



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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MEDICAID COMMUNICATION NO. 20-04

DATE: April 23, 2020

TO: NJ FamilyCare Eligibility Determining Agencies

SUBJECT: Guidance for Eligibility Determining Agencies - COVID-19 Emergency

EFFECTIVE: March 18, 2020

The Families First Coronavirus Response Act signed into law on March 18, 2020 bars all Medicaid terminations during the course of the public health emergency caused by COVID-19. All individuals enrolled in Medicaid as of March 2020 will have continued benefits, until the last day of the month when this public health emergency is officially ended. Individuals that were scheduled to lose coverage as of March 31, 2020 have been retroactively re-enrolled in their Medicaid health plan and will have continuous coverage until their eligibility is renewed at the end of the emergency. These individuals and any others determined eligible during this crisis must have an extension code 8 added as an identifier within the Medicaid Eligibility System. All individuals scheduled for termination of coverage going forward throughout the crisis will remain covered until their information is renewed at the end of the crisis. This provision does not include individuals who are receiving benefits through the Presumptive Eligibility process; who have moved out of state; or who have voluntarily withdrawn their right to benefits.

The following actions will also apply during the COVID-19 emergency period. These actions are flexibilities permitted in federal regulations during times of public health emergencies. New Jersey is taking these actions due to social distancing requirements and workforce reduction. Additional action and direction to Eligibility Determination Agencies (EDAs) will follow.

- **Delaying renewal processing and action on certain changes in circumstances affecting Medicaid eligibility.** EDAs will focus available staff time on processing new applications during the period of the COVID emergency. For individuals that lost coverage before March 1, post disenrollment renewal requests will be processed accordingly and if determined eligible, will receive the appropriate retro-active re-enrollment.
- **Temporarily suspending adverse actions for individuals for whom the state has completed a determination but not yet sent notice; or who the state believes likely did not receive notice; or for individuals with a change in circumstance during the crisis.** EDAs will not terminate any cases during the period of the COVID emergency. Any cases that should have terminated during the emergency will be renewed within the designated timeframe set forth at the end of the emergency. Please note that this applies only to current beneficiaries as of March 2020 that were due to be terminated on March 31st or later up to the

last day of the month that the emergency officially ends. New applications processed that are not eligible will continue to be denied with fair hearing rights.

- **Delaying scheduling of fair hearings and issuing fair hearing decisions during the COVID-19 crisis.** While cases are still being processed for fair hearings at this time, the emergency has disrupted normal operations throughout State agencies and EDAs. This public health emergency has created unusual circumstances beyond the control of the Division of Medical Assistance and Health Services (DMAHS) so that the time limits found in 42 CFR § 431.244 have been waived until the last day of the month that the emergency officially ends. DMAHS will be working with the Office of Administrative Law to re-establish a hearing process that will protect the safety of all involved.
- **Accepting self- attestation of income when the EDA is unable to verify income electronically.** If the income on the application cannot be verified and it is less than the income standard, the application can be approved without additional information. If income is verified greater than the standard, then the EDA will pursue additional information from the applicant to see if there is a reasonable explanation for the discrepancy.
 - **MLTSS applicants with income higher than the institutional limit are required to establish and fund a Qualified Income Trust (QIT).** If trustees are having difficulty opening a QIT bank account during the emergency period, the EDAs shall contact the DMAHS Office of Eligibility for assistance.
 - **Adopting a higher reasonable compatibility standard.** NJ raised the reasonable compatibility standard from 10% to 25%. This standard is to be used for inconsistencies in income when the self-attested income is at or below the income standard, and the income obtained electronically is above the applicable income standard. Example – The application states that the applicant's income is \$1,050. The income standard is \$1,064. The income is electronically verified at \$1,300. The application is deemed reasonably compatible because the stated income is within 25% of the electronically verified income.
 - **Accepting self-attestation of resources when the EDA is unable to verify resources electronically.** If the applicant/spouse's resources listed on the application cannot be verified and are less than the resource standards, the application can be approved without additional information. If the applicant/spouse's assets are verified greater than the resource standard, then the EDA will pursue additional information from the applicant. Post eligibility resource verifications are federally required.
- **Clinical eligibility waiver for Managed Long Term Services and Supports.** Post eligibility clinical assessments will be permitted through the last day the emergency has officially ended. When financial eligibility is complete, the CWA may add the case to the system without verifying the outcome of the clinical assessment. All post-eligibility clinical assessments will follow the written guidance set forth by the Division of Aging Services.

Further Emergency Guidance:

1. Federal stimulus payments received by Medicaid/CHIP beneficiaries will not be included in countable income and resource calculations for determining eligibility. The stimulus payments will continue to be an excluded resource for an additional 12 months. Federal stimulus payments are considered excluded income when calculating cost share in the post eligibility treatment of income for individuals receiving long-term services and supports.
2. The Federal emergency increases in unemployment insurance payments of \$600 per week, shall be disregarded when determining eligibility for Medicaid/CHIP. These increases may be paid retroactively to January 27, 2020. The monthly portion of unemployment insurance payments made by the State of NJ shall continue to be counted as appropriate for the specific Medicaid/CHIP program.
3. Beneficiaries enrolled in the NJ WorkAbility program will not lose eligibility if they have temporarily lost employment during the COVID-19 emergency.
4. DMAHS is requesting authority through the Medicaid Disaster State Plan Amendment (SPA) to expand Hospital Presumptive Eligibility (PE) to non-MAGI groups in order to expedite hospital discharges and free up beds in response to this emergency. PE applications for non-MAGI groups will be submitted on-line through PE certified hospitals. This will be a temporary process that will expire the last day of the month that the COVID-19 emergency has officially ended. Hospital PE may provide temporary fee-for-service Medicaid coverage for up to 60 days while full eligibility is being determined.
5. Additional flexibilities pending federal approval have been requested through separate Medicaid and CHIP Disaster SPAs and 1115 Waiver amendments.

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Eligibility field staff designated for your agency at 609-588-2556.

JLJ:km

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