

Health Care Finance and Administration	Section: Categories of Eligibility
Policy Manual Number 015.055	Chapter: Transitional and Extended Medicaid

TRANSITIONAL AND EXTENDED MEDICAID

Legal Authority: 42 CFR 435.112; 42 CFR 435.115; 408(a)(11)(A), 1902(e)(1)(A), 1925 and 1931(c)(2) of the Social Security Act; TennCare II Medicaid Section 1115 Demonstration

1. Transitional Medicaid

a. Overview

Prior to implementation of the Patient Protection and Affordable Care Act (ACA), Transitional Medicaid (TM) was an extension of Medicaid eligibility for individuals who were eligible in the Aid to Families with Dependent Children-Medicaid Only (AFDC-MO) TennCare Medicaid category, but who had lost eligibility due to increased earnings or work hours. Upon implementation of the ACA, the AFDC-MO category no longer exists, but states continue to be required to provide TM to eligible individuals.

Enrollees who are potentially eligible for TM benefits include individuals who were eligible under the new TennCare Medicaid MAGI categories who would have been eligible for the AFDC-MO category prior to the ACA changes. This includes subsets of individuals in the Child MAGI categories, the Pregnancy MAGI category and individuals in the Caretaker Relative MAGI category. The state will use the current Caretaker Relative MAGI income standard to identify the individuals in the Child MAGI and Pregnancy MAGI categories who may be eligible for TM. Given that the State eliminated the deprivation requirement and no longer reviews whether a parent or caretaker relative is underemployed, an increase in work hours will no longer cause an individual to lose eligibility. The increase in income related to increased work hours may, however, affect eligibility.

b. Policy Statement

TM is authorized for enrollees who lose Child MAGI, Pregnancy MAGI or Caretaker Relative MAGI eligibility due to increased earnings, and whose household income prior to losing eligibility was at or below the current Caretaker Relative MAGI income standard. Eligible individuals must have been eligible for and receiving benefits in the appropriate category for at least 3 out of 6 months immediately preceding the month of ineligibility. Eligible individuals receive 12 months of Medicaid.

c. Categories

TM is available for individuals in the following categories:

i. Child 0-1 MAGI, Child 1-5 MAGI and Child 6-18 MAGI

TM benefits are provided to children who lose Child MAGI eligibility when all of the following conditions are met:

- The child's parent or caretaker relative was previously eligible in a MAGI category with income under the Caretaker Relative income standard for at least 3 of the previous 6 months, but lost eligibility due to an increase in earnings; and

Health Care Finance and Administration	Section: Categories of Eligibility
Policy Manual Number 015.055	Chapter: Transitional and Extended Medicaid

- The child was eligible and enrolled in a Child MAGI category for at least 3 of the last 6 months immediately preceding the month the parent or caretaker relative lost eligibility.

ii. Pregnancy MAGI

TM benefits are provided to pregnant women who lose Pregnancy MAGI eligibility when all of the following conditions are met:

- The woman was eligible and enrolled in the Pregnancy MAGI category for at least 3 of the last 6 months immediately preceding the month eligibility was lost;
- The woman's loss of eligibility is due to an increase in earnings; and
- The woman's household income was at or below the Caretaker Relative income standard for at least 3 of the last 6 months immediately preceding the month eligibility was lost.

iii. Caretaker Relative MAGI

TM benefits are provided to parents and caretaker relatives who lose Caretaker Relative MAGI eligibility when all of the following conditions are met:

- The individual was eligible and enrolled in the Caretaker Relative MAGI category for at least 3 of the last 6 months immediately preceding the month eligibility was lost;
- Loss of eligibility is due to an increase in earnings; and
- The parent or caretaker relative must continue to have a dependent child in the home in order to receive TM.

d. Non-Financial Eligibility Requirements

All other non-financial eligibility requirements of the relevant MAGI categories must continue to be met.

2. Extended Medicaid

a. Overview

Prior to implementation of the ACA, Extended Medicaid (EM) was an extension of Medicaid eligibility for individuals who were eligible in the AFDC-MO TennCare Medicaid category, but who had lost eligibility due to an increase in child or spousal support. Upon implementation of the ACA, the AFDC-MO category no longer exists, but states continue to be required to provide EM to eligible individuals.

Enrollees who are potentially eligible for EM benefits include individuals who were eligible under the new TennCare Medicaid MAGI categories who would have been eligible for the AFDC-MO category prior to the ACA changes. This includes a subset of individuals in the Child MAGI categories, the Pregnancy MAGI category and individuals in the Caretaker Relative MAGI category. The State will use the current Caretaker Relative MAGI income standard to identify the individuals in the Children and Pregnancy MAGI categories who may be eligible for EM.

Health Care Finance and Administration	Section: Categories of Eligibility
Policy Manual Number 015.055	Chapter: Transitional and Extended Medicaid

Given that Child Support is not countable income under the MAGI methodology, EM will be provided only for individuals who lose eligibility due to increases in spousal support.

b. Policy Statement

EM is authorized for enrollees who lose Child MAGI, Pregnancy MAGI or Caretaker Relative MAGI eligibility due to increased spousal support, and whose household income prior to losing eligibility was at or below the current Caretaker Relative MAGI income standard. Eligible individuals must have been eligible for and have received benefits in the appropriate category for at least 3 out of 6 months immediately preceding the month of ineligibility. Eligible individuals will receive twelve months of Medicaid.

c. Categories

EM is available for individuals in the following categories:

i. Child 0-1 MAGI, Child 1-5 MAGI and Child 6-18 MAGI

EM benefits are provided to children who lose Child MAGI eligibility when all of the following conditions are met:

- The child's parent or caretaker relative was previously eligible in a MAGI category with income under the Caretaker Relative income standard for at least 3 of the previous 6 months, but lost eligibility due to an increase in spousal support; and
- The child was eligible and enrolled in a Child MAGI category for at least 3 of the last 6 months immediately preceding the month the parent or caretaker relative lost eligibility.

ii. Pregnancy MAGI

EM benefits are provided to pregnant women who lose Pregnancy MAGI eligibility when all of the following conditions are met:

- The woman was eligible and enrolled in the Pregnancy MAGI category for at least 3 of the last 6 months immediately preceding the month the eligibility was lost;
- The woman's loss of eligibility is due to an increase in spousal support; and
- The woman's household income was at or below the Caretaker Relative income standard for at least 3 of the last 6 months immediately preceding the month the eligibility was lost.

iii. Caretaker Relative MAGI

EM benefits are provided to parents and caretaker relatives who lose Caretaker Relative MAGI eligibility when all of the following conditions are met:

Health Care Finance and Administration	Section: Categories of Eligibility
Policy Manual Number 015.055	Chapter: Transitional and Extended Medicaid

- The individual was eligible and enrolled in the Caretaker Relative MAGI category for at least 3 of the last 6 months immediately preceding the month eligibility was lost;
- Loss of eligibility is due to an increase in spousal support; and
- The parent or caretaker relative must continue to have a dependent child in the home in order to receive EM.

d. Non-Financial Eligibility Requirements

All other non-financial eligibility requirements of the relevant MAGI categories must continue to be met.