

Implementation Guide: Medicaid State Plan Eligibility Eligibility Groups – Options for Coverage Individuals above 133% FPL under Age 65

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Individuals above 133% FPL under Age 65

POLICY CITATION

Statute: 1902(a)(10)(A)(ii)(XX), 1902(hh)

Regulation: 42 CFR 435.218

BACKGROUND

Overview

This reviewable unit (RU) describes the optional eligibility group for individuals under age 65 with household income above 133% of the federal poverty level (FPL). It provides the income standard established by the state and includes available options regarding the populations covered under this group and a phase-in approach (if applicable).

Individuals Covered

The optional group for individuals under age 65 with income above 133% FPL, which is described at 42 CFR 435.218, codifies the statutory requirements in section 1902(a)(10)(A)(ii)(XX) of the Social Security Act (the Act). This group covers individuals who:

- Are under age 65;
- Are not otherwise eligible for and enrolled in mandatory coverage under the state plan;
- Are not otherwise eligible for and enrolled in optional full Medicaid coverage under the state plan; and
- Have household income that exceeds 133% FPL but is at or below the standard established by the state.

In electing to cover this group, states may extend coverage to all individuals described in section 1902(a)(10)(A)(ii)(XX) of the Act and section A. of the RU. Alternatively, states may choose to limit coverage under this group to specific populations described in section 1905(a) of the Act. Section 1902(a)(10)(A)(ii) of the Act describes most optional Medicaid eligibility groups – of which this group is one – and section 1905(a) of the Act describes the specific populations that may be covered in an eligibility group. Together, these provisions allow states to target an optional group to a specific population, such as pregnant women or individuals under age 21 (or under age 20, 19 or 18). Indeed, the population described in section 1902(a)(10)(A)(ii)(XX) of the Act is itself a population listed at section 1905(a)(xv) of the Act, and is the population that states are electing when they cover all individuals under age 65.

States therefore may extend coverage to all individuals described in section 1902(a)(10)(A)(ii)(XX) of the Act, or exclusively to one or more 1905(a)-based populations. If a state chooses individuals under age 21 (or under age 20, 19 or 18) as a population for coverage under this group, the state may choose to cover all individuals under the specified age who meet the eligibility requirements of this optional group, or the state may choose to cover one or more reasonable classifications of such individuals.

Because financial eligibility for this optional group is based on Modified Adjusted Gross Income (MAGI), states cannot target this group to a section 1905(a) population for which disability is a

condition of eligibility; such populations are exempt from the application of MAGI-based methodologies as described at 42 CFR 435.603(j). Please note that individuals with disabilities may be covered under section 1902(a)(10)(A)(ii)(XX) of the Act, but disability cannot be a condition of eligibility for the group. Similarly, this optional group cannot be targeted to other section 1905(a) populations that are excepted from the application of MAGI.

Income Eligibility

The state establishes an income standard for eligibility under the group for individuals under age 65 with income above 133% FPL, as is described in section 1902(a)(10)(A)(ii)(XX) of the Act and 42 CFR 435.218(b)(1)(iv). There is no maximum income limit, but the income standard must be a percentage of the FPL that exceeds 133% FPL (e.g., 150% of the FPL, 200% of the FPL, or 250% of the FPL).

If a state intends to have an income standard that is an infinite amount for all individuals or a population under this group, which is in practice no income test, the state will need to follow specific instructions below in order to avoid validation errors on this RU.

Options: Income Standard. States may use the same income standard for all individuals covered under section 1902(a)(10)(A)(ii)(XX) of the Act or they may choose to apply different income standards to different section 1905(a) populations.

- If the state covers multiple populations under this group, the state may:
 - Apply the same income standard to all populations; e.g., the state can choose to cover both pregnant women and individuals under age 19 and apply the same income standard of 250% FPL to each population, or
 - Elect a separate income standard for each population; e.g., apply an income standard of 250% FPL for individuals under age 19 and 200% FPL for pregnant women.
- If the state covers all individuals described in section 1902(a)(10)(A)(ii)(XX) of the Act (i.e, the population at 1905(a)(xv)), the state may:
 - Apply a single income standard (e.g., 200% FPL), or
 - Apply a single income standard generally (to the population described at 1905(a)(xv)), and apply a higher income standard to one or more section 1905(a) populations (e.g., establish an income standard of 200% FPL for individuals eligible under this group in general, and apply an income standard of 250% FPL to the populations of pregnant women and children). When a state elects this option, the income standard applied to the targeted populations must be higher (not lower) than the standard applied to the general group.

MAGI-based income methodologies are used to determine eligibility for this eligibility group. Separate RUs, **MAGI-Based Methodologies** (for states) and **MAGI-Based Methodologies – Territories** (for territories), describe the methodologies used by the state or territory. If the state/territory wishes to make a change to its MAGI-based income methodologies, it must amend one of these RUs.

Other Requirements

In addition to meeting the income standard for the group for individuals with income above 133% FPL, eligible individuals must be:

- Under age 65, and
- Not otherwise eligible for and enrolled in Medicaid under a mandatory group or another optional group that provides full coverage.

This group differs from the adult group, in that pregnant women and individuals eligible for Medicare are not excluded from coverage. In addition, children may be covered under this group if the income standard exceeds the standard for coverage in the mandatory group for infants and children under age 19.

The requirement that parents and other caretaker relatives ensure that their dependent children are enrolled in coverage, which is described for the adult group at 42 CFR 435.119(c), also applies to eligibility for this group. Specifically, a state may not provide Medicaid under this eligibility group to a parent or other caretaker relative living with a dependent child unless the child is receiving coverage under Medicaid or CHIP, or is otherwise enrolled in “minimum essential coverage” as defined in 42 CFR 435.4. For purposes of this requirement, a dependent child is an individual under age 19 (i.e., up to and including age 18) who is living with the parent or other caretaker relative. Caretaker relative has the meaning provided in accordance with the state’s election under the definition provided in 42 CFR 435.4 (i.e., the same meaning as applied by the state in determining eligibility for coverage 42 CFR 435.110). In states that, as of March 23, 2010, had elected to provide Medicaid to all individuals up to age 20 or 21 under section 1902(a)(10)(A)(ii)(I) of the Act and 42 CFR 435.222 (the reasonable classification of children group), a dependent child for purposes of this requirement includes an individual up to such age as the state has elected (age 20 or 21) who is living with the parent or other caretaker relative.

Phase-in

States may elect to cover all individuals eligible under this group at once, or may phase-in coverage over time, in accordance with section 1902(hh) of the Act. States choosing to phase-in coverage must indicate the basis of the phase-in of coverage: by population; by household income; or by geographic area. States may include multiple phases, each with its own implementation date, and when ready, the state would provide the final target date for the completion of the phase-in process.

REVIEWABLE UNIT DEPENDENCIES

Many RUs in MACPro are dependent upon other RUs. Each time you change a primary RU, there could be an effect on other, secondary RUs which are dependent on the primary. For example, in the **Mandatory Eligibility Groups** RU, there is question as to whether the state covers the Adult Group. If **Yes** is selected, and if a box is checked to include the Adult Group in the submission package, then the **Adult Group** RU will be included by the system in the package and the user can navigate to it to complete it. If **No** is selected, the **Adult Group** RU will not be included in the package. In this example, the **Mandatory Eligibility Groups** RU is the **Primary RU** and the **Adult Group** RU is the **Secondary RU**. The **Adult Group** RU is considered to be dependent on selections made in the **Mandatory Eligibility Groups** RU.

Whenever a change in a primary RU may affect a secondary RU, you either need to revise the secondary RU (if it is already in the package) or add the secondary RU to the package so that it can be updated in the same submission package as the primary RU.

The following table explains the dependent relationships for the **Individuals above 133% FPL under Age 65** RU:

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
Mandatory Eligibility Groups	Individuals above 133% FPL under Age 65	Unless the Mandatory Eligibility Groups RU (primary) has either been approved in MACPro or is included, completed and validated in the submission package, the Individuals above 133% FPL under Age 65 RU (secondary) cannot be displayed.	If the secondary RU will not display because the primary RU is neither approved in MACPro nor included in the package, you need to: • Add the primary RU to the package, complete it and validate it. • Alternatively, remove the secondary RU from the package.
Mandatory Eligibility Groups	Individuals above 133% FPL under Age 65	In section B of the Mandatory Eligibility Groups RU (primary), if No has been selected to <i>The state elects the Adult Group, described at 42 CFR 435.119, Yes</i> may not be selected at C.1. in the Individuals above 133% FPL under Age 65 RU (secondary), or the secondary RU will not pass validation.	If you do not cover the adult group in the primary RU, you cannot elect to cover all populations in the secondary RU and must select No at C.1. • Instead, you must indicate which populations you cover at C.2.
Individuals above 133% FPL under	Individuals above 133%	Unless the Individuals above 133% FPL under Age 65 RU (primary) has either been	If the secondary RU will not display because the primary RU is neither approved in

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
Age 65	FPL under Age 65 – Presumptive Eligibility	approved in MACPro or is included, completed and validated in the submission package, the Individuals above 133% FPL under Age 65 – Presumptive Eligibility RU (secondary) cannot be displayed.	MACPro nor included in the package, you need to: • Add the primary RU to the package, complete it and validate it. • Alternatively, remove the secondary RU from the package.
Individuals above 133% FPL under Age 65	Individuals above 133% FPL under Age 65 – Presumptive Eligibility	In section C of the Individuals above 133% FPL under Age 65 RU (primary), if Yes is selected at C.1. , sections A through D of the Individuals above 133% FPL under Age 65 – Presumptive Eligibility RU (secondary) will be displayed only once. If No is selected at C.1. in the primary RU, sections A through D of the secondary RU will be displayed for each population selected at C.2. in the primary RU.	• Complete the secondary RU once for all individuals covered in the primary RU or multiple times, for each population selected in the primary RU. • If the selection in the primary RU changes with respect to whether all individuals are covered or which populations are covered, add the secondary RU to the package and update it accordingly.

INSTRUCTIONS

A. Characteristics

There are a series of statements (**A.1. through A.4.**) describing the characteristics of individuals who qualify for this eligibility group.

B. Financial Methodologies

There is a statement that MAGI-based methodologies are used in calculating household income for this eligibility group. A separate RU, **MAGI-Based Methodologies (or MAGI-Based Methodologies-Territories)**, describes the MAGI-based methodologies used by the state.

If you wish to view the state's methodologies, select the ***View approved version of MAGI-Based Methodologies*** link.

- The **MAGI-Based Methodologies** RU will appear if there is an approved version in the MACPro system.
- If there is no approved version of the RU in MACPro, a screen will appear with the following message: "There is no approved version of this reviewable unit in MACPro available to display."
- Select the ***Individuals above 133% FPL under Age 65*** link to return to the **Individuals above 133% FPL under Age 65** RU.

C. Individuals Covered

At **C.1.**, select **Yes** or **No** to indicate if the state covers all individuals who meet the characteristics in section **A**.

Screen Validation: If **Yes** is selected at **C.1.** and **No** is selected to ***The state elects the Adult Group*** in the **Mandatory Eligibility Groups** RU, the following message will be displayed: "In order to cover all individuals described in section A, you must cover the Adult Group."

Screen Validation: If there is an approved version of this RU in MACPro and the value at **C.1.** is changing from **Yes** to **No** or **No** to **Yes** and there is an approved version of the **Individuals above 133% FPL under Age 65 – Presumptive Eligibility** RU, an updated version of the presumptive eligibility RU must be included in the submission package. The following message will be displayed if the presumptive eligibility RU is not included in the submission package: "You must include Individuals above 133% FPL under Age 65 – Presumptive Eligibility in this submission."

- If **No** is selected at **C.1.**, at **C.2.**, select one or more of the five options to describe the individuals who are covered in this RU.
 - If **C.2.a. All Children under a specified age limit** is selected, select one of the four options to indicate the age of the children covered.
 - If **C.2.b. Reasonable classifications of children** is selected:
 - Enter the name of the reasonable classification of children and a description in the text boxes provided.

Screen Validation: Each name entered here and any entered below in **Other** at **C.2.e.** must be different from all other names entered.

- To add additional classifications of children, select the + **Add Population** link.
- To remove a classification of children,
 - If there is only one classification, uncheck the **Reasonable classifications of children** box
 - If there is more than one classification, select the – **Remove population** link associated with the population to be removed.
- If **C.2.c. Parents and other caretaker relatives...** is selected, you may view the **Parents and Other Caretaker Relatives** RU, by selecting the **View approved version of Parents and Other Caretaker Relatives** link.
 - The **Parents and Other Caretaker Relatives** RU will appear if there is an approved version in the MACPro system.
 - If there is no approved version of the RU in MACPro, a screen will appear with the following message: “There is no approved version of this reviewable unit in MACPro available to display.”
 - Select the **Individuals above 133% FPL under Age 65 link** to return to the **Individuals above 133% FPL under Age 65** RU.
- If **C.2.e. Other** is selected:
 - Provide the name of the population and a description in the text boxes provided.

Screen Validation: Each name entered here and any entered above for **Reasonable classifications of children** at **C.2.b.** must be different from the other names.
 - To add additional populations, select the + **Add Population** link.
 - To remove a population:
 - If there is only one population, uncheck the **Other** box
 - If there is more than one population, select the – **Remove population** link associated with the population to be removed.

Screen Validation: If there is an approved version of this RU in MACPro, and any of the options at **C.2.** is changing, and there is approved version of the **Individuals above 133% FPL under Age 65 – Presumptive Eligibility** RU, an updated version of the presumptive eligibility RU must be included in the submission package. The following message will be displayed if the presumptive eligibility RU is not included in the submission package: “You must include Individuals above 133% FPL under Age 65 – Presumptive Eligibility in this submission.”

D. Income Standard Used

At **D.1.**, select **Yes** or **No** to indicate if the same income standard is used for all individuals covered.

- If **Yes**, at **D.2.**, enter the income standard as a % of FPL in the text box provided.

Screen Validation: The % entered must be greater than 133%.

Note that for all individuals and for populations to which the state intends to apply no income test based on an infinite income standard, enter 1000% in the FPL field. See additional instructions below at **G. Additional Information**.

- If **No**, and you entered **Yes** at **C.1.** to indicate coverage of all individuals in the group:
 - At **D.2.**, enter the income standard as a % of FPL for those individuals covered at the lowest % FPL.
Screen Validation: The percentage entered must be greater than 133%.
 - At **D.3.**, categories of populations will be displayed for selection to indicate that the income standard for one or more of the populations is higher than the standard indicated at **D.2.** Select one or more populations that use a higher income standard.
 - If **D.3.a. All children under a specified age limit** is selected:
 - Select one of the four options to indicate the age of the children covered.
 - Enter the income standard as a % of FPL in the text box provided.
Screen Validation: The percentage entered must be greater than that entered at **D.2.**
 - If **D.3.b. Reasonable classifications of children** is selected:
 - Enter the name of the classification and a description in the text boxes provided.
Screen Validation: Each name entered here and any entered below in **Other** at **D.3.e.** must be different from all other names entered.
 - Enter the income standard as a % of FPL for each classification in the text box provided.
Screen Validation: The % entered must be greater than that entered at **D.2.**
 - To add additional classifications of children, select the + **Add population** link.
 - To remove a classification:
 - If there is only one classification, uncheck the **Reasonable classifications of children** box.
 - If there is more than one classification, select the – **Remove population** link associated with the name of the classification to be removed.
 - If **D.3.c. Parents and other caretaker relatives...** is selected:
 - Enter the income standard as a % of FPL in the text box provided.
Screen Validation: The % entered must be greater than that entered at **D.2.**
 - If **D.3.d. Pregnant Women** is selected:
 - Enter the income standard as a % of FPL in the text box provided.
Screen Validation: The % entered must be greater than that entered at **D.2.**

- If **D.3.e. Other** is selected:
 - Provide the name of the population and a description in the text boxes provided.
Screen Validation: Each name entered here and any entered above for **Reasonable classifications of children** at **D.3.b.** must be different from the other names entered.
 - Enter the income standard as a % of FPL in the text box provided.
Screen Validation: The % entered must be greater than that entered at **D.2.**
 - To add additional **Other** populations, select the + **Add Population** link.
 - To remove a population,
 - If there is only one population, uncheck the **Other** box
 - If there is more than one population, select the – **Remove population** link associated with the population to be removed.
 - To display a table with the names of each group and the income standards entered, select the **View Table** button at the bottom of the D.3. selections.
 - To edit the information in the table, select the **Edit Table** button and modify any of the information. To return to the table, select the **View Table** button.
- If **No** at **D.1.**, and you entered **No** at **C.1.** to indicate coverage of only some individuals in the group:
 - At **D.2.**, the populations selected in **C.2.** will be displayed.
 - Enter the income standard as a % of FPL in the text box provided for each population.
Screen Validation: The % entered must be greater than 133%.

E. Coverage of Dependent Children

Select **E.1.** or **E.2.** to indicate under what age children must be enrolled in minimum essential coverage for their parents to be covered under this group.

- If **E.2.** is selected, select either **E.2.a.** or **E.2.b.**

F. Phase-In

- Select **Yes** or **No** to indicate if the state is phasing in coverage under this eligibility group.
- If **Yes** is selected:
 - There is a statement at **F.1.** indicating that the phase-in plan must be reasonable and may not provide Medicaid to higher income individuals without providing Medicaid to lower income individuals.
 - To enter a phase, select the **Add Phase** button.
 - *Screen Validation:* At least one phase must be entered.
 - The **Add or Edit Phase** screen will be displayed with the phase labeled as
 - **Phase 1** for the first phase entered, **Phase 2** for the second phase, etc.

- Select one of the three options presented to indicate if the phase-in will be by **By population**, **By household income**, or **By geographic area**.
 - If **By population** is selected, select one or more of the five options to indicate which populations will be phased-in.
 - If **All children under a specified age limit** is selected, select one of the four options to indicate the age of children to be phased-in.
 - If **Reasonable classifications of children** is selected:
 - Enter the name of the population and a description in the text boxes provided.
 - To add additional classifications of children, select the + **Add population** link.
 - To remove a population,
 - If there is only one population, uncheck the **Reasonable classifications of children** box.
 - If there is more than one population, select the – **Remove population** link associated with the population to be removed.
 - If **Other** is selected:
 - Provide the name of the population and a description in the text boxes provided.
 - To add additional **Other** populations select the + **Add population** link.
 - To remove a population,
 - If there is only one population, uncheck the **Other** box
 - If there is more than one population, select the – **Remove population** link associated with the population to be removed.
 - If **By household income** is selected, enter the % of FPL to indicate individuals with income up to and including this level will be included in this phase.
Screen validation: The % entered must be greater than 133%.
 - If **By geographic area** is selected, select one of the four options to indicate the type of geographic area that will be used for the phase-in.
 - If **By county** is selected:
 - Begin typing the name of each county in the text box that is provided.
 - The names of any potentially matching counties will appear below the text box.
 - Select the county and it will be entered in the text box.
 - To remove a county, select the **X** next to the county name.
 - If **By Region** is selected, enter the names of the regions in the text box provided.

- If **By city/municipality**, enter the names of the cities or municipalities in the text box provided.
 - If **Other geographic area** is selected, describe the other geographic area or areas in the text box provided.
- Enter any additional information about this phase in the **Additional description of the Phase** text box. This is an optional field.
- Enter the **Implementation Date** of this phase in the text box provided.
- Upload one or more documents pertinent to this phase. This is optional. Any documents uploaded will become part of the approved state plan.
- Select the **Save Phase** button. The **Phase Title**, **Phase Criterion**, **Criterion Choice**, and **Implementation Date** of the Phase will display in a table in the **Individuals above 133% under 65 RU**.
- To add additional phases, select the **Add Phase** button and repeat the above steps to complete the descriptions of the additional phases.
- At **F.2.**, enter the target date by which all individuals will be covered. This would be done only when the final target date is known.

G. Additional Information (optional)

Except in limited circumstances, this field remains blank. Please consult with CMS before adding any additional information concerning this RU.

For all individuals and populations to which the state intends to apply no income test and has entered 1000% in the FPL field, enter an explanation in this field to describe that: Notwithstanding the income standard used in **D.** above, the income standard used for the group/population is an infinite level, meaning that there is no income test for the group/population.

REVIEW CRITERIA

The descriptions of any reasonable classifications of children entered at C.2.b. and D.3.b. or other populations entered at C.2.e and D.3.e. must be in sufficient detail so that the reviewer can understand the specific individuals who are covered by the classification. Also, specific populations covered by this reviewable unit are limited to those defined in section 1905(a) of the Act.

The Phase-In Plan described in section F. must be reasonable and not provide coverage to higher income individuals before providing coverage to lower income individuals.

If Phase-In is being done by population and Reasonable classifications of children or Other are selected as a phase-in population, the description of the population on the Add or Edit Phase screen must be in sufficient detail so that the reviewer can understand the specific individuals who are included in the phase.