

KOLEA Project

Kauwale (community) On-Line Eligibility Assistance System



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Department of Human Services, P.O. Box 339, Honolulu, Hawaii 96808-0339
<http://hawaii.gov/dhs> dhs@dhs.hawaii.gov (808) 586-4997

ACA Coverage Groups

The Affordable Care Act (ACA) consolidates various existing Medicaid groups and creates new Medicaid eligibility groups effective January 1, 2014. The ACA coverage groups will include:

- Parents/caretakers/relatives
- Children under the age of 19 years
- Pregnant women
- Adults aged 19 years and older through age 64

Any individual who is less than age 19 years is considered a child; however, for purposes of determining whether an individual meets the qualifications of a parent/caretaker/relative, the financially responsible person must have a child in the household who is less than 18 years of age. If there are household members who are 19 years and older, provided the household members are not 65 years or older, they may be evaluated to meeting the criteria of adults. The criteria for a pregnant woman remains the same.

The ACA group of parents/caretakers/relatives is essentially the current Section 1931 mandatory group. The children's group is essentially the

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MAGI

In addition to creating new eligibility groups, ACA establishes a new income methodology known as Modified Adjusted Gross Income (MAGI). Similar to the current way of determining income, MAGI considers the household composition (who is in the household) and the household income. The most significant difference between the current and MAGI methodology is that MAGI is based on Internal Revenue Service (IRS) rules for household composition and incomes of the primary taxpayer and all tax dependents. For most families, the household composition under IRS rules is likely to be the same as under current Medicaid rules. There are some differences such as a pregnant woman will count as two people while under IRS rules a pregnant woman is one person.

MAGI is the new income methodology for Medicaid as well as the

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"ACA establishes a new income methodology."

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same as the current Medicaid and CHIP groups. The new ACA adult group will include General Assistance financial recipients, QUEST-Net and QUEST-ACE beneficiaries. There is no change to the category of pregnant women

Foster children are not considered an ACA covered group but will receive Medicaid benefits. There will be no income or asset tests applied to this group. Additionally, any individual "aging out" of foster care will be covered until age 26.

There is no change to Medicaid eligibility criteria for adults aged 65 years and older, individuals with disabilities, special Medicare assistance programs and long-term care services.

"The new eligibility system will take advantage of existing technology to accept and process applications and determine eligibility."

Single, Streamlined Application

States must be able to receive applications via on-line, telephone, in-person, mail and other electronic means as commonly available. There will be no in-person interviews for MAGI eligibility.

In order to minimize the burden on individuals applying for coverage, the application will only require the individual to provide information necessary to make an eligibility determination. As is the current practice for Medicaid, social security numbers are only required for applicants. Non-applicants may provide their SSNs voluntarily. If the household is applying for subsidies with the Exchange, the SSN will be required for the primary taxpayer.

The intention of the online application is to conduct electronic verifications through available data sources. The federal government is establishing a federal hub that will allow states to verify U.S. citizenship, alien status, income and household composition as reported to IRS, incarceration and access to other federal programs such as Tri-Care and veteran benefits. The State will continue its data sharing agreements (e.g., PARIS) and establish a State Hub to obtain data from other state agencies such as the Department of Labor and Industrial Relations (DLIR) to access quarterly wage and unemployment insurance data.

In addition to electronic data sources, except as required by law, the State still has the option of accepting self-attestation from the applicant or an adult in the applicant's household or family or an authorized representative.

More information will follow as the policies and procedures are developed.



MAGI

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Exchange eligibility. Eligibility is first evaluated on MAGI. If an individual is eligible with this methodology, no additional screening is necessary. If the person is not eligible based on MAGI methodology, then Medicaid can use additional information to determine eligibility for other Medicaid eligibility groups. As an example, if an adult applies, is less than age 65, indicates a permanent disability, but does not have SSI or Medicare, he or she will be first evaluated against MAGI rules. If he or she does not qualify for a MAGI group, then the applicant may request that Medicaid evaluate the application for one of the disabled optional groups.

“Eligibility is first evaluated on MAGI.”

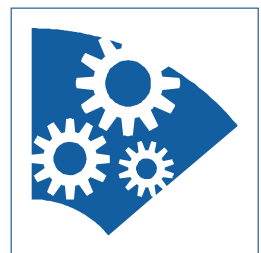
As noted previously, MAGI uses IRS rules for income. The key to remember is that the new calculation is gross income as opposed to net income. There are no disregards except for an across the board 5%. Some income (such as child supports, workers’ compensation, and veteran’s benefits) will no longer be counted while other income (foreign earned income and tax-exempt interest) will be counted.

Finally, assets are not a factor in determining MAGI eligibility. Therefore, asset information will only be collected to determine eligibility for the aged, blind or disabled categories.

HAWI Clean-Up

As many of you know, HAWI is an old system with nearly 25 years of history and information. Just prior to “go-live” on October 1, 2013, the department will convert two years of history into the new system. So, the data must be “cleaned-up” before then in order for the new system to have as accurate information as possible. The contractor will be able to program some conversion to the new system (e.g., start date before birth date in HAWI can be changed to a start date that equals the birth date in the new system), but there are some situations in which the cases must be worked. Below is a sample of these situations:

- Individuals in active in more than one program categories
- Individuals with pseudo Social Security numbers
- Individuals active in more than one case
- Different individuals with the same social security numbers
- Cases in application received



Department of Human Services

P.O. Box 339
Honolulu, HI 96808-339

Phone:
(808) 586-4997

Fax:
(808) 586-4890

E-mail:
dhs@dhs.hawaii.gov