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# Scenarios: The Intersection of Continuous Eligibility and Individual Level Renewal Processes

October 2023

# State Options for Operationalizing Renewal Determinations When New Information is Reported

**Issue:** In a state with 12-months continuous eligibility, at redetermination, a child is initially determined eligible via an *ex parte* review, and the parent/caretaker relative subsequently provides new information that could impact the child's eligibility.

**Approach:** A state may pursue one of two options for how to process the new information that is provided by the parent/caretaker relative.

## **Option 1: Hold the final determination of eligibility for the child until the parent's eligibility determination is made.**

- Information submitted by the parent *before* the beginning of the child's new continuous eligibility period is considered part of the child's renewal.
- The child must remain enrolled through their current continuous eligibility period.
- If information establishes that child no longer meets eligibility requirements, the child may be found ineligible and disenrolled at the end of the 12-month eligibility period. Advance notice and appeal rights must be provided.

## **Option 2: Treat the *ex parte* determination as a final determination effective following the end of the current coverage and CE period.**

- Information submitted by the parent after the child's *ex parte* determination does not affect ongoing eligibility for the child.
- Once a child is found eligible via the *ex parte* process, that decision is final.
- The child's new 12-month continuous eligibility period will not begin until the current 12-month period is over.

# Scenario: Family of 2 with Parent and Child



## Household and State Profile



**Susan**  
*Parent, Age 35*



**Marco**  
*Child, Age 4*

- Susan (age 35) lives with her child, Marco (age 4).
- Susan and Marco each have a Medicaid MAGI household of 2, consisting of each other. Their current renewal dates are aligned.
- Their state's MAGI Medicaid eligibility threshold for adults is 133% of the FPL.
- Their state's MAGI Medicaid eligibility threshold for children is 210% of the FPL; the separate CHIP eligibility threshold is 250% of the FPL.
- Their state has 12-months continuous eligibility in place for children.

# Scenario: *Ex Parte* Review

## Marco Can Be Renewed *Ex Parte*, Information Needed for Susan

State initiates renewal for all individuals in the household by beginning the *ex parte* process.  
The available data and reliable information show household income is 200% of the FPL.



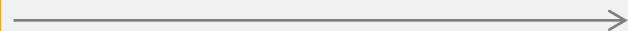
Marco

200% FPL is **below** the state's child Medicaid eligibility level of 210% FPL.

Marco continues to be eligible for Medicaid.



Marco's coverage could be renewed based on the *ex parte* determination.



Susan

200% FPL is **above** the state's MAGI adult Medicaid eligibility level of 133% FPL.

Susan's coverage cannot be redetermined *ex parte*.



Additional information is needed to renew Susan's eligibility.

Action is needed to continue Susan's coverage.



The state must send a prepopulated renewal form requesting the additional information needed to determine Susan's eligibility.

The renewal form should only ask for the minimum information required to determine Susan's eligibility.



See Next Slides for Eligibility Determination Outcomes Under Options 1 and 2

# Option 1: Hold the Final Redetermination

## Susan Returns the Form, Information May Impact Marco's Eligibility



Marco

The information returned on Susan's renewal form may impact Marco's eligibility (i.e., household income above the state's child Medicaid and CHIP eligibility levels).

Under Option 1, the state acts on the updated information and redetermines Marco's eligibility to determine whether he is eligible for a new 12-month continuous eligibility period.

The verified household income provided by Susan is 300% FPL, which is **above** the state's child Medicaid eligibility level of 210% FPL.

The state considers other bases of eligibility, but determines Marco is ineligible for Medicaid. Marco remains eligible for the remainder of his current 12-month continuous eligibility period.



State must provide to both Marco and Susan the minimum 10 days advance notice and fair hearing rights before Medicaid coverage is terminated.

The state transfers Susan and Marco's account to the Marketplace.



Susan



State sends renewal form.\* Susan timely completes and returns the renewal form, prior to the end of the 12-month eligibility period.

Susan completes and returns the renewal form with income documentation that verifies the household income is 300% FPL, which is **above** the state's adult Medicaid eligibility level of 133% FPL.

Susan is not eligible on another basis and is determined ineligible.

**Notice Considerations:** A state adopting this approach should wait until eligibility has been determined for the entire household to send a final determination notice. This approach avoids potential confusion caused by conflicting information in notices, if a child is found ineligible after the initial *ex parte* decision.

\*The renewal form should only ask for the minimum information required to determine Susan's eligibility.

# Option 2: Treat the *Ex Parte* Determination as Final

## Susan Returns the Form, Information Does Not Impact Marco's Eligibility



Marco



Marco's coverage is renewed based on the *ex parte* determination.



Under Option 2, the information returned on Susan's renewal form does not impact Marco's eligibility even though such information is above the Medicaid and CHIP eligibility child eligibility levels.

Under this option, once the child is found eligible via the *ex parte* process, that decision is final. Marco will receive another 12-months continuous eligibility, beginning the month after the last month of his current CE period.



The state can either:

- (1) Send an individual eligibility determination notice for Marco; or
- (2) Wait until the state has enough information to determine Susan's eligibility and send a single eligibility determination notice for the household, including both Marco and Susan's coverage determinations.



State must provide Susan with the minimum 10 days advance notice and fair hearing rights before Medicaid coverage is terminated.

The state transfers Susan's account to the Marketplace.



Susan

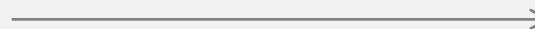


State sends renewal form.\* Susan completes and returns the renewal form.



Susan completes and returns the renewal form with income documentation that verifies the household income is 300% FPL, which is **above** the state's adult Medicaid eligibility level of 133% FPL.

Susan is not eligible on another basis and is determined ineligible.



\*The renewal form should only ask for the minimum information required to determine Susan's eligibility.

# Under Both Options 1 and 2:

## Susan Does Not Return the Form Within the Required Timeframe and Submits Her Information During the 90-Day Reconsideration Period



Marco



Marco's coverage was renewed based on an *ex parte* determination.



The information returned on Susan's renewal form does not impact Marco's eligibility even though such information is above the Medicaid and CHIP eligibility levels because the information was received after the start of Marco's 12-months continuous eligibility period.\*



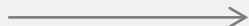
State must provide Susan with notice of her eligibility determination and fair hearing rights.



Susan

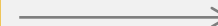


State sends renewal form.  
Susan does not return the renewal form prior to the end of the 12-month eligibility period and is disenrolled from coverage.



Susan responds to the state during the 90-day reconsideration period and reports that her household income is 300% FPL, which is above the state's adult Medicaid eligibility level of 133% FPL.

Susan is not eligible on another basis and is determined ineligible.



The state transfers Susan's account to the Marketplace.

\*If the information that Susan provided would be beneficial to Marco then the state would need to act on the information as a change in circumstances. For example, if under a different scenario, Marco was enrolled in CHIP and the information provided by Susan would make Marco eligible for Medicaid, the state would need to move Marco from CHIP to Medicaid.