

Updates to Income Eligibility Verification System (IEVS) and Reasonable Compatibility

For MAGI and Non-MAGI programs

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Our Mission

Improving health care access and outcomes for the **people** we serve while demonstrating sound stewardship of financial **resources**



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Project Summary

The benefit of this project is to further align system functionality with policy. This project is making updates to:

- How the Colorado Department of Labor and Employment (CDLE) income records are used for Reasonable Compatibility checks for Medical Assistance (MA) categories.
- Implement the Reasonable Compatibility check for Non-MAGI categories.
- Ensure CDLE records are being considered appropriately for both MAGI and Non-MAGI categories.
- These updates will be implemented June of 2018.



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What is Reasonable Compatibility?

A method of verification used for Medical Assistance Programs that compares a client's self-attested income against income provided by electronic data sources.



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Federal Verification Requirements and Reasonable Compatibility Standard

The Medicaid/CHIP agency may accept attestation of income needed to determine the eligibility of an individual for Medicaid/CHIP without requiring further information.

- An individual must not be required to provide documentation of income *unless* the attestation of income cannot be obtained electronically or the information obtained electronically is not reasonably compatible.
- If the attestation of income cannot be obtained electronically, CBMS will pend (10 business days) to request income documentation.

Federal Regulation 42 §435.952(c)



Federal Verification Requirements and Reasonable Compatibility Standard

The Medicaid/CHIP agency must confirm if the income obtained electronically is reasonably compatible with the income reported on behalf of the individual by doing the following:

- If the amount attested by the applicant and the amount reported by an interface are both below the applicable standards, that income shall be determined reasonably compatible and the applicant shall be determined eligible.
 - If both the two applicable standards are below, the attested income will be used.



Federal Verification Requirements and Reasonable Compatibility Standard

- If the amount attested by the applicant is below the income standard for that program, but the amount reported by the interface is above the income standard, and the difference is *within* the reasonable compatibility threshold percentage of 10%, the income shall be determined reasonably compatible and the applicant shall be determined eligible.
 - The amount attested by the applicant will continue to be used.

Federal Regulation 42 §435.952(c)



Extending Reasonable Compatibility to Non-MAGI

- Non-MAGI already allows for self-attested income.
 - Both earned and unearned
 - No further verification required if verified through an electronic data source
- Federal regulations requires the Reasonable Compatibility check to be performed and the Verification Plan outlines Reasonable Compatibility to be used by Non-MAGI



Extending Reasonable Compatibility to Non-MAGI

- Will not apply to post eligibility calculations
 - Patient payments to nursing facilities
 - Spousal monthly income allowance
 - Funding income trusts



Extending Reasonable Compatibility to Non-MAGI

- Reasonable Compatibility is used for income calculation for the Medicaid Buy-In Programs
 - For Working Adults with Disabilities- **applicant only** (spouse income is not counted).
 - For Children with Disabilities Buy-in- **all household members** whose income is used in the determination.



System - Today

- Reasonable Compatibility check is only performed on MAGI individuals
- Reasonable Compatibility check is performed on earned income for each individual
- Reasonable Compatibility page in CBMS is confusing for workers
- Difficult to ascertain how the system conducted the reasonable compatibility check



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System Changes

- Income Eligibility Verification System (IEVS) income will be requested for all individuals on a Medical Assistance case to determine eligibility for other Monthly Budget Unit (MBU) members.
- Exceptions:
 - Categories that do not consider income limits, such as Former Foster Care
 - Old Age Pension (OAP) Medical categories that are determined based on AF OAP financial eligibility
 - IEVS wages may be requested for someone on an income exempt category *if* their income is used for the MBU of another household member



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System Changes

- Reasonable Compatibility logic will be modified to check each individual in the MBU separately
 - All countable earned, unearned, and self-employment income (total countable income) will be used when conducting the Reasonable Compatibility check
- Non-MAGI categories that consider earned income will begin assessing for Reasonable Compatibility



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System Changes

- IEVS income will be used for eligibility if the member fails to respond to the IEVS Reasonable Compatibility letter
 - Individual could become eligible in another category or fail MA entirely
- Individuals who are currently receiving Continuous Eligibility or are on a Guaranteed Program can be terminated from MA if this IEVS hit is the first IEVS hit after the initial application.
 - If it is not the first IEVS hit, individuals who are on Continuous Eligibility or Guaranteed Programs will not be terminated for excess income based on usage of IEVS records.



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System Changes

- Individuals must reapply for Medical Assistance if they were previously terminated due to the use of an IEVS income record
 - Will accept self-attestation with new application
 - Reasonable Compatibility process will occur again if income is not compatible
 - CBMS and PEAK will have a way to add an individual to an existing open case if they were previously terminated because of IEVS income



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System Changes

- New section will be added on the Display Medical Eligibility Results page in CBMS to compare, by each individual, what income from the MBU was used in their eligibility determination.
- Enhanced Reasonable Compatibility page in CBMS will clearly distinguish the Medical Assistance Reasonable Opportunity Period(s) (ROP) and the Marketplace ROP
 - Additional details will be added to the Reasonable Opportunity page to assist CBMS users



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CBMS - Display Medical Eligibility Results -- Webpage Dialog

Display Medical Eligibility Results EDMS \$ ☆ ? ↻ 🔍 🗨️ 🖨️

Income by MBU

Total Gross Income with Self-Attested Amount: Total Gross Income with IEVS Amount: Net Income Difference in FPL Percentage:

\$ [] . [] 00 \$ [] . [] 00 \$ [] . [] 00

Net Gross Income with Self-Attested Disregard Amount: Net Gross Income with IEVS Income Disregard Amount: Reasonable Compatibility:

\$ [] . [] 00 \$ [] . [] 00 Yes No

Net Gross Income with Self-Attested Amount: Net Gross Income with IEVS Amount:

\$ [] . [] 00 \$ [] . [] 00

FPL Percentage: FPL Percentage:

[] []

Income by Individual

Individual	Total Self-Attested Amount	Total Net IEVS Income
[]		

Individual Details CHP+ Income Rating Code



Reasonable Compatibility EDMS \$ ☆ 📄 🔍 🗨️

(Open-10/12/2017, Alerts-9) – [Programs](#), RRR Month:08/2019(AF), 08/2018(FS-PR)

* **Name:**

Summary

Reason for not compatible	Event Date	Date Reported

Detail + Add 🕒

Reason for not compatible: Event Date:

* **Date Reported:**

MA Compatibility Details Summary

Quarter Begin Date	Quarter End Date	Quarter Year	MIBU Self Attested Income	MBU IEVS Income	Compatibility	Compatibility Date

APTC Compatibility Details Summary

Coverage Year	Compatibility



Training

Please make sure to attend SDC Training (date TBD) on IEVS and Reasonable Compatibility for in-depth details on this change and data entry instructions.



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Questions or Concerns?



Contact Information

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Thank You!



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