

Reasonable Compatibility Tip Sheet

Effective 1/1/2015

What is Reasonable Compatibility?

- Reasonable Compatibility will only be checked for clients passing in a MAGI aid code.
- Reasonable Compatibility refers to an allowable difference or discrepancy between the income an applicant self attests and the amount of income reported by an electronic data source.
- Reasonable Explanation refers to the opportunity given to an applicant to explain a discrepancy between self-attested income and income as reported by an electronic data source, when the difference is above the threshold percentage for reasonable compatibility.

How Reasonable Compatibility works in CBMS?

- The self-attested income will be used until the first IEVS hit and during the initial eligibility determination.
- If there is verified income in the system from the current or previous month, such as check stubs provided by the client, then the IEVS response will be ignored and the verified income will be used. Reasonable compatibility will not be required because the client has already provided their proof of income.
- If the individual reports a discrepancy reason because they are aware that the income they've reported may be different than what we retrieve from IEVS-CDLE and the difference is under 10%, the user should update the "Reasonable Compatible" switch to "Y", and CBMS will use the self-attested income. Income will be considered as having a discrepancy if the IEVS income is greater than 10% of the self-attested (client statement) income reported and there is no 'Reason for not compatible' selected for the given discrepancy.
- If the IEVS hit is received and the discrepancy between the IEVS income and the self-attested income is greater than 10%, then a Verification Checklist will be created and sent out for Reasonable Compatibility. The applicant will then be given a reasonable opportunity period of 90 days to provide verification. If the applicant does not provide verification they will be denied for being over income with 10 day noticing.
- If the total household countable income including the IEVS income record is still within the FPL limit of the MAGI program, then it is not considered to have a discrepancy. The self-attested income will still be used to determine the MA household eligibility.

Reasonable Compatibility Screen:

- Reasonable Compatible will be enabled only if there is an income record populated by interface.
- If the system determines that the income is not reasonable compatible, the "Reasonable Compatible" switch will be set to 'N' for the target individual.
- The only unacceptable explanation for a discrepancy on the Reasonable Compatibility screen is the type 'Other.'

Check list for Reasonable Compatibility evaluation:

- Identify the date of application or RRR month to help determine what month of income is required.
- Check income self-attested by client. If there are any other jobs make sure end dates are correct. If there is an old job in the system that has not been end-dated, CBMS will send a Discrepancy notice to the client.
- Check Reasonable Compatibility screen if it switched to "N" to identify the Quarter reported.
- Check case comments for employment updates on client.
- Check if there are any companion cases. If there are make sure end dates are correct or end date employment if client is no longer employed with that company or if case is closed. End date accordingly to the Quarterly period Reasonable compatibility is pending for. Note: IEVS is still on 3 month delay.
- Verify when the Reasonable compatibility letter was sent out and months the letter is requesting to verify.
- Check to see if CDLE has been updated.
- If client has not sent in any changes make sure to contact client to explain why the letter was sent out and verify the information that is required.

Case examples:

Example 1: A single adult is applying for MAGI Adult Medicaid. The income limit for MAGI Adult Medicaid is 133% FPL or approximately \$1,294/month for a household size of one. The adult's self-attested income is \$1,000/month. The electronic data source (interface) shows the applicants income at \$1,000/month.

1. Are the income sources reasonably compatible? **yes**
2. Can the income be considered verified, or is additional documentation required? Income is considered verified and no additional documentation is required because electronic data source and self-attested income are reasonable compatible

Example 2: A single adult is applying for MAGI Adult Medicaid. The income limit for MAGI Adult Medicaid is 133% FPL or approximately \$1,294/month for a household size of one. Their self-attested income is \$1,000/month. The electronic data source (interface) shows the applicants income at \$1,600/month.

1. Are the income sources reasonably compatible? **no**
2. Can the income be considered verified, or is additional documentation required? Income is not reasonable compatible and it is more than a 10% difference between the self-attested income and the interfaced income. A Verification Checklist will be mailed to the client requesting an explanation of the discrepancy and additional proof of income if needed.