



Commonwealth of Massachusetts
Executive Office of Health and Human Services
Division of Medical Assistance
600 Washington Street
Boston, MA 02111

Eligibility Operations Memo 01-3
March 1, 2001

TO: MassHealth Eligibility Operations Staff

FROM: Tom DeVouton, Director, MassHealth Enrollment Center Operations

RE: Extended Coverage Project—Rental Income Group

Introduction

On August 31, 2000, the Division issued revised regulations about Extended Eligibility (Transitional Medical Assistance—TMA), the treatment of rental income, and extending MassHealth eligibility to caretaker relatives.

As part of the Extended Coverage Project and in compliance with Section 1931 of the Social Security Act, the Division will:

- redetermine the eligibility of all persons receiving MassHealth as of August 31, 2000, based on these revised regulations; and
- review the eligibility determination for applicants and members who may have been eligible for MassHealth during all or some of the time period since July 1, 1997, to the present. The Division will redetermine their eligibility for that time period based on the revised regulations.

The Extended Coverage Project is scheduled to begin on March 1, 2001, and will be implemented in the following three stages.

- Rental income group
- TMA group
- Caretaker relative group

There will be an eligibility operations memo addressing each stage of this project. This memo describes the process for the rental income group.

Taunton MEC

The Taunton MassHealth Enrollment Center (MEC) has been assigned to implement this project. Designated staff at the Taunton MEC will handle all aspects of the project. A dedicated telephone line has been established to handle customer service inquiries. This number is 1-888-338-9113.

Process

We now count **net** rental income instead of gross rental income in determining eligibility for MassHealth. Because of this change, staff at the Taunton MEC will review the records of all individuals with rental income on file who are receiving MassHealth CommonHealth or MassHealth Family Assistance, as well as applications that were denied and had reported rental income.

- Net rental income will be determined based on information that is currently in the case record, if possible. Deductions for determining net rental income will be allowed in accordance with 130 CMR 506.003(C). Eligibility will then be redetermined using the new net rental income amount.
 - If additional information is needed to determine eligibility, a manual notice will be sent to the individual. If the information requested is not received within 30 days from the date on the request notice, the effective date of any retroactive eligibility period will be the date of receipt of the information.
 - When all information needed to make an eligibility determination is received, and the determination results in a change in MassHealth benefits for any family member from that point forward, MA21 will send a notice.
 - An assessment of potential retroactive eligibility for all members of the family group will then be made. If there is any retroactive eligibility, the Protect Function on MA21 will be used. This will protect the family group member or members in the correct category/coverage type. This protection establishes their Retroactive Eligibility Period.
 - A manual notice will be sent to members to inform them of:
 1. their retroactive eligibility dates; and
 2. the category and coverage type they have been protected into.
 - The assessment of potential retroactive eligibility will also determine if any family group member or members are potentially eligible for a refund.
 - The NTH (Notes to Household) section on MA21 will be annotated with ECP (Extended Coverage Project). This will indicate any changes in benefits based on the recalculation of rental income, and any retroactive eligibility dates established.
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Refund Packet

A **Refund Packet** will be sent to any family group member who is determined potentially eligible for a refund. The Packet contains:

- member refund claim forms;
 - instructions on how to use the claim form;
 - a notice to providers; and
 - a self-addressed, stamped envelope.
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Types of Refunds

There are three types of refunds.

1. **Out-of-pocket expenses.** A member is potentially eligible for a refund for the following out-of-pocket expenses.
 - Medical expenses used to meet a one-time-only deductible. Note: These are expenses that were actually paid for by the member only.
 - Expenses for any medical services that would have been covered by MassHealth (including copayments and deductibles) during the retroactive eligibility period. This refund is contingent upon the member providing proof of payment.
 2. **Premium adjustments.** A member may receive a refund for any premium amounts he or she actually paid during the retroactive eligibility period.
 - The refund may be for the entire amount of the premium or for the difference between the amount paid and the new premium amount.
 - This refund includes premiums for CommonHealth or Family Assistance (Purchase of Medical Benefits), or an adjustment to the amount of the Family Assistance Premium Assistance payment.
 3. **Payment of outstanding bills.** A provider (enrolled or not enrolled) can submit a claim for MassHealth-covered services that were provided during the retroactive eligibility period.
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Inquiries

Stamp the date of receipt on all inquiries or correspondence you receive about this project and direct them to the following address.

**The Extended Coverage Project
Taunton MassHealth Enrollment Center
21 Spring Street
Taunton, MA 02780-3400**

1-888-338-9113

Questions

Direct questions about this memo and the Extended Coverage Project to the MassHealth Policy Hotline through the designee at your enrollment center.
