

Implementation Guide: Medicaid State Plan Eligibility Family Opportunity Act Children with a Disability

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Family Opportunity Act Children with a Disability

POLICY CITATION

Statute: 1902(a)(10)(A)(ii)(XIX) and 1902(cc)

BACKGROUND

Overview

This reviewable unit (RU) describes the Medicaid eligibility group for children with a disability who have family income that does not exceed a standard established by the state. It provides the criteria under which individuals may be covered under this group and the income standard used.

The Family Opportunity Act Children with a Disability group is one of four eligibility groups collectively called the “buy-in” groups, due to the greater flexibility states have to charge premiums against individuals seeking eligibility in these groups compared to other groups.

The buy-in groups are:

- Work Incentives
- Ticket to Work Basic
- Ticket to Work Medical Improvements
- Family Opportunity Act Children with a Disability

Each of the buy-in groups has its own eligibility requirements. States may apply less restrictive income and resource counting methodologies to any of these groups, using section 1902(r)(2) authority. And 209(b) states may apply their more restrictive methodologies to these groups.

Characteristics

The Family Opportunity Act Children with a Disability group is an optional eligibility group established by section 1902(a)(10)(A)(ii)(XIX) and 1902(cc) of the Social Security Act (the Act). This eligibility group covers individuals who:

- Are age 18 or younger;
- Meet the SSI program’s definition of disability for a child; and
- Have family income that does not exceed the income standard established by the state.

There is no resource test for eligibility under this group. Additionally, while states may establish an income standard above 300 percent federal poverty level (FPL), federal financial participation (FFP) is not available for individuals whose income exceeds 300 percent FPL.

Disability

Eligibility for the Family Opportunity Act Children with a Disability group is not limited to individuals who are, or have been, an SSI recipient. However, if an individual has not been determined by the Social Security Administration (SSA) or state Medicaid agency to have a disability, the state must ensure that the individual meets the SSI definition of disability for a child, as described at section 1614(a)(3)(C) of the Act, except that any income or asset eligibility

requirements are not factored into this determination. If a 209(b) state elects to apply its more restrictive eligibility criteria to this group, and those criteria include a more restrictive definition of disability, the more restrictive definition may be applied when determining eligibility for the Family Opportunity Act Children with a Disability group, except that the state should, like the SSI-based states, not factor into this determination any income or asset eligibility requirements.

Financial Methodologies

SSI income methodologies are used to determine financial eligibility for the Family Opportunity Act Children with a Disability group. A separate RU, **Non-MAGI Methodologies**, describes the methodologies used by the state, and more information about the methodologies can be found in the implementation guide that accompanies that RU. 209(b) states may apply their more restrictive income counting requirements when determining eligibility for this group.

Financial eligibility for this group is based on a percentage of the FPL for a family of the size involved. States have flexibility in how they define a family for this purpose. As one example, a state could choose to consider a 16 year-old individual with a disability, who is living with his parents and two younger siblings, to be in a family of five. Only the income of the individual and the individual's parents would be counted, due to Medicaid's deeming rules, described in 42 C.F.R. §435.602, which permit only a spouse's or parent's income to be included in a non-MAGI income eligibility determination. However, even though their income (if any) would not be included, the siblings could be included in the family size when comparing family income to 300 percent of the FPL. Family size is defined for this purpose in the **Non-MAGI Methodologies** RU.

Option: Less Restrictive Methodologies. When determining family income, states may apply less restrictive methodologies under section 1902(r)(2) of the Act. Additional information on less restrictive income counting methodologies can be found in the implementation guide that accompanies the **Less Restrictive Income Methodologies under 1902(r)(2)** screen.

Income Standard

Each state establishes its own income standard for eligibility under the Family Opportunity Act Children with a Disability group. States have flexibility in establishing the income standard and may elect to have no income standard at all. There is no resource test for this eligibility group.

Section 1902(cc)(1)(C) of the Act allows states to extend eligibility to individuals "whose family income does not exceed such income level as the State establishes." However, if a state establishes an income standard that exceeds 300 percent of the FPL for a family of the size involved, including establishing no income standard, FFP is not available for individuals whose family income exceeds 300 percent FPL.

Employer-Based Health Coverage

As described at 1902(cc)(2)(A) of the Act, states must require the parents of children eligible for the Family Opportunity Act Children with a Disability group to enroll in family coverage offered through an employer based group health plan, provided that:

1. The parent is determined eligible for such coverage;
2. The plan qualifies under section 2791(a) of the Public Health Service Act; and

3. The employer contributes at least 50 percent of the total cost of annual premiums for such coverage.

States may pay for any portion (or all) of the premium required to enroll an eligible child into employer-sponsored coverage. Any portion of the premium, which is paid by a state, is considered to be medical assistance. And when such coverage is obtained for an eligible child, the employer-sponsored health plan is treated as a third party resource.

REVIEWABLE UNIT DEPENDENCIES

Many RUs in MACPro are dependent upon other RUs. Each time a primary RU is changed, 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 a 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 **Family Opportunity Act Children with a Disability** RU.

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability	Family Opportunity Act Children with a Disability	<u>For States Only:</u> Unless the Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability RU (primary) has either been approved in MACPro or is included, completed and validated in the submission package, the Family Opportunity Act Children with a Disability 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: <ul style="list-style-type: none"> • Add the primary RU to the package, complete it and validate it. • Alternatively, remove the secondary RU from the package.
Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability	Family Opportunity Act Children with a Disability	<u>For States Only:</u> The selection of 209(b) State , or SSI Criteria or 1634 State as the basis for the eligibility determination in section A of the Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability RU (primary) affects the requirements displayed in section B of the Family Opportunity Act Children with a Disability RU	<ul style="list-style-type: none"> • You must complete, save and validate the primary RU before you can complete the secondary RU. • Once the primary RU is approved in MACPro, it does not have to be included again in a submission package unless the basis changes, in which case the secondary RU also has to be included again.

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
		(secondary) with respect to financial methodologies.	

INSTRUCTIONS

Where there are unique instructions for a 1634, SSI Criteria, or 209(b) state, or for a territory, the reader will be directed to the appropriate instructions.

A. Characteristics

There are three statements describing the characteristics of this eligibility group.

B. Financial Methodologies

For 1634 States and SSI Criteria States

- At **B.1.**, there is a statement that SSI methodologies are used in calculating household income for this eligibility group. A separate RU, **Non-MAGI Methodologies**, describes the Non-MAGI methodologies used by the state.

If you wish to view the approved methodologies, select the *View approved version of Non-MAGI Methodologies* link.

- The **Non-MAGI 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 *Family Opportunity Act Children with a Disability* link to return to the **Family Opportunity Act Children with a Disability** RU.
- At **B.2.** indicate *Yes* or *No*, if less restrictive methodologies are used in calculating countable income.
 - If *Yes* is selected, select the *Add/Modify Less Restrictive Methodologies* button.
 - When you have completed these screens, the less restrictive methodologies selected will be inserted into the **Family Opportunity Act Children with a Disability** RU. (See the implementation guides, **Less Restrictive Income Methodologies – Selection** and **Less Restrictive Income Methodologies** for how to complete these screens.)

For 209(b) States

- Select one of the two options (**B.1.** or **B.2.**) to indicate if SSI methodologies are used in calculating household income or if more restrictive requirements than SSI apply to this group.
 - If **B.1. SSI methodologies are used in calculating household income** is selected, there is a statement that the Non-MAGI methodologies are described in the **Non-MAGI Methodologies** RU.

If you wish to view the approved methodologies, select the *View approved version of Non-MAGI Methodologies* link.

- The Non-MAGI 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 *Family Opportunity Act Children with a Disability* link to return to the **Family Opportunity Act Children with a Disability** RU.
- If **B.2. More restrictive requirements than SSI are used in calculating countable income** is selected, there is a statement that the more restrictive requirements are described in the **More Restrictive Requirements than SSI under 1902(f) – (209(b) States)** RU.

If you wish to view the more restrictive requirements:

- If the **More Restrictive Requirements than SSI under 1902(f) – (209(b) States)** RU is included in this submission package, select the *View current version of More Restrictive Requirements than SSI under 1902(f) – (209(b) States)* link to view the version included in this package.
- If the **More Restrictive Requirements than SSI under 1902(f) – (209(b) States)** RU is not included in the package, select the *View approved version of More Restrictive Requirements than SSI under 1902(f) – (209(b) States)* link to view the approved version.
- The appropriate **More Restrictive Requirements than SSI under 1902(f) – (209(b) States)** RU will appear for viewing.
- Select the *Family Opportunity Act Children with a Disability* link to return to the **Family Opportunity Act Children with a Disability** RU.
- At **B.3.** indicate *Yes* or *No*, if less restrictive methodologies are used in calculating countable income.
 - If *Yes* is selected, select the *Add/Modify Less Restrictive Methodologies* button.
 - When you have completed these screens, the less restrictive methodologies selected will be inserted into the **Family Opportunity Act Children with a Disability** RU. (See the implementation guides, **Less Restrictive Income Methodologies – Selection** and **Less Restrictive Income Methodologies** for how to complete these screens.)

For Territories

- At **B.1.** select one of the three options (**B.1.a.** through **B.1.c.**) to indicate the methodology used in calculating countable income. There is a statement that the Non-MAGI methodologies are described in the **Non-MAGI Methodologies** RU.
 - If you wish to view the approved methodologies, select the *View approved version of Non-MAGI Methodologies* link.
 - The Non-MAGI 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 *Family Opportunity Act Children with a Disability* link to return to the **Family Opportunity Act Children with a Disability** RU.
- At **B.2.** indicate *Yes* or *No*, if less restrictive methodologies are used in calculating countable income.
 - If *Yes* is selected, select the *Add/Modify Less Restrictive Methodologies* button.
 - When you have completed these screens, the less restrictive methodologies selected will be inserted into the **Family Opportunity Act Children with a Disability** RU. (See the implementation guides, **Less Restrictive Income Methodologies – Selection** and **Less Restrictive Income Methodologies** for how to complete these screens.)

C. Income Standard Used

Select one of the three options (**C.1.** through **C.3.**) to indicate the income standard for this group.

- If **C.3. *Other percent of FPL*** is selected, enter the percentage in the text box provided.
Screen validation: If an amount higher than 300% is entered, you will see a message that FFP is available only for individuals with income below 300% FPL.

D. Resource Standard Used

There is a statement that there is no resource test for this eligibility group.

E. Premium and Cost Sharing

There is a statement that requirements for premiums and cost sharing for this group are found in the premium and cost sharing sections of the state plan.

F. Employer-Based Health Coverage

There are two statements describing the requirements for employer-based health coverage and premium assistance.

G. Additional Information (Optional)

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

REVIEW CRITERIA

The less restrictive methodologies entered must be sufficiently clear, detailed and complete to permit the reviewer to determine that the state’s description meets applicable federal statutory, regulatory and policy requirements.