



State Verification Plan Briefing

Thursday, October 11, 2012



New Verification Environment in 2014



- Maximize automation through data sources
- Individuals must not be required to provide additional information unless information cannot be obtained electronically or it is not reasonably compatible.
- Minimize need for documentation; reduce administrative burden
- Less cumbersome and more transparent process for consumers



What is a State Verification Plan?

- DHCF is required by the federal regulations to have a verification plan and it must be available to CMS upon request.
- HBX must verify eligibility factors for QHP and subsidies.
- A plan describing the verification policies and procedures for determining Medicaid eligibility.
- Set forth the circumstances under which the attestation and data matches are considered to be reasonably compatible
- “Reasonable compatibility” means that the information the applicant provided is relatively consistent and any differences will not have a significant impact on the eligibility decision.
- The policies articulated in the verification plan will serve as the basis for Payment Error Rate Measurement (PERM) audits.



Purpose and Usage of the State Verification Plan

- Outlines how eligibility factors will be verified in DCAS
- Identifies federal and local data sources used to verify information
- Determines the hierarchical structure of electronic data sources used to verify eligibility and the need to require additional documentation
- Serves a blueprint for the rules engine design for the consolidation of HBX/Medicaid eligibility verification
- Applies to both MAGI and Non-MAGI eligibility categories.



Eligibility Factors

- Residency
- Pregnancy
- Incarceration
- Citizenship
- Indian Status
- Income
- Household Composition
- Public Minimum Essential Coverage (MEC)
- Enrollment in Employer-Sponsored MEC
- Eligibility for Employer Sponsored MEC



Electronic Data Sources

- Federal Data Services Hub: interface with federal agencies to verify eligibility (SSA, IRS, DHS)
- Local Data Hub- interface with sister agencies and local data sources to verify eligibility (DMV, DOES, DOC, OSSE, OAG)



Residency: Medicaid and HBX

- States have the option of accepting self-attestation of residency, or may rely upon electronic data sources.
- Due to its porous borders and high coverage thresholds, the Policy Task Force recommends that the District has elected to require verification of residency.



Verification Procedure - Residency

Reasonably Compatible

-Applicant's attestation is first compared to trusted data sources.

-If a trusted data source returns residency data that is reasonably compatible with the applicant's attestation, residency is verified.

Not Reasonably Compatible

-If no trusted primary data sources are reasonably compatible with the applicant's attestation, request additional documentation from the applicant

- Active lease agreement or rent receipt in the applicant's name
- Utility or phone bill
- State-issued ID with address
- Residency statement (if other documentation is unavailable)

If the applicant attests to being homeless then their attestation is accepted without further verification. (consistent with existing policy)



Example 1

- ❑ Jolly applies for medical assistance through the HBX online portal.
- ❑ To confirm Jolly's attestation that she lives in DC, the system automatically queries trusted data sources.
- ❑ Jolly's data is not available from two sources, but the IRS tax data confirms that she had a DC address on her last tax return.
- ❑ Trusted data sources are reasonably compatible with attestation. Residency is confirmed.



Example 2

- Chris applies for medical assistance through the HBX online portal.
- Chris attests that he lives in the District, but no trusted data source reflects this, and data from the Virginia DMV indicates he lived there nine months ago.
- Chris is asked to submit further documentation.
- He provides a residency statement completed by landlord confirming he lives in the District.
- Residency is confirmed through documentation.



CITIZENSHIP & IMMIGRATION STATUS



- An applicant **cannot** use self-attestation to verify citizenship, status as a national, or lawful presence for Medicaid or the DC HBX.
- Where citizenship, status as a national, or lawful presence cannot be verified through SSA or DHS, DCAS will provide the applicant with a 90 day period to
 - Provide satisfactory documentary evidence or satisfactory,
OR
 - Resolve the inconsistency with SSA or DHS.
 - The 90 day period may be extended for applicants who make a good faith effort to secure satisfactory documentation.



SPECIAL EXCHANGE PROVISIONS FOR NATIVE AMERICANS & ALASKA NATIVES



- The Affordable Care Act includes special cost-sharing provisions and special enrollment periods for American Indians and Alaska Natives (AI/ANs) purchasing coverage in Exchanges.
- Verification of AI/AN status is not a condition of Medicaid or DC HBX eligibility.
- However, self-attestation **cannot** be used to verify Indian status for special cost-sharing provisions and enrollment periods.
 - If Indian status cannot be verified by trusted electronic data sources or reasonable efforts by DCAS, an applicant has 90 days to provide satisfactory documentary evidence or resolve the inconsistency.



Eligibility Factor: Pregnancy

- Must accept self-attestation of pregnancy unless the state has information that is not reasonably compatible.

- If not reasonably compatible with attestation additional documentation can be required.



Incarceration and Medicaid

- Incarceration is not an eligibility factor for Medicaid eligibility.
- However, states cannot use Medicaid funds to pay for health services for incarcerated individuals, with the exception of inpatient care.



Incarceration and the Exchange

- ❑ Incarcerated individuals who have been convicted are not eligible to participate in Qualified Health Plans (QHPs) through the Exchange.



Eligibility Factor: Income

- Eligibility determination should be based on self-attestation of income verified by information obtained from electronic data sources.

- If information obtained through electronic data sources is reasonably compatible with attestation of income, the attestation of income is considered verified.



Income cont.

- Federal Regulation-Reasonable Compatibility Standard:
 - If electronic data match and self attestation of income are both above, at, or below the applicable income standard, information is compatible. (42 CFR 435.945(1))
- States have flexibility to define the reasonable compatibility standards not addressed in the federal rule.



Policy Recommendations For Income Reasonable Compatibility Standards

Attestation is above Medicaid Income level(MIL) and data sources are below MIL

- Electronic data sources are presented, applicant attests income is above the MIL, we accept attestation and the applicant is ineligible for Medicaid.

Attestation is zero and electronic data sources are zero or no data is returned

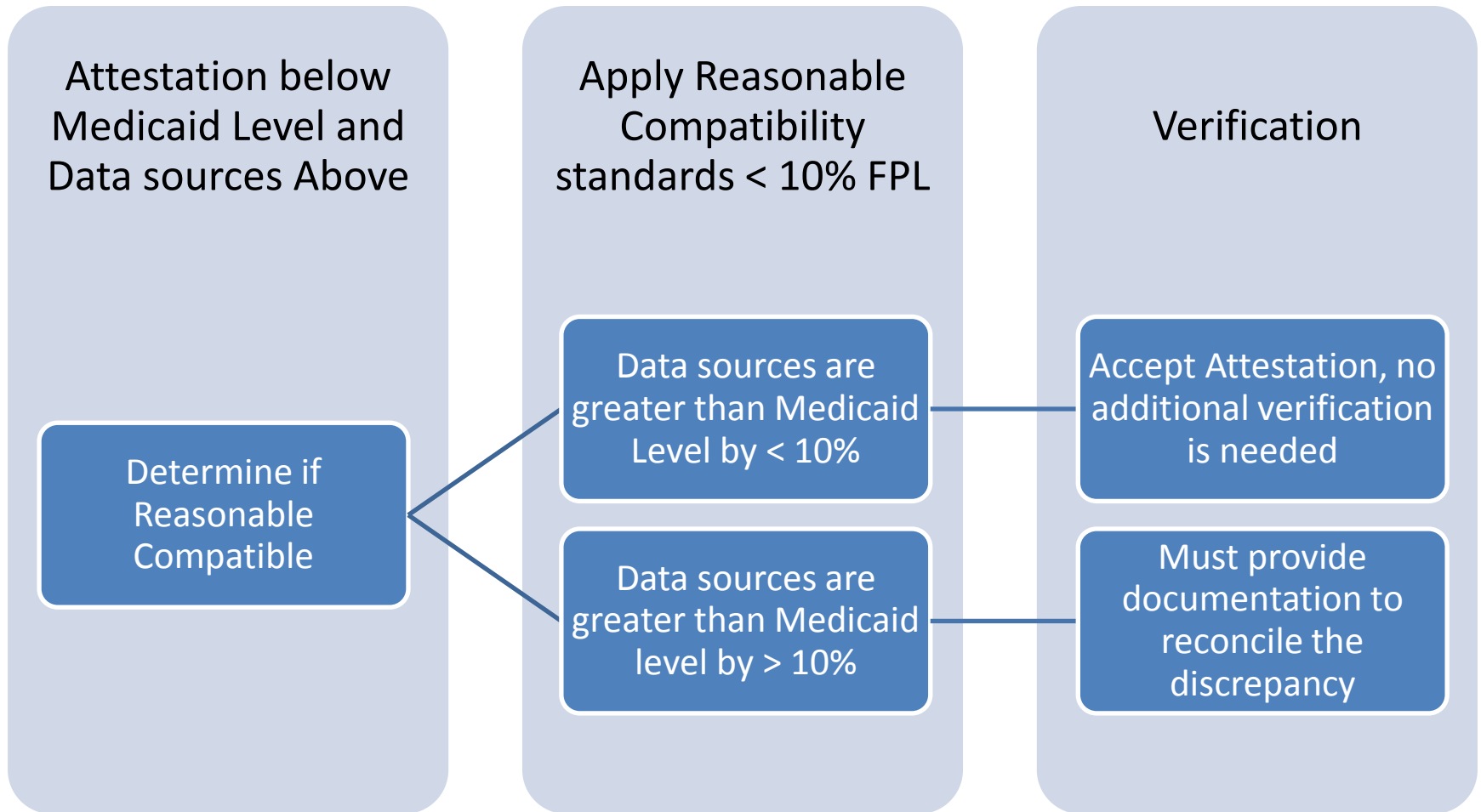
- Accept attestation and determine eligible for Medicaid.

★★★ HBX Income Rules for Reasonable Compatibility ★★★<#>

- When the Exchange is verifying income using alternative verification processes, it must apply a 10% reasonable compatibility standard.
- If the difference between an individual's attestation of annual income and the IRS data obtained is no more than 10%, the Exchange must accept the applicant's attestation.



Recommendation: Apply HBX < 10% rule to Medicaid





Pop Quiz: Example 1

- Danielle, who is a childless adult, is applying for Medical Assistance.
- The electronic sources indicate that her monthly income is 130% FPL. Danielle attests that her income is 65% FPL.

Is income reasonably compatible? Yes or No

Answer: Yes



Example 2

- Linda is applying for medical assistance as a parent. The electronic data sources indicate her income is 208% FPL. Linda attests her monthly income is 199% FPL.
- Is this reasonably compatible: Yes or No

Answer: Yes



Household Composition

- Exchange rules
 - Taxpayer's family includes all tax dependents.
- Medicaid rules generally follow the Exchange rules.
- Exception: for non-tax filers and in special situations, the household includes the individual, and if living with the individual:
 - The individual's spouse
 - The individual's natural, adopted, and step children under 19
 - For individuals under 19, the natural, adopted and step siblings who are also under 19, as well as the natural, adopted, and step parents

★★★ Medicaid Household Determined ★★★<#> on an Individual Basis

- ❑ Different individuals living in the same house may have different households.
- ❑ Example: Mary lives with her 2-year-old son, Joe. She does not claim any tax dependents. Mary's ex-husband, Larry, claims Joe as a tax dependent.
 - Mary's household = Mary.
 - Larry's household= Larry and Joe.
 - Joe's household = Joe and Mary (using the exception)



Reasonable Compatibility

- Reasonably compatible = family size information is consistent with other information in the data hubs.
- Not reasonably compatible = an applicant who is a tax filer lists a person in his/her household who is claimed as a tax dependent in someone else's household
- If not reasonably compatible, additional verification will be required.



Examples

- ❑ Example: Larry is a non-tax filer and claims that his child, Joe, is in his household. However, the electronic data match with ACEDS shows that Joe is living with Mary. This information is not reasonably compatible.
- ❑ Example: Larry, a tax filer, attests that he will claim Joe as a tax dependent. ACEDS data shows that Joe is living with Mary. Unless Mary also attests she will claim Joe as a tax dependent, the information is reasonably compatible.



Examples: Reasonable Compatibility



- Mary is a tax filer. Last year, she did not claim any tax dependents. This year, she attests that she will claim her son Joe as a tax dependent.
 - Reasonably compatible? Answer: Yes

- Mary is a tax filer and attests that she will claim her son, Joe, as a tax dependent. However, her ex-husband Larry also attests that he will claim Joe as a tax dependent.
 - Reasonably compatible? Answer: No



Examples: Non-Filers

- Custodial parent is a non-tax filer: Mary has a final divorce decree granting her physical custody of Joe. Larry has a Form 8332, which allows him to claim Joe as a tax dependent. Mary can still claim Joe in her household because non-tax filers include their children in their household if their children are living with them.



Eligibility Factors Related to HBX only

- Public Minimum Essential Coverage
- Enrollment in Employer Sponsored MEC
- Eligibility for Employer-Sponsored MEC
 - Exchange Board or IT/Eligibility workgroup needs to weigh in on verification options



Summary of Policy Recommendations for Final Approval

Eligibility Factor	Recommendations
Residency	Verify residency through the use of electronic data sources to confirm attestation
Pregnancy	Accept attestation for multiple expected births
Incarceration	Accept attestation of incarceration status
Income	Accept attestation is applicant attests information is above MIL, and data sources are below MIL.
Income	Accept attestation of zero income if electronic data sources are zero or no data match found.
Income	Accept HBX < 10% for Medicaid



Policy Recommendation cont.

Eligibility Factor	Recommendation
Household Composition	<p>DHCF should allow on a case-by-case basis for applicants who show that documentation does not exist or is not reasonably available when</p> <ul style="list-style-type: none">-Children are under age 4 and not in school-Non-custodial parent has the necessary documents and refuses to release them-Other exceptional circumstances where the documentation does not exist or is not reasonably available through no fault of the applicant



Questions?

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Appendix A

- List of Data Sources identified to verify eligibility for the following:
- Income
- Citizenship
- Residency
- Household Composition



Electronic Earned Income Data Sources

Federal Data Hub

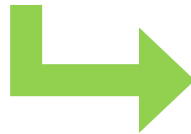
Query the federal data hub for the following:

- IRS data(initial indicator of annual income



Local Data Hub Work Number

Query the work number to retrieve current monthly income data



Local Data Hub Quarterly Wage Data & ACEDS

If no data is available in the work number, query DOES quarterly wage data or ACEDS, and use whichever data is most recent.

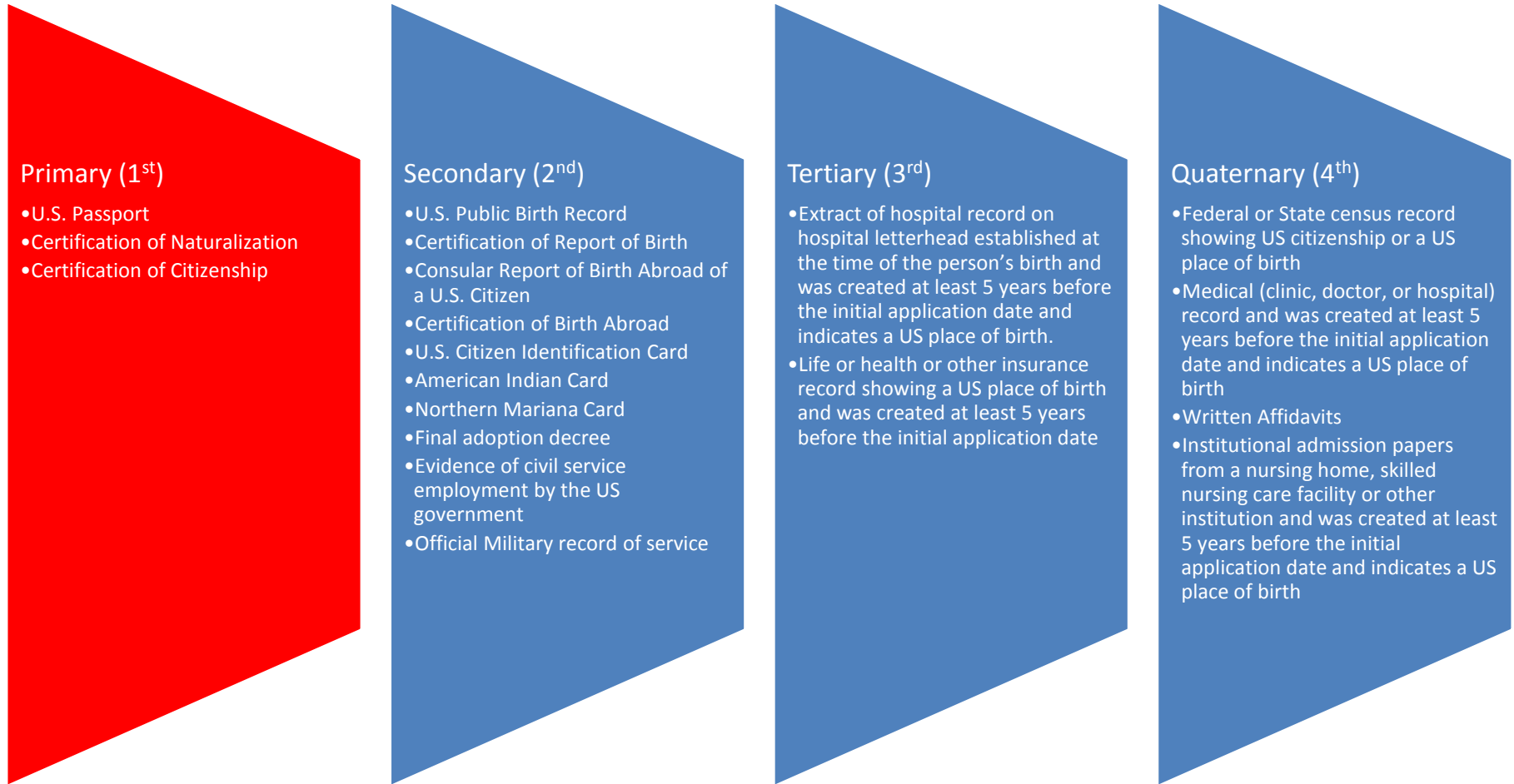


Additional Documentation

If no electronic data is available and attestation is not reasonable compatible, request additional information (documentation)



CITIZENSHIP & IMMIGRATION STATUS: Hierarchy of Satisfactory Documentary Evidence



Note: Non-primary sources of documentary evidence must be accompanied by other proof of identity, e.g., a driver's license.





Trusted Data Sources - Residency

- Trusted primary data sources:
 - Work number
 - Benefits Data Exchange (BENDEX)
 - IRS tax data
 - ACEDS
 - DC tax data*
 - OSSE and DCPS*
 - DC Department of Motor Vehicles*
 - Maryland Department of Motor Vehicles*
 - Virginia Department of Motor Vehicles*

* Data sharing with this source has not yet been confirmed



Hierarchy of Documentation for Household Composition



- Primary sources (one of the following is sufficient):
 - Court order or binding separation, divorce, or custody agreement that establishes physical custody
 - Form 8332 or similar written statement allowing the non-custodial parent to claim the child (for tax filers only)
- Secondary sources (if primary sources are unavailable, two of the following are required):
 - School records
 - Medical records
 - Statements from non-relatives
 - Leases