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## TITLE 210 – EXECUTIVE OFFICE OF HEALTH AND HUMAN SERVICES

### CHAPTER 30 – MEDICAID FOR CHILDREN, FAMILIES AND AFFORDABLE CARE ACT (ACA) ADULTS

#### SUBCHAPTER 00 – AFFORDABLE COVERAGE GROUPS

##### PART 5 – MEDICAID MAGI FINANCIAL ELIGIBILITY DETERMINATIONS AND VERIFICATION

### 5.1 Scope and Legal Authority

- A. The purpose of this rule is to describe the Modified Adjust Gross Income (MAGI) standard and explain how it is applied; and establish the role and responsibilities of the State and consumers when determining MAGI-related eligibility for the Medicaid Affordable Care Coverage (MACC) groups identified in Part 1 of this Subchapter.
- B. This Part is promulgated pursuant to:
  1. Federal authorities as follows:
    - a. Federal Laws: § 1115 of the Social Security Act, 42 U.S.C. § 1315; Title IV of the Social Security Act, 42 U.S.C. §§ 601-687; Title XIX of the Social Security Act, 42 U.S.C. §§ 1396a-1396w-78; Title XXI of the Social Security Act, §§ 42 U.S.C. 1397aa 1397mm; § 1413(b)(1)(A) of the Patient Protection and Affordable Care Act, Pub. L. No. 111-148; § 1004 of the Health Care and Education Reconciliation Act of 2010, Pub. Law 111-115; Title I § 11051(c) of the Tax Cuts and Jobs Act of 2017, Pub. Law 115-197, § 5112 of the Consolidated Appropriations Act, Pub. Law 117-328.
    - b. Federal Regulations – 42 C.F.R. §§ 435.603; 435.902-910; 435.916; and 435.1005
    - c. The Medicaid State Plan and the Section 1115 Demonstration Waiver. granted pursuant to § 1115 of the Social Security Act, 42 U.S.C § 1315
  2. State authorities – R.I. Gen. Laws Chapters 40-6, 40-8, and 42-7.2.

## **5.2 Incorporated Materials**

- A. These regulations hereby adopt and incorporate 42 C.F.R. § 435.603 (2023) by reference, not including any further editions or amendments thereof, and only to the extent that the provisions therein are not inconsistent with these regulations.
- B. These regulations hereby adopt and incorporate 42 C.F.R. § 435.902-910 (2023) by reference, not including any further editions or amendments thereof, and only to the extent that the provisions therein are not inconsistent with these regulations.
- C. These regulations hereby adopt and incorporate 42 C.F.R. § 435.916 (2023) by reference, not including any further editions or amendments thereof, and only to the extent that the provisions therein are not inconsistent with these regulations.
- D. These regulations hereby adopt and incorporate 42 C.F.R. § 435.1005 (2023) by reference, not including any further editions or amendments thereof, and only to the extent that the provisions therein are not inconsistent with these regulations.
- E. These regulations hereby adopt and incorporate 42 C.F.R. § 435.948-949 (2023) by reference, not including any further editions or amendments thereof, and only to the extent that the provisions therein are not inconsistent with these regulations.

## **5.3 Definitions**

- A. As used herein, the following terms shall be defined as follows:
  - 1. “Affordable Care Act” or “ACA” means the federal Patient Protection and Affordable Care Act of 2010.
  - 2. “Attestation” means the act of a person affirming through an electronic or written signature that the statements the person made when applying for Medicaid eligibility are truthful and correct.
  - 3. “Caretaker” or “Caretaker relative” means any adult living with a Medicaid-eligible dependent child that has assumed primary responsibility for that child as defined in Part 1 of this Subchapter.
  - 4. “Continuous eligibility” or “CE” means a period of eligibility during which a member cannot be disenrolled due to changes in circumstances with certain exceptions. Exceptions include a request for disenrollment by the beneficiary, the beneficiary is no longer a resident of the state, the agency determines that eligibility was erroneously granted at the most recent determination, redetermination, or renewal due to agency error or fraud, abuse, or perjury attributed to the beneficiary, or the beneficiary is deceased.

5. “Custodial parent” means a relationship that is defined by a court order or binding separation, divorce or custody agreement establishing physical custody of a minor child. If no order or agreement exists, or in the event of a shared custody agreement, the custodial parent is the parent with whom the child spends most nights.
6. “Federal poverty level” or “FPL”, as used herein, means the most recently published federal poverty level by the U.S. Department of Health and Human Services.
7. “Federal data hub” or “Data hub” means the database of the United States population built by the U.S. Internal Revenue Service (IRS) and Health and Human Services (HHS) used to facilitate determinations for coverage, including Medicaid, under the ACA.
8. “HealthSource RI” means the entity that allows persons, families, and small businesses to access insurance, as well as federal subsidies to assist in the payment of that coverage.
9. “Household composition” means, for the purposes of determining MAGI eligibility, the person(s) filing taxes, whether jointly or separately, and anyone included as a tax dependent of the person(s) filing taxes. Special relationship rules for household composition may apply when the person filing taxes is not the custodial parent of the tax dependent.
10. “MAGI” means modified adjusted gross income, adjusted by any amount excluded from gross income under 26 U.S.C. § 36B of the IRS Code, and any interest accrued.
11. “Medicaid Affordable Care Coverage Group” or “MACC” means a classification of persons eligible to receive Medicaid based on similar characteristics who are subject to the MAGI standard for determining income eligibility.
12. “Non-MAGI coverage group” means a Medicaid coverage group that is not subject to the modified adjusted gross income standard for eligibility determination.
13. “Reasonable compatibility” means an allowable difference or discrepancy between the information provided in the application and the information reported by an electronic data source.
14. “Reconciliation” means the point in the verification process when discrepancies between an applicant’s attestation and information from data sources are resolved.

## **5.4 MAGI Household Construction**

- A. The principal factor for determining MAGI-based eligibility is tax filing status and household composition and size, based on the rules for household construction.
1. General rules of household construction – For the purposes of calculating MAGI, a household consists of an applicant and the people the applicant claims as a deduction for a personal exemption when filing federal income taxes. Under IRS rules, the taxpayer may claim a personal exemption deduction for him/herself, a spouse, and tax dependents. Non-family members may be included as tax dependents under certain circumstances and are treated as part of the tax household accordingly.
  2. Special Medicaid rules of household construction – The following rules for constructing a household are applied when making MAGI-based Medicaid eligibility determinations:
    - a. “Relationship-based” rules are used when an applicant is neither filing taxes nor being claimed as a tax dependent, and under the exceptions outlined in § 5.5 of this Part.
    - b. Medicaid household rules are “person specific” within a family. Therefore, a Medicaid household must be constructed for each person within a family.
    - c. For married couples living together, each spouse must be included in the household of the other spouse, regardless of whether they expect to file a joint federal tax return or whether one (1) spouse expects to be claimed as a tax dependent by the other spouse.
    - d. If a pregnant person is applying for coverage or is part of another applicant’s household, the household size must be adjusted to reflect the number of children that they are expecting. Specifically, the pregnant person is counted as one (1) plus the number of children they expect to deliver. This pregnancy-adjusted household size is used to determine the applicable FPL for the pregnant person as well as for other members of their household.

## **5.5 Exceptions Requiring Application of Relationship Household Rules**

- A. Relationship-based household composition rules must be applied when an applicant meets the criteria for an exception from the tax-based household rules. These alternative relationship-based rules must be used to determine both household size and the income of the household members included as part of total household income.

1. Relationship-based rules – The household is determined based upon the family members who live with the applicant. The rules vary slightly for children versus adults.
  - a. Adults. The relationship-based rules for adults require that the household consist of the following persons:
    - (1) The adult applying for coverage;
    - (2) The applicant's spouse, if living with the applicant;
    - (3) The applicant's biological, adopted, and step-children under age nineteen (19) years, if living with the applicant.
  - b. Children under age nineteen (19). The relationship-based rules for minor children require that the household consist of the following persons:
    - (1) The child applying for coverage; and the child's parents (including step-parents), if living with the child;
    - (2) Any of the child's siblings (including step-siblings), if living with the child.
2. Triggers – The exceptions that trigger the use of relationship-based rules are as follows:
  - a. Applicant does not plan to file taxes and does not expect to be claimed as a tax dependent by another tax filer. Full information on who is required to file taxes under federal law is located in IRS Publication 501 (IRS Publication 501 is available at: [http://www.irs.gov/publications/p501/ar02.html#en\\_US\\_2012\\_publication1000220851](http://www.irs.gov/publications/p501/ar02.html#en_US_2012_publication1000220851)).
  - b. Tax dependents meet specified criteria. In situations in which an applicant will be claimed as a tax dependent on another person's federal tax form, the relationship-based rules apply if the applicant meets any of the following criteria:
    - (1) Applicant is claimed or expects to be claimed by a tax filer who is not the applicant's parent or step-parent.
    - (2) Applicant lives with both parents, but only one (1) parent will claim the child as a tax dependent. In this case, child refers to the parent-child relationship and not the age of the applicant.

- (3) Applicant is a child under nineteen (19) who lives with a custodial parent but will be claimed as a tax dependent by a non-custodial parent.

3.

<b>Summary of Application of Relationship-Based Rules</b>
Applicant is not planning to file taxes and is not claimed as a tax dependent by another tax filer
Applicant is claimed as a dependent by a tax filer who is not the applicant's parent
Applicant is a child under nineteen (19) who lives with both parents, but only one (1) parent will claim the child as a tax dependent
Applicant is a child under nineteen (19) who lives with a custodial parent, but will be claimed as a tax dependent by the non-custodial parent

## 5.6 Determination of Household Income

- A. To be eligible for Medicaid using the MAGI standards, an applicant's current monthly household income must meet the standard applicable to the applicant's MACC group which can be when converted to the FPL found in Part 30-00-1 of this Title. as shown below:

<del>MACC Groups</del>	<del>FPL Eligibility Threshold</del>
<del>AGA Expansion Adults</del>	<del>One hundred thirty three percent (133%)</del>
<del>Children and Young Adults</del>	<del>Two hundred sixty one percent (261%)</del>
<del>Parents and Caretakers</del>	<del>One hundred thirty six percent (136%)</del>
<del>Pregnant People</del>	<del>Two hundred fifty three percent (253%)</del>

- B. When calculating whether an applicant is income-eligible for Medicaid under one of these coverage groups, the following factors must be considered: the members of the applicant's household that must be included; types of countable income; current income and reasonably predicted changes; and conversion of monthly income to the FPL standards.

1. Countable household income – The Subsection below identifies all forms of countable income included when determining MAGI-based Medicaid eligibility, including those that are specific to Medicaid eligibility only.
  - a. Adjusted Gross Income (AGI). Adjusted gross income is gross income adjusted by “above-the-line” deductions. AGI includes wages and salaries and income from a broad array of other sources, such as unemployment benefits, alimony, taxable interest, and capital gains. “Above-the-line” deductions are the adjustments people can make to their gross income. These include alimony payments, interest on student loans, and other items that appear on page one (1) of Form 1040. However, they do not include charitable contributions, mortgage interest and other “below-the-line” deductions.
  - b. Social Security benefits. All Social Security income benefits are considered countable income when using the MAGI standard to determine eligibility for affordable coverage. This includes Social Security benefits that are considered both taxable and non-taxable income for federal tax purposes.
  - c. Interest Income. Income received from bank accounts, money market accounts, certificates of deposit, and deposited insurance dividends are considered countable taxable income. Additionally, interest on some bonds issued by and used to finance state and local government operations is also counted for the MAGI even though treated as tax-exempt for federal tax purposes.
  - d. Foreign earned income. Foreign earned income is countable for the MAGI. This includes all income received from sources within a foreign country or countries earned for services when either performed by: a U.S. citizen and a *bona fide* resident of a foreign country for an uninterrupted period of time that includes an entire tax year; or a U.S. citizen or resident who, during any period of twelve (12) consecutive months, is present in a foreign country for at least three hundred thirty (330) full days during that period.
  - e. Medicaid specific adjustments to income. Special Medicaid adjustments are as follows:
    - (1) Taxable lump sum payments (such as gifts, prizes, income and property tax refunds) are counted only in the month received.
    - (2) Educational scholarships, awards or fellowships used for education purposes are excluded from consideration as income.

(3) Certain types of income for American Indian/Alaska Native persons are excluded.

f. Treatment of other sources of income for Medicaid eligibility are summarized in the table that follows:

<b>MAGI-Based Medicaid Eligibility Rules</b>	
<b>Income Source</b>	<b>Treatment of Income</b>
Self-employment income	Counted with deductions for most expenses, depreciation, and business losses
Salary deferrals (flexible spending, cafeteria and 401(k) plans)	Not counted
Child support received	Not counted
Alimony paid	Alimony payments under separation or divorce agreements finalized after December 31, 2018 are not deductible by the payer. Alimony payments under separation or divorce agreement finalized on or before December 31, 2018 continue to be deductible by the payer except when such agreement is modified and when such modification expressly states that alimony is not deductible to the payer or includible in the income of the recipient
Veterans' benefits	Not counted
Workers' compensation	Not counted
Gifts and inheritances	Not counted

<b>MAGI-Based Medicaid Eligibility Rules</b>	
<b>Income Source</b>	<b>Treatment of Income</b>
TANF and SSI	Not counted
Qualified Lump Sum Income	<p>Winnings less than eighty thousand dollars (\$80,000) are counted as income in the month received.</p> <p>Winnings of at least eighty thousand dollars (\$80,000) but less than ninety thousand dollars (\$90,000) are counted as income in equal installments over two months.</p> <p>For every additional ten thousand dollars (\$10,000) in winnings over ninety thousand dollars (\$90,000), one (1) month is added to the period over which total winnings are divided, in equal installments, and counted as income.</p>
Discharged Student Loan Debt	Not counted
Moving Expenses	Not counted
Alimony Received	Alimony payments under separation or divorce agreements finalized after December 31, 2018 are not included in the income of the recipient. Alimony payments under separation or divorce agreements finalized on or before December 31, 2018 continue to be included in the income of the recipient for the duration of the agreement except when such agreement is

<b>MAGI-Based Medicaid Eligibility Rules</b>	
<b>Income Source</b>	<b>Treatment of Income</b>
	modified, when such modification expressly states that alimony is not deductible to the payer or includible in the income of the recipient
<del>Tuition and Fees Deductions</del>	<del>Not counted</del>

2. Household members included in MAGI calculation – An individual’s household income is the sum of the MAGI-based income of every individual included in the individual’s household who is expected to be required to file a tax return. These rules are based on whether or not a person is “expected” to be required to file a tax return; it does not matter whether they eventually do so or not.
3. Use of current income and accounting for reasonably predicted changes – For new Medicaid applicants, the State must use a household’s current monthly income and household size when evaluating eligibility. A prorated portion of reasonably predictable changes in income, if there is a basis for anticipating the changes, such as a signed contract for employment, a clear history of predictable fluctuations in income, or other indications of future changes in income may be considered in determining eligibility. Future changes in income and household size must be verified in accordance with the verification and reasonable compatibility requirements as delineated in this Part.
4. Comparing household income to the FPL – To determine income eligibility for Medicaid based on the MAGI calculation, the State must compare a household’s current monthly income to the FPL guidelines for the appropriate household size. The State must use the most recently published FPL level in effect in the month during which an applicant applies for coverage. If an applicant’s FPL level is within five (5) percentage points over the FPL for the coverage group for which they would be eligible, a disregard of five (5) percentage points of the FPL shall be added to the highest income eligibility standard listed above for that coverage group.

## **5.7 Verification of Income Using the MAGI Methodology**

- A. To achieve the ACA’s goal of improving and streamlining access to all forms of affordable coverage, including Medicaid, the federal government established a

data hub containing information related to various eligibility factors. The federal data hub facilitates the electronic information exchange necessary to verify eligibility both at the time of initial application and during annual renewals thereafter. States have the flexibility to augment the electronic verification process the federal data hub uses with any additional data bases deemed appropriate. Rhode Island has elected to combine the use of electronic data sources for income verification including those that are commercially available, available through federal partners, and those that are available at the state-level to ensure accuracy, timeliness and completeness. ~~state level databases to verify income first as they tend to be more correct, but still uses the federal data hub, as appropriate.~~

- B. The purpose of § 5.8 of this Part is to identify the principal facets of the verification process, including the electronic matches made through the federal data hub, and State-automated data bases and alternatives. In addition, the provisions of this rule also set forth the respective roles and responsibilities of the EOHHS, in its capacity as the Single State Medicaid Agency and applicants in assuring this process functions in the most secure, effective, and efficient manner possible.

## 5.8 Verification Process

- A. As indicated in Part 10-00-3 of this Title, attestations are accepted without verification for residency, household composition, pregnancy and caretaker relative status. In general, this verification process proceeds as follows:
1. Data matching – The State must assure that an applicant’s information is entered into the integrated eligibility system (IES) and matched electronically to the full extent feasible through the federal data hub, ~~and~~ State data sources, and commercial data sources.
    - a. Federal Data Hub. The federal data hub contains electronic information from various agencies of the United States government, including the IRS, Social Security Administration (SSA), HHS (Centers for Medicare and Medicaid Services (CMS) and other agencies), Department of Homeland Security (USDHS), Department of Veterans Affairs (VA), Department of Defense (DoD), Peace Corps, and Office of Personnel Management (OPM). Various categories of data from these sources are used to match on income, employment, health, entitlements, citizenship, and criminal history. A full list of the data included in the federal hub and the rules governing its use are located in 42 C.F.R. §§ 435.948 and 435.949.
    - b. State data sources. The State draws from databases from an array of public agencies to verify income including the RI Department of Labor and Training (DLT), Divisions of Revenue and Motor

Vehicles, and EOHHS agencies including Department of Human Services (DHS). Specific databases include State Wage Information Collection Agency (SWICA) and State unemployment compensation information (UI).

c. Commercial wage verification. The State may contract with one of several commercially available products/resources for a comprehensive detailing of wage data from some of the nation's largest employers.

2. Reasonable compatibility – The State must use a reasonable compatibility standard, or an allowable difference, to match data sources with self-reported application information. If the data sources match the applicant’s attestation, or are found “reasonably compatible,” the State must ensure that the IES bases the determination on the information in the application. The State uses this standard for income verification and may apply it to other eligibility factors in the future.
3. Reasonable explanation – The State must provide the applicant with the opportunity to provide an explanation and documentation if the data sources do not match the attestation or are not reasonably compatible. Accordingly, the IES issues a request to the applicant for this information and provides a list of reasonable explanation options.
4. Reconciliation process – The explanation provided by an applicant must be used to determine whether it is feasible to reconcile a discrepancy between an attestation and data matches to determine whether reconciliation is feasible. If the applicant provides a reasonable explanation, the final determination of eligibility will be based on the information the applicant provided. If the applicant is unable to provide a reasonable explanation, documentation will then be required to verify or correct the attestation and reconcile the discrepancy.
5. Privacy – The verification process utilizes personally identifiable information (PII) from both the federal data hub and State data sources. An account is maintained for each person who completes and submits an application through the State’s IES. This account includes PII and other eligibility-related information used in the determination and annual renewal process. The State must assure the privacy of the information in these accounts in accordance with the Health Insurance Portability and Accountability Act (HIPAA) Standards for Privacy of Individually Identifiable Health Information and R.I. Gen. Laws §§ 40-6-12 and 40-6-12.1. Also, the State must limit any use of account information to matters related to the administration of the Medicaid program including eligibility determinations, Medicaid health plan enrollment, appeals, and customer services. See also Part 10-05-1 of this Title, Confidentiality Rule.

6. Account Duration – Once an account in the IES is established, a person seeking Medicaid has ninety (90) days to complete and submit the application for a determination. The IES eliminates the account and all eligibility information from all sources, federal and State, if an application has not been completed by the end of that period. The State must determine eligibility within thirty (30) days from the date the completed application is submitted.
  7. Post-eligibility verification – See § 5.15 of this Part.
- B. The following lists key eligibility factors, the types of verification required for attestations, if any, and the verification sources for MACC Group applicants/beneficiaries:
1. Identity – An applicant must provide proof of identity when applying through the IES or filing a paper application. The requirements related to identity proofing are set forth in Part 30-00-3 of this Title. Certain applicants may not be able to obtain identity proofing through the federal hub due to data limitations. Pre-eligibility verification is required through an alternative electronic paper documentation source in these instances to establish an account.
  2. Income – Electronic verification of attested income is required by the State. Multiple electronic data sources may be used for this purpose. ~~In general, State data sources (such as SWICA UI) will be used first.~~ The reasonable compatibility standard applies when there are discrepancies between the applicant's income self-attestation and information from electronic data sources.
  3. General Eligibility – Non-Financial Factors – (Social Security Numbers, Age, Citizenship, Death, Date of Birth, Residency, and Incarceration). Information on these eligibility factors is verified against various State and federal data sources. Information specific to verification requirements for MAGI populations is located in Part 30-00-3 of this Title; for Medicaid and CHIP-funded eligibility more generally, the applicable provisions are set forth in Part 30-00-3 of this Title.

## 5.9 Medicaid Reasonable Compatibility Standards

- A. When information obtained through the federal data hub ~~and~~ State data sources and commercial data sources is found reasonably compatible with the applicant's attestation, no further verification is required, and the eligibility determination will proceed. The reasonable compatibility standards set forth below by the State are applicable to income verification. The term "data" refers to information obtained through electronic data matches across federal and State sources.
- B. Overview of Standards

<b>Medicaid Reasonable Compatibility Standards for Income</b>	
<b>Attestation and Data Scenario</b>	<b>Reasonable Compatibility Standard</b>
Attestation and <u>income data from external sources</u> <del>SWICA</del> and <del>UI data</del> are below applicant's Medicaid eligibility levels.	Reasonably Compatible: Person eligible for Medicaid
Attestation and <u>income data from external sources</u> <del>SWICA</del> and <del>UI data</del> are above applicant's Medicaid eligibility levels.	Reasonably Compatible: Person ineligible for Medicaid; eligibility for a qualified health plan (QHP) is determined
The attestation is below the applicant's Medicaid eligibility level and the <u>income data from external sources</u> <del>SWICA</del> and <del>UI data</del> are above the applicant's Medicaid eligibility level, and the difference between the attestation and data is ten percent (10%) or less.	Reasonably Compatible: Person eligible for Medicaid
The attestation is below the applicant's Medicaid eligibility level and the <u>income data from external sources</u> <del>SWICA</del> and <del>UI data</del> are above the applicant's Medicaid eligibility level, and the difference between the attestation and data is greater than ten percent (10%).	Not Reasonably Compatible: pursue discrepancy reconciliation.  Person may provide a reasonable explanation and/or provide the State with documentation of current income.

1. Income attestation and data are both below Medicaid eligibility levels – Attestation and data sources are reasonably compatible if the difference or discrepancy between the two (2) does not affect the eligibility of the applicant. In other words, even if there is a difference between what an applicant says he or she earned and what the data shows was actually

earned, the attestation and data are considered reasonably compatible if both are below Medicaid eligibility levels.

2. Attestation and data are both above Medicaid eligibility levels – Attestation and data sources are reasonably compatible if they are both above the Medicaid eligibility levels. Under such a scenario, the person would be found ineligible for Medicaid. For example, this would occur if an applicant attests to income above the eligibility ceiling for the applicable MACC group and electronic data-based verification indicates that the applicant's income is higher than that amount. The applicant is not eligible for Medicaid in either case. Eligibility for affordable care with federal advance premium tax credits and cost-sharing reductions is then reviewed.
3. Income attestation – The difference between the income attestation and the data is less than ten percent (10%) – An income attestation and data from electronic sources are considered reasonably compatible if the difference between the applicant's attestation and the data sources is less than ten percent (10%). The applicant is eligible, provided all other eligibility criteria are met.
4. Income attestation – The difference between the income attestation and data sources is greater than ten percent (10%). An income attestation and data on income sources are considered to be not reasonably compatible if the difference between the applicant's attestation and data sources is greater than ten percent (10%); a reasonable explanation is pursued.

## **5.10 Reasonable Explanations**

- A. When attestation and data sources are not reasonably compatible, the IES provides the applicant with prompts for resolving any identified discrepancies. The applicant is asked first to provide an explanation. Before an eligibility determination is made, the applicant will be afforded an opportunity to explain any discrepancies between their income attestation and the income source data.
- B. The following chart is a list of acceptable explanations when there is a discrepancy between an income attestation and data sources. If the applicant provides any one (1) of these explanations, eligibility will be based on their attestation and no further verification is required. The State has only implemented reasonable explanation options for income discrepancies.

<b>Reasonable Explanations for Discrepancy in Income</b>	
Lost job	Fluctuating income
Decrease in hours	Work on commissions
Multiple employers	Income from capital gains
Self-employed	Income from dividends
Do not file taxes	Income from royalties
Have not filed taxes yet	Seasonal worker
Homeless	Divorce or marriage
Victim of domestic violence	Death in family
Victim of natural disaster	Victim of identity theft

### **5.11 Reconciliation Period**

- A. If the applicant's data verification is not reasonably compatible with the attested information and the applicant has been unable to provide a reasonable explanation for discrepancies, applicants will be given a thirty (30) day application period to submit satisfactory documentation. Medicaid eligibility is only available during the reconciliation period as specified § 5.12 of this Part below.

### **5.12 Satisfactory Documentation and Alternative Forms of Verification**

- A. During the reconciliation process, applicants will be asked to submit satisfactory documentation to verify income eligibility as indicated below:

<b>Income Verification Sources</b>	
Pay stubs representative of the last four (4) weeks of income	Reports from Social Security, Veteran's Administration, and other agencies
Earnings Statement	When the applicant is unable to obtain the information requested, Departmental forms (Wage Report, AP-50; Bank Clearance, AP-91;
Employment Letter	
Book Keeping Records	

<b>Income Verification Sources</b>	
Property Unit Proof	Clearance with VA, AP-150 and AP-151) are used.
Owner Occupied Proof	
Monthly Rental Income Proof	
Mortgage Breakdown Proof	
Income Tax Returns	

- B. The State may provide an alternate verification process. This alternative process is available when one (1) or more of the following conditions apply:
1. The IRS's only tax data for the applicant is over two (2) years old;
  2. The applicant attests that the family size or family members have changed since the tax information being used for the determination was filed;
  3. The applicant attests that a change in circumstances has occurred or is reasonably expected to occur that may affect eligibility;
  4. The applicant attests to a change in tax filing status that has or is reasonably expected to change the tax filer's annual income; or
  5. An applicant in the tax filer's family has applied for unemployment benefits.

### **5.13 Post-Eligibility Verification (PEV) by the Integrated Eligibility System (IES)**

- A. The IES will conduct post-eligibility verification of the beneficiary's information. The IES runs post-eligibility verifications on the following beneficiary information:
1. Factors reviewed:
    - a. Incarceration status (Rhode Island Department of Corrections data)
    - b. Death data (Department of Health Vital Records data)
    - c. Current Income – Wages (~~electronic data sources~~ Department of Labor and Training – SWICA)
    - d. Current Income – Unemployment Income (UI) (Department of Labor and Training)

2. Timelines:
  - a. Post-eligibility verification for incarceration, death data, and current unemployment insurance information will be checked monthly.
  - b. Post-eligibility verification for current income/wages runs approximately every ninety (90) days (such as February, May, August, and November).
3. PEV Results – The State may take the following action or actions based upon the PEV process:
  - a. All information is current and accurate and the difference between the total attested income supplied by the beneficiary and the information supplied by an external data source(s) is within the state's established reasonable compatibility standard, no action on the part of the State or the beneficiary is required. The beneficiary continues to receive benefits without interruption.
  - b. During the post-eligibility verification process, if the income from electronic data sources is above the applicable Medicaid eligibility threshold, and the difference between the electronic data source and the total attested income is more than ten percent (10%), the IES will check each line of income and send out a notice to the beneficiary(ies) indicating the source of income that cannot be verified and requesting that it be reviewed and verification documentation related to current income be provided.
    - (1) The beneficiary will have ten (10) days to respond to such a notice. The ten (10) day period begins on the fifth day after the notice was mailed by the State. The beneficiary may either log onto the automated account ([www.healthyrhode.ri.gov](http://www.healthyrhode.ri.gov)) and change information, send via U.S. mail, or bring the documentation to a local DHS office. Upon receipt of the verification documentation, the State will redetermine eligibility.
    - (2) After the time period to provide documentation has elapsed, if the person has not provided documentation or reported a change, the State will redetermine eligibility using the data from external sources.
    - (3) If any member of the beneficiary's household has died or if there is a change in the household composition, the State will seek further information from the beneficiary before terminating coverage. If terminated, the beneficiary will then have to re-apply (i.e., log onto the automated account

([www.healthyrhode.ri.gov](http://www.healthyrhode.ri.gov)); send via U.S. mail; or bring the documentation to a local DHS office).

- (4) A notice of the beneficiary's new eligibility status will be sent, along with a Medicaid termination notice with appeal rights (Part 10-05-2 of this Title, as applicable).

- B. A beneficiary will not be terminated by the State based on a change in income without first considering other possible categories of eligibility based on factors including age, disability status, and level-of-care needs.
- C. All children found eligible for CHIP or Medicaid will be granted one (1) year of continuous eligibility (CE) from the date they are found eligible. During their CE period, children will not be disenrolled due to changes in circumstances. The following are the only exceptions to the CE provision:
  1. The child attains age 19;
  2. The child or child's representative requests a voluntary termination of eligibility;
  3. The child ceases to be a resident of the state;
  4. The agency determines that eligibility was erroneously granted at the most recent determination, redetermination, or renewal of eligibility because of agency error or fraud, abuse, or perjury attributed to the child or the child's representative; or
  5. The child is deceased.
  6. The child is found eligible for Medicaid (applies only to those initially eligible via CHIP).