid 36 for Reasonably Compatability

# Job Aid 36: Reasonable Compatibility

## Purpose

The purpose of this job aid is to understand what Reasonable Compatibility is, and how to apply Reasonable Compatibility to new Applications, Administrative Renewals, and Recertifications for MAGI Medicaid only. Reasonable Compatibility does not apply to other COEs.

## Reasonable Compatibility for New Applications and Recertifications

Reasonable Compatibility is comparing information from the application or recertification to the data sources that we have available for use. Data sources include; NMDWS, the Work Number, SOLQ, etc. If information is Reasonably Compatible the case can be processed without requesting any additional information from the applicant/recipient. If information is not reasonably compatible due to lack of information, additional verification or a reasonable explanation will be required.

You will use the chart below to make a determination based on if the comparison between the data sources and the client statement from the application or recertification is reasonably compatible. Once you have compared the two, you will find the corresponding space on the chart and use the information provided to act accordingly on the case.

New Applications and Recertifications (Table 1)					
Data Source Information					
		No data Source	\$0.00 Income	\$ Income < FPL	\$ Income > FPL
For applications: Client Reported information (Self Attestation) on the Application	<b>Blank</b>	Send HUMAD	Process as zero income from the Data Source	Process as verified with income from the Data Source	Send HUMAD
	<b>\$0 income</b>	Process with zero Income	Process as zero income from the Application	Process as Verified with zero income from the application	Send HUMAD
Or For recertification information contained in the case file	<b>\$income &lt; FPL</b>	Send HUMAD	Process as verified with income from the application	Process as verified with income from the application	Send HUMAD
	<b>\$ income &gt; FPL</b>	Send HUMAD	Send HUMAD	Send HUMAD	Process as verified with income from the Data Source

### How to Read the Reasonable Compatibility Charts

If the income section on the application is left 'Blank'.


For applications: Client Reported information (Self Attestation) on the Application	<b>Blank</b>	<b>No data Source</b>
	<b>\$0 income</b>	Process with zero Income
Or		

NOTE: When reading the chart you follow it like you would ASPEN.  
Top to Bottom and left to right.

## Application/Recertification is Blank and No Data Source Available

This instance will occur when the income section of the application is left blank and no income information is available from data sources. In this instance a HUMAD would be appropriate because the applicant/recipient did not attest to any source of income and we have no data source that confirms that the applicant/recipient has or does not have income.

**For Example:** An applicant submits an application and the income section is blank. You run NMDWS, the Work Number, SOLQ, and New Hire and no income information comes back on any data sources. You need to issue a HUMAD.



**NOTE:** if another COE is attached that requires an interview, once the applicant attests to information during the interview the information should be entered into ASPEN as the client states during the interview.

### ASPEN Coding

Since we need to issue a HUMAD but we have no income information available we will need to enter the income into ASPEN as \$0.00 on the Employment Information page in ASPEN. Use the steps below to enter your income appropriately.

### Entering Unknown Income

1. In the **Earned Income** section, click the **Is anyone in the case employed or has been employed in the last 3 months** drop-down list and select **YES**.
2. Click **Next**.

### The Employment - Employer Page Displays

1. In the **Individual Information** section, click the **Name** drop-down list and select **A Recipient**.
2. Click the **When did the circumstance begin or change** text boxes, and enter the **1<sup>st</sup> of last month**.
3. In the **Employer** section, click the **Employer Name** textbox and type **Unknown**.
4. In the **Employment Information** section, click the **employment Start Date** text boxes, and enter **1 year ago today**.
5. In the **Employment Type** section, click the **Job Title** text box and type **Unknown**.
6. Click the **Employment Type** drop-down list and select **Wages, Salaries, Tips, and Commissions**.
7. Click the **Pay Frequency** drop-down list and select **Weekly**.
8. Click the **Is income accessible** drop-down list and select **YES**.
9. Click **Next**.

The **Employment - Pay Details** page displays


**Paycheck – No Verification**

1. In the **Pay Details** section, click the **Reported On** text boxes and type **today's date**.
2. Click the **Pay Type** drop-down list and select **Check**.
3. Click the **Pay Indicator** drop-down list and select **Check**.
4. Click the **Pay Verification** drop-down list and select **Not Verified**.
5. Click the **Pay Date** text boxes and enter **Last Friday**.
6. Click the **Pay Period Hours** text box, type **40**.
7. Click the **Regular Pay Amount** textbox, type **0.00**
8. Click the **Include In projections** drop-down list and select **YES**.
9. Click **Add**.
10. Click **Save and Continue**.

The **Employment – Projection Period** page displays

1. In the **Projection Dates** section, select **projection dates as appropriate**.
2. Click **Save and Continue**.

The **Employment Budget - Summary** page displays



Continue processing the case as normal and run EDBC. At this point a HUMAD should generate for the Income you have requested.

**Help Us Make a Decision (HUMAD)**

Please read each page of this notice carefully.

We need documents that will help us decide if you can start or keep getting Medicaid benefits. These documents are called proofs. You can provide proof(s) in one of the following ways:

- Mail: Income Support Division CENTRAL ASPEN SCANNING AREA P.O. BOX 830  
BERNALILLO NM 87004
- Fax: (855) 804-8960
- Online: <https://www.yes.state.nm.us/>
- In person: NW Bernalillo City ISD Field Office 1041 LAMBERTON ALBUQUERQUE, NM  
87121-1041

Below is a list of proof(s) we need to make a decision about your benefits. If you do not provide proof(s) we may deny or close your benefits.

Name	Type of Information we need	Program	Due Date	Examples of proof(s) that will give us the information we need(Please return one of the following):
Eli Carrera	Earned Income Payment for August 4, 2017	Medicaid	August 22, 2017	Client statement - Reasonably Compatible, Contract/Work Agreement, Employer statement, Reasonable Explanation, Verification of Employment Form, Wage stubs or earnings statements

If you need more time or help getting proof(s), please contact the Income Support Division (ISD) at (800) 283-4465. If you need help, it is the Department's responsibility to help you, providing you are cooperating.

You will receive a receipt for any proof(s) you provide.

## Information is not Reasonably Compatible between the Data Source and the Application/Recertification

Information is not considered reasonably compatible when information reported on the application/recertification and on the data source **does not** match as per the FPL guidelines for the COE. In this instance however, the applicant/recipient has attested to information on the application/recertification and information has been found on the data source that is not compatible with what was reported on the application/recertification.

### Zero Income



When an applicant attests to \$0.00 income on the application this is different than application is left blank. In this instance the applicant/recipient has attested to not having any income. The applicant/recipient could write \$0.00 in the income sections of the application or write something like “none” or “N/A”. In all of these instances they are attesting to \$0.00 income.

**For Example:** A recipient reported that her income is 660.00 biweekly and the data source showed that her income is 800.00 biweekly. Since the income we found in the data source is over the limit for the FPL for a household size of 1, we would ask for additional information from the recipient by sending out a HUMAD.

### ASPEN Coding

When information is not considered reasonably compatible between what the applicant/recipient attested to on the application/recertification and what is found on the data source you will enter the income source into ASPEN using the Earned Income or Unearned Income sections as appropriate and use a verification source of **Client Statement** (not Client statement – reasonably compatible) and allow ASPEN to issue out a HUMAD for the information you could not verify with data sources.

Pay Date	Income Type	Income Amount	Frequency	Include in Projections	Verification	Actual Pay Period Hours	Pay Indicator
07/07/2017	Check	800.00	Bi weekly	YES	Client statement	60.00	Ongoing
07/21/2017	Check	800.00	Bi weekly	YES	Client statement	60.00	Ongoing

### When Information is Reasonably Compatible

Information is considered reasonably compatible when information reported on the application/recertification and on the data source **does** match as per the FPL guidelines for the COE.

**For Example:** A recipient has applied for SNAP and Medicaid and you were able to find income listed in the work number, but it does not match exactly what the recipient has reported. For SNAP purposes you could not verify. However; since the recipient’s income in work number is below the FPL for medicaid for a household of 1, we can use the income found on the application to verify the income for medicaid purposes. In this situation we would use the income found on the application to process the Medicaid and the SNAP should pend for additional verification.

### ASPEN Coding

When information is Reasonably Compatible you will enter the income information found on the **Application/Recertification** and use the verification selection of **Client Statement – Reasonably Compatible**. By making this selection it will enable you to process the Medicaid application and any other COE attached will pend for additional verification.

Pay Date	Income Type	Income Amount	Frequency	Include in Projection	Verification	Actual Pay Period Hours	Pay Indicator
06/30/2017	Check	300.00	Bi weekly	YES	Client statement - Reasonably Compatible	40.00	Ongoing
07/14/2017	Check	300.00	Bi weekly	YES	Client statement - Reasonably Compatible	30.00	Ongoing

Buttons: Reset, Add, Cancel, Previous, + Continue

Medicaid									
EDG #	Individual	COE	Benefit Period	CG Size	EDG Status	Pending Reasons VCL Other	Disposition Status (Overridden)	Disposition Date	
6063356	Mommy, Moco	MAGI Adult	07/01/2017 - 07/31/2017	1	Approved	NA	NA		
6063356	Mommy, Moco	MAGI Adult	08/01/2017 - 08/31/2017	1	Approved	NA	NA		
6063356	Mommy, Moco	MAGI Adult	09/01/2017 -	1	Approved	NA	NA		

SNAP									
EDG #	COE	Benefit Period	Benefit	CG Size	EDG Status	Pending Reasons VCL Other	Disposition Status (Overridden)	Disposition Date	
6063448	SNAP	07/20/2017 - 07/31/2017	0.00	1	Pending	NA	NA		
6063448	SNAP	08/01/2017 - 08/31/2017	16.00	1	Pending	NA	NA		
6063448	SNAP	09/01/2017 -	16.00	1	Pending	NA	NA		

Buttons: Run EDBC, Re-Build EDG, Next

## Reasonable Explanation

Applicant/recipients can provide a reasonable explanation as to why information on the data source differs from their statement. **For Example:** an applicant/recipient applies for Medicaid. The reasonable compatibility standard is used, and it is determined that the information on the data source is higher than the FPL for the applicable Medicaid category, and the applicant's statement is below the FPL for the applicable Medicaid category. A HUMAD is sent to the applicant. The applicant calls CSC and states the reason the income was so high on the data source is due to working more overtime because of the holidays, but it is not the normal pay. The FAA at CSC updates the income verification source with the applicant's statement about the income using the **Reasonable Explanation** dropdown.

Pay Date	Income Type	Income Amount	Frequency	Include in Projections	Verification	Actual Pay Period Hours	Pay Indicator
07/07/2017	Check	660.00	Bi weekly	YES	Reasonable Explanation	80.00	Ongoing
07/21/2017	Check	660.00	Bi weekly	YES	Reasonable Explanation	80.00	Ongoing

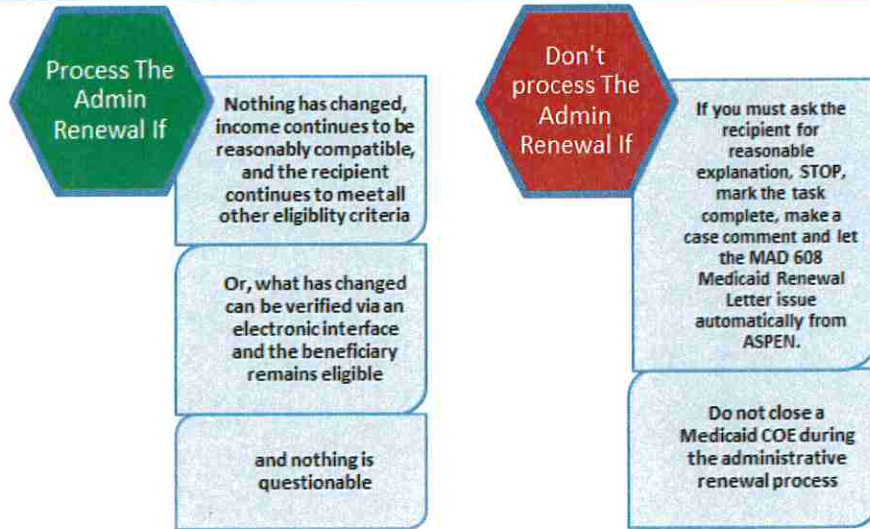
Buttons: Cancel, Previous, + Continue

## Reasonable Compatibility for Administrative Renewals

You will read this section of the chart very similarly to the chart for applications and recertifications. There are two differences however; the left column represents what the recipient last reported either on an application or recertification (this is what we have listed in the income screens in ASPEN) and the second difference is if an Administrative Renewal could not be completed you will 'STOP! Allow the MAD 608 to mail out in 45 days before the end of the certification Period. Once the MAD 608 is provided proceed to table 1'.

Administrative Renewals				
Data Source Information				
Client's last reported information in ASPEN	No Data Source	\$0.00 Income	\$ Income <FPL	\$ Income >FPL
<b>Zero Income Previously listed in ASPEN</b>	Process with no income	Process with no Income	Process with no income	STOP! Allow the MAD 608 to mail out in 45 days before the end of the certification Period. Once the MAD 608 is provided proceed to table 1.
<b>\$0 Income Previously listed in ASPEN</b>	Process with Zero Income	Process as verified with 0.00 income	Process as verified with 0.00 income	STOP! Allow the MAD 608 to mail out in 45 days before the end of the certification Period. Once the MAD 608 is provided proceed to table 1.
<b>\$ Income &lt; FPL Previously listed in ASPEN</b>	STOP! Allow the MAD 608 to mail out in 45 days before the end of the certification Period. Once the MAD 608 is provided proceed to table 1.	Process as verified with income from ASPEN	Process as verified with income from ASPEN	STOP! Allow the MAD 608 to mail out in 45 days before the end of the certification Period. Once the MAD 608 is provided proceed to table 1.





### Examples of Administrative Renewals

1. When income previously reported in **ASPEN is below** the FPL and information found in a data source is also below the FPL, you will process the administrative renewal with the income verified.
2. When income previously reported in ASPEN is less than the FPL and you find income above the FPL, you will **NOT** process the administrative renewal. You will allow the MAD 608 to be mailed out so the recipient can renew Medicaid in their recertification month.
3. When there was **no income** previously listed in ASPEN, but you find income in a data source below the FPL, you will process with **zero income listed in ASPEN**. In this instance you will leave the income section in ASPEN as it was previously with no income.
4. When there was **\$0.00** income previously listed in ASPEN, but you find income below the FPL you will process the administrative renewal with **\$0.00 income in ASPEN**. In this instance you will leave the income section in ASPEN as it was previously with no income.
5. When income previously listed in ASPEN is less than the FPL and you find no income in the data sources, you will **NOT** process the administrative renewal. You will allow the MAD 608 to be mailed out so the recipient can renew Medicaid in their recertification month.