H-2300 FAMILY OPPORTUNITY ACT MEDICAID BUY- IN PROGRAM

H-2310 GENERAL INFORMATION

On October 1, 2007, the Family Opportunity Act Buy-In Program (FOA) was implemented to cover children with disabilities up to age 13, and family gross income at or below 300 percent of the Federal Poverty Income Guidelines (FPIG).

Effective October 1, 2008, the program expanded to include children with disabilities up to age 19. When applicable deductions are applied this makes the family gross income limit effectively at or below 300 percent of the FPIG.

Families wishing to enroll their child(ren) with disabilities in the program are required to take employer-offered insurance when it is available, and when the following conditions apply:

- The coverage is under a group health plan; and
- The employer contributes at least 50 percent of the total annual premium.

Applicants/beneficiaries are eligible for the full range of Medicaid covered services.

In FOA, a person is only required to obtain/maintain creditable coverage. For instance, if a person has coverage and it is no longer creditable, the coverage may be dropped.

H-2320 ELIGIBILITY DETERMINATION PROCESS

Determine eligibility by applying the following criteria. The elements have been listed in the most logical order, but work on all steps simultaneously.

Explore eligibility for programs that offer full Medicaid benefits without a premium before considering FOA.

Note*:*
Individuals with disabilities no longer have income deemed from their parents upon reaching age 18. Eligibility in other Medicaid programs, such as Provisional Medicaid, should be explored to ensure certification in the most beneficial program and that premiums are not being charged to these individuals unnecessarily.

Refer to I-1425, Changes in Deeming Status.

H-2320.1 Determine Assistance/Benefit Unit

The assistance/benefit unit consists of the applicant/beneficiary.

H-2320.2 Establish Categorical Requirement

Establish that the applicant/beneficiary:

- Is a child under age 19; and
- Has a physical or mental impairment that is disabling under the Social Security Administration's listing of impairments; and
- Has gross family income that is equal to or less than 300 percent of the FPL.

Note:
Disability determinations must be made by the Medical Eligibility Determination Team (MEDT) unless disability has been established by SSA. Refer to G-1600, Securing Disability Decisions for B and D Categories.

H-2320.3 Establish Non-Financial Eligibility

Verify eligibility for each member of the assistance/benefit unit with regard to the following factors:

- Assignment of Third Party Rights I-200
- Citizenship/Identity and Qualified Non-Citizen Status I-300
- Enumeration I-600
- Residence I-1900

H-2320.4 Establish Need

A. There is no resource test in determining eligibility.

B. Determine Composition of the Income Unit

The income unit consists of the following persons living in the home:

- Applicant/beneficiary under age 19 who is unmarried,
- His/her legal/natural parent(s), and
- Any legal siblings under age 19.

Do not include step parents or step siblings.

C. Determine Countable Income

Complete the following steps:

Step 1. Determine total gross earned and unearned income of the income unit.

Step 2. Subtract the FOA deduction of $85. This yields the countable income for premium determination. If eligible, at the end of all budget steps, this amount will be used to determine monthly premium amount due. (See ***H-2320.5 Determine Monthly Family Opportunity Act (FOA) Medicaid Buy-In Program Premium Amount***)

Step 3. Subtract one-half of the remainder from Step 2.

Step 4. Compare the remaining monthly income to the comparable household size at 150 percent of the FPIG. If income is greater than the limit, the applicant/beneficiary is ineligible. If income is equal to or less than the limit, the applicant/beneficiary is eligible.

H-2320.5 Determine Monthly Family Opportunity Act Medicaid Buy-In Program Premium Amount

Premiums for FOA are charged per family or income unit.

Subtract the $85 FOA deduction from the total gross earned and unearned income.

Compare the remainder to the **MEM Table Z-200 FPIG.**

Income units with income up to 200 percent FPIG will not have a premium.

A premium payment is required for income units with income above 200 percent FPIG according to the following:

Income Range (% FPIG)	Legal/Natural Parents in Home have Creditable Health Insurance	Monthly Premium
201 – 250	Yes	$12.00
201 – 250	No	$30.00
251 – 300	Yes	$15.00
251 – 300	No	$35.00

The premium is waived where requiring a payment would create an undue hardship. Undue hardship exists when a family:

- Is homeless or displaced due to a flood, fire, or natural disaster,
- Resides in an area where there is a Presidentially Declared Disaster in effect,
- Has a current notice of eviction or foreclosure, or
- Has a circumstance the Medicaid Director's office determines meets the criteria.

The first month a premium applies is the month after the eligibility decision is made. Premiums will not be applied for coverage in any months prior to the month the eligibility decision is made (including retroactive Medicaid eligibility). See H-1800 Retroactive Medical Eligibility (RME).

Upon notification that the premium is 60 days past due, an advance notice to close should be generated. Once closed, all outstanding premiums must be paid before FOA eligibility can be re-established, unless:

- Premium liability is cancelled by the Bureau of Appeals,
- Premium liability is cancelled by the BHSF Recovery Unit, or
- It has been at least 12 months since last certified for FOA.

H-2320.6 Eligibility Decision

Evaluate all eligibility requirements and verification received to make the eligibility decision to either reject, close, certify, or extend eligibility.

H-2320.7 Certification Period

Certification period shall not exceed 12 months from the month of application.

H-2320.8 Notice of Decision

An eligibility notice of decision shall be sent to the applicant.