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**State of Wisconsin
Governor Scott Walker**

**TO: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers
Training Staff
Child Care Coordinators**

**FROM: Shawn Smith, Bureau Director
Bureau of Enrollment Policy & Systems
Division of Health Care Access and Accountability**

BEPS/DFS OPERATIONS MEMO					
No: 13-32		Amended			
DATE: 10/14/2013					
FS	<input type="checkbox"/>	MA	<input type="checkbox"/>	BC+	<input checked="" type="checkbox"/>
SC	<input type="checkbox"/>	CTS	<input type="checkbox"/>	FSET	<input type="checkbox"/>
BC+ Basic	<input type="checkbox"/>	BC+ CORE	<input type="checkbox"/>		
CC	<input type="checkbox"/>	W-2	<input type="checkbox"/>	EA	<input type="checkbox"/>
CF	<input type="checkbox"/>	JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>
RAP	<input type="checkbox"/>	WIA	<input type="checkbox"/>	Other	<input type="checkbox"/> *
				EP	

SUBJECT: BadgerCare Plus Policy and System Changes

CROSS REFERENCE: BadgerCare Plus Handbook

EFFECTIVE DATE: January 1, 2014

PURPOSE:

The purpose of this memo is to announce the changes to the BadgerCare Plus program resulting from changes in Federal laws and regulations governing Medicaid and the Children's Health Insurance Program (CHIP), as well as changes in State law.

BACKGROUND:

Provisions in the federal Patient Protection and Affordable Care Act (PPACA or ACA), signed into law in 2010, and in 2013 Wisconsin Act 20 (the State Biennial Budget) as well as major revisions to Federal Regulations governing the Medicaid and Children's Health Insurance Program (CHIP) require changes in the policies used to determine eligibility for the BadgerCare Plus (BC+) program. These changes go into effect for eligibility starting January 1, 2014.

PPACA established the Federally Facilitated Marketplace (also known as the federal Exchange or FFM). The Marketplace offers affordable private health insurance to individuals and families. Starting October 1, 2013, individuals will be able to use the Marketplace to shop for and purchase private health insurance with coverage beginning January 1, 2014. People can also use the Marketplace to apply for Advance Premium Tax Credits (APTCs). These tax credits will lower premium payments for people between 100% and 400% of the FPL, who are not eligible for BC+ or Medicaid (MA), if they purchase private health insurance through the Marketplace. Individuals with income under 250% of the FPL may also qualify for Cost-Sharing Reductions (CSRs) for their private insurance plan through the Marketplace.

An application to the Marketplace is also considered an application for BC+ and MA, if the applicant requests help paying for health insurance. When someone applies through the Marketplace and is determined to be eligible for BC+ or MA, the Marketplace will transfer their account to the state for processing.

Conversely, an application for BC+ is also considered an application to the Marketplace. Applications determined ineligible for BC+ by the State will be transferred to the Marketplace for APTCs and CSR determinations. This automatic transfer from the State to the Marketplace will be in place starting January 2014. Prior to January 2014, applicants who are determined ineligible for BC+ or MA will have to contact the Marketplace directly.

The Marketplace will use tax-based eligibility rules to determine if someone is eligible for assistance. States are required to align with the Marketplace by using the same tax-based rules to determine eligibility for BC+. Specifically, the Marketplace will determine income and household composition using the Modified Adjusted Gross Income, or MAGI, methodology. MAGI rules are based on tax rules and federal regulations published by the Centers for Medicare and Medicaid Services (CMS). Implementing MAGI rules for BC+ will introduce tax relationships into the process of determining household composition and income calculations for BC+.

CMS published new regulations in 2012 and 2013, to implement some of the provisions in PPACA. These regulations are effective January 1, 2014.

In addition to the changes introduced by PPACA and regulations, 2013 Wisconsin Act 20 (Act 20) includes changes to the income limits for BC+. These income limit changes are unrelated to the MAGI changes, and will affect all BC+ households, as of January 1, 2014.

This Operations Memo includes information on the following policy and system changes that will affect BC+ starting in 2014. The list below describes the sections within this memo and page that section begins.

- Policy changes that affect all BC+ populations starting January 1, 2014: These changes are not dependent on whether or not the household is being tested using MAGI rules. (Page 3).
- Modified Adjusted Gross Income (MAGI) Rules: This section outlines the changes that will affect BC+ households as they transition to the new MAGI rules. (Page 10.)
- CARES Worker Web (CWW) Changes: This section describes the new CWW pages as well as the new fields added to existing pages. (Page 33).

- New Medical Status Codes: New medical status codes have been created to accommodate the changes in benefit plans, funding sources and income limits. (Page 46).
- New Document Codes for Electronic Case File (ECF): ECF codes have been updated to include codes for verification of tax filing details and tax deductions. (Page 47).
- Correspondence Update: Notices, the verification checklist, case summary, etc. have all been updated. (Page 48).
- Cross Program Impacts: This section describes how the system changes will affect other programs of assistance. (Page 48).

POLICY CHANGES EFFECTIVE JANUARY 1, 2014:

The following policies are effective January 1, 2014. These changes in policy are not dependent on whether or not the individual or household is being tested using MAGI rules.

INCOME LIMIT CHANGES

2013 Wisconsin Act 20 includes changes to some of the income limits for BC+ starting January 1, 2014. The following new income limits will affect all BC+ members January 1st, regardless of when the individual transitions to the MAGI budgeting rules.

Adults: Non-pregnant adults age 19 or older must have income at or below 100% of the FPL to be eligible for BC+. This includes parents, caretakers and childless adults. The income limits have not changed for adults with a disability or adults 65 years of age or older who are being tested for Medicaid for the Elderly, Blind or Disabled (EBD MA).

Children: Children under 19 years of age must have income at or below 300% of the FPL to be eligible for BC+. Children with income over 300% of the FPL may become eligible by meeting a deductible. The deductible amount is calculated for a six-month period using the amount of income that exceeds 150% FPL. Children with income over 150% of the FPL who are denied BC+ solely due to access to health insurance, may also become eligible for BC+ by meeting a deductible. The current process requiring a household to request a deductible for a child has not changed.

➤**NOTE:** Income limits have not changed for:

Pregnant Women: Pregnant women must have income at or below 300% of the FPL to be eligible for BC+. Pregnant women with income over 300% of the FPL may become eligible by meeting a deductible. The deductible amount is calculated for a six-month period using the amount of income that exceeds 300% FPL. The process for setting up a deductible for a pregnant woman has not changed.

Family Planning Only Services: BC+ Family Planning Only Services individuals must have income at or below 300% of the FPL.

The following table displays the new income limits for existing and potential BC+ members, effective January 1, 2014:

Coverage Group	Income Limit
Children (under 19 years old)	At or below 300% of the FPL
Pregnant Women	At or below 300% of the FPL
Parents & Caretakers	At or below 100% of the FPL
Childless Adults	At or below 100% of the FPL
Family Planning Only Services	At or below 300% of the FPL

In late September 2013, a letter was sent to all BC+ members with income over the new income limits notifying them of the upcoming change in the income limits. The letter contained information on the Marketplace and encouraged the members who appear to be over the new limits to go to the Marketplace and start the process for choosing an insurance plan and applying for tax credits and reduced cost sharing. This process must be completed by December 15th, to start coverage under the insurance plan on January 1st, and to avoid a gap in coverage.

CHILDLESS ADULTS

Wisconsin currently covers childless adults under the BC+ Core Plan through a waiver granted by the Federal Department of Health and Human Services (DHHS). Due to limited funding, the Core Plan has not been open to new enrollment since October 2009 when the Core Plan Waitlist was implemented. This waiver is ending December 31, 2013, and as described in [Operations Memo 13-25](#), the Core Plan waitlist ended September 28th.

PPACA includes a provision that allows states to expand MA coverage to the childless adult population. Starting January 1, 2014, Wisconsin will provide MA coverage under the BC+ Standard Plan to any eligible childless adult. To be eligible, the childless adult must have income at or below 100% of the FPL and the following eligibility criteria:

- At least 19, but no more than 64 years of age,
- Not residing with any dependent children under age 19 who are qualifying relatives and under his/her care,
- Not pregnant,
- A U.S. citizen or qualifying immigrant,
- Provides an SSN, if not exempt from this requirement,
- Wisconsin resident,
- Ineligible for any full-benefit MA plan, and
- Not entitled to Medicare.

Childless adults will no longer be subject to:

- Health insurance access and coverage restrictions,
- Completing a health needs assessment as a condition of eligibility,
- Paying an annual application fee or premiums, or
- Obtaining a comprehensive physical exam.

There will no longer be enrollment caps or waitlists for anyone who meets the eligibility requirements. The change in the income limit for childless adults will mean those with incomes over 100% of the FPL will be terminated from the Core Plan effective December 31, 2013. Core Plan members with income over 100%, received a one-time letter in early October notifying them that it appears they will no longer be eligible for BC+ beginning January 1. The letter included information about the Marketplace. A Notice of Decision will be sent to all Core Plan members with income over 100% of the FPL in late November terminating their eligibility and advising them to go to the Marketplace. Core Plan members with incomes at or below 100% of the FPL will remain eligible for BC+ without having to file a new application.

Since Wisconsin will not have a program open to this population until January 1st, childless adults will not be able to apply for BC+ through ACCESS or their local IM agency until after November 18th, when CARES will determine January eligibility. Childless adults can apply for regular BC+ through their local IM agency prior to November 18th, but will be denied unless they are:

- A parent or caretaker,
- Under 19,
- Pregnant, or
- Eligible under an EBD MA or LTC MA program.

Childless adult applications submitted to the Marketplace will be referred to Wisconsin for processing, if the Marketplace determines the countable income to be at or under 100% of the FPL. Applications referred by the Marketplace between October 1st and November 16th will be submitted to the IM agency's inbox on November 18, 2013 for processing.

➤ **NOTE:** [Operations Memo 13-25](#) describes the changes to Core Plan renewal requirements and the waitlist process taking place in 2013.

BC+ BASIC PLAN:

The BC+ Basic Plan was implemented to provide limited coverage to individuals on the Core Plan Waitlist. As the Core Plan Waitlist will end and the childless adult population can now be eligible for BC+ or for assistance through the Marketplace, Act 20 ended the Basic Plan, effective January 1, 2014.

Basic Plan members received a one-time letter in early October notifying them of the program ending. The letter included information about the Marketplace, as well as the expansion of BC+ to cover childless adults who are within the new income limit. A termination notice will be sent to all Basic Plan members in late December. Basic Plan members must continue to pay their premiums to maintain coverage through December 31, 2013.

BENEFITS PLAN CHANGES:

Effective December 31, 2013, coverage under the Benchmark and the Core Plans ends. Starting January 1, 2014, all BC+ members, including childless adults, who meet the new program rules, will be enrolled in the Standard Plan. The Standard Plan is a more comprehensive benefit plan than the Benchmark and Core Plans. Children and pregnant women in the Benchmark Plan and Core Plan members who continue to qualify under the new income limits will transition to the Standard Plan effective January 1st and receive A Notice of Decision will be mailed in late November advising them of the change to their benefit plan.

HEALTH INSURANCE ACCESS AND COVERAGE:

Because of changes in the income thresholds at which parents, caretakers and childless adults will be eligible, no adult will be subject to the Health Insurance Access and Coverage tests. The 9.5% Past and Current Access/Coverage Tests for adults will be eliminated.

The current policy regarding the 80% Past Access and Current Access and Coverage Tests for children will continue to be applied to the following individuals:

- Children age 1 through 5 with AG income above 185% FPL and
- Children age 6 through 18 with AG income above 150% FPL.

If a child has current access, through the current employer of an adult family member who is currently living in the household, state health insurance, or employer-sponsored health insurance and the employer is paying at least 80% of the cost, the child will not be eligible for BC+, unless they meet a deductible.

If a child had past access to health insurance, including access due to a qualifying event in the twelve (12) months prior to the application or review date, they are not eligible for BC+ benefits, if the access was through the current employer of an adult family member who is currently living in the household and:

- The access was to a HIPAA health insurance plan through a current employer and the employer paid at least 80% of the premium, or through the State of Wisconsin's health care plan (regardless of plan type, or premium amount contributed by the employer);
and
- The member is a child under age 19, is not exempt; and
- There is no good cause reason for not signing up for the coverage.

These conditions apply to both current and past access to health insurance.

The rules for health insurance coverage and access have not changed for the BC+ Prenatal Program.

PREGNANCY VERIFICATION:

Beginning January 1, 2014, verification of pregnancy, the due date, and the number of fetuses for BC+ or MA is no longer required. These items should not be questioned, unless there is other information that contradicts the applicant's statement deeming it questionable.

This new policy also applies to the BC+ Pre-natal Program (BC+PP). Eligibility for pregnant women under BC+PP will no longer be tied to the date pregnancy was verified. Instead, the eligibility effective date will be the first day of the month of application. Backdating of eligibility for BC+PP is still not allowed.

FORMER FOSTER CARE YOUTHS:

Formerly known as YEOHCs (Youth's Exiting Out-of-Home Care), youths who were in foster care, subsidized guardianships or court-ordered kinship care when they turned 18 will be eligible for BC+ up to age 26, starting January 1, 2014. It does not matter what state the youth

was residing in when the youth turned 18. Any former YEOHC whose case closed prior to January 1, 2014, due to turning 21, will have to reapply on or after November 18th, for eligibility beginning January 1st. CARES will not automatically re-establish eligibility for these individuals. The “out-of-home” status at the time the youth turned 18 does not have to be re-verified, if the youth re-requests benefits under this program starting January 1st.

Unlike YEOHC’s who were required to have been born on or after January 1, 1990, Former Foster Care Youths born before that date are eligible, as long as they are under age 26. All other eligibility criteria for YEOHC’s will continue to apply to Former Foster Care Youths. There will continue to be no income or asset test for this group as long as they are eligible under this status.

BACKDATED ELIGIBILITY:

The following individuals may have their eligibility backdated to the first of the month, up to three calendar months prior to the month of application:

- Parents/Caretakers with income at or below 100% of the FPL (for months prior to January 1, 2014, their income had to be at or below 200% of the FPL).
- Childless Adults with incomes at or below 100% of the FPL (excluding months prior to January 1, 2014).
- All pregnant women, except those eligible under the BC+ Prenatal Program, as long as their income was below 300% of the FPL in the backdated month, unless they are in a deductible.
- All Former Foster Care Youth.
- Children (unless they are in a deductible):
 - Infants less than 1 year old may have their eligibility backdated for any of the months in which their AG Income was at or below 300% of the FPL,
 - Children ages 1 through 5 may have their eligibility backdated for any of the months in which their AG income was at or below 185% of the FPL,
 - Children ages 6 through 18 may have their eligibility backdated for any of the months in which their AG income was at or below 150% of the FPL.

DEPENDENT 18 YEAR OLD:

Beginning January 1, 2014, for all BC+ members, an adult must be caring for a minor child or dependent 18 year old to be tested as a parent or caretaker. The definition of a dependent 18 year old is an 18 year old who is enrolled in school and expected to graduate before turning 19. School enrollment status and the expected date of high school graduation of an 18 year old should be verified, only if found questionable and the parent or caretaker’s BC+ eligibility is being determined based on that child as a dependent 18 year old. The adult may be eligible as a childless adult if s/he is not caring for a minor, or if the only minor they are caring for is 18, but not a dependent 18 year old. The dependent status of an 18 year old will be captured on the “School Enrollment” screen.

The eligibility of the 18 year old will continue as a child, until s/he turns 19, and is not affected by dependent status.

The eligibility of parents and caretaker will not be affected by this change, until the next time a worker takes an action on the case. CARES will assume the 18 year old meets the dependent 18 year old status and continue to consider the adult(s) a parent or caretaker relative until the next time the worker runs eligibility on the case. At that point the worker should check the entries on the School Enrollment page if the Assistance Group (AG) changes for the parent or caretaker changes from a parent/caretaker AG to a childless adult AG.

SELF-EMPLOYMENT INCOME:

Starting January 1, 2014, depreciation and depletion will be allowable self-employment expenses and will be deducted from household income when determining BC+ eligibility for parents, caretakers, children, pregnant women and childless adults. These expenses will no longer be added back in to the self-employment income, when determining premium amounts for children.

ESSENTIAL PERSONS:

Starting January 1, 2014, individuals will no longer be eligible for BC+ as an Essential Person ([BCP Eligibility Handbook, section 2.2.1.3](#)).

EXTENSIONS:

Starting January 2014, ongoing BC+ members who are in 12-month earned income or 4-month child support Extension will remain in their Extension, until the end of their Extension certification period, as long as they continue to meet all other eligibility criteria. If the member in a child support or earned income Extension chooses to do their first MAGI renewal, prior to the end of the Extension, they will lose the Extension and go into a MAGI AG.

All BC+ Extensions that start in 2014 will be for 4 months regardless of whether the member is eligible under old BC+ rules or MAGI rules.

In general, the policies for becoming eligible for an Extension for BC+ families having their eligibility determined under the old BC+ rules are not changing in 2014. Families must have been eligible for BC+ with income at or below 100% of the FPL for 3 out of the last 6 months and had their income increase to over 100% FPL due to earnings and/or child support.

One exception to current rules is that currently, a child whose parents are counted but not eligible adults in the BC+ test group could become eligible in an Extension if a parent's earned income increased to put the group's income above 100% FPL. In 2014, a child can only become eligible for an extension if his or her parent becomes eligible for an extension.

Non-exempt adults with incomes above 133% of the FPL in an Extension will continue to be subject to premium requirements in 2014. However, starting January 1, 2014, non-exempt adults with incomes above 100% FPL will also be required to pay premiums. The premium cost for adults with incomes between 100% and 133% of the FPL will be 2% of the countable family income. They will also be required to report changes in income as it may affect the premium amount. The adult will close if the premium is not paid. Children will remain in the Extension, even if the parent closes for not paying a premium or verifying a change in income.

If a member's income drops to 100% of the FPL or lower, he/she will go out of the Extension and back into regular BC+.

Members eligible as a childless adult are not eligible for an Extension.

PREMIUMS:

Starting January 1, 2014, the following changes will be made to BC+ premium policies:

- All children under age one (1), not just Continuously Eligible Newborns (CENS) will be exempt from paying premiums.
- Children will be exempt from paying premiums if they are:
 - The grandchild or child of a tribal member or
 - Eligible to receive Indian Health Services
- Premium amounts for children in families with self-employment income will be based on net self-employment income, after depreciation is subtracted out.
- There will no longer be 5% premiums for families with self-employment income exceeding 200% of the FPL.
- Adults will no longer have to pay premiums, unless they are a parents or caretaker in an Extension.

BC+ premium payments will continue to be a non-financial condition of eligibility in 2014. Initial premium payments are required to be paid before eligibility is confirmed and the members are enrolled.

The first month is free if no one in the BC+ group was eligible for BC+ or MA in the previous month, and the BC+ AG has not received a free month in the previous 12 months.

Adults in an Extension are not given a free month.

The following individuals must pay a premium to become or remain eligible for BC+:

- Children with incomes above 200% FPL, unless they are:
 - Under age one (1) (this includes all infants, not just CENS)
 - Pregnant
 - Eligible in a BC+ Extension
 - Eligible in a met deductible
 - A Former Foster Care Youth (YEOHC)
 - The child of a parent in BC+ Extension and that parent is paying a premium
 - An American Indian or Alaska Native tribal member
 - The grandchild or child of a tribal member
 - Eligible to receive Indian Health Services
- Adults in a BC+ Extension, unless they are:
 - Pregnant
 - A Former Foster Care Youth (YEOHC)
 - Blind or disabled, or MAPP Disabled (includes presumptively disabled)
 - An American Indian or Alaska Native tribal member
 - The grandchild or child of a tribal member
 - Eligible to receive Indian Health Services

A 5% cap will continue to apply to children's premiums. In keeping with current policy, the household level premium amount must be paid in order for all children in the household to remain eligible.

Non-exempt adults in an Extension will be required to pay a premium. The premium will be calculated using a sliding scale from 2% up to 9.5%, based on the group's income.

If an adult in an Extension is required to pay a premium, no premiums will be required for any child in that household.

RESTRICTIVE RE-ENROLLMENT:

Starting January 1, 2014, Restrictive Re-enrollment Periods (RRPs) for children who fail to pay a premium will now be for 3 months. After the 3 month RRP is served, the arrears will be forgiven. Children will also have the option to re-enroll within the 3 month period as long as they pay all premiums due and request to re-enroll prior to the end of the RRP.

Example: Lucy's parents did not pay the June premium for Lucy's BC+. Lucy will be in a 3 month RRP for July, August & September. Lucy's mother contacted the IM agency in August and requested to have her BC+ re-instated. Lucy's mother will have to pay the June, July and August premiums in order to re-instate Lucy's BC+. If Lucy's mother had not contacted the IM agency until after September 30th, Lucy would not have been able to re-enroll for July, August or September. In that situation, the June premium would have been forgiven.

NOTE: If a parent reports in the third month of an RRP that a change occurred in the first month of the RRP that would make the child no longer subject to premiums, and the change is verified, apply the change retroactively and re-enroll the child without any arrears due as of the first month of the RRP.

An adult for whom a premium is owed for the current month who leaves BC+ by quitting or not paying the premium will be subject to a 12 month Restrictive Re-enrollment Period. Children are not subject to an RRP for quitting BC+.

Any children in a 6-month RRP or adult in a 12 month RRP on or before December 31, 2013, will continue with the existing RRP end date after January 1, 2014. Members whose income decreases to an amount that would not require a premium, will be removed from the RRP and re-enrolled in BC+.

RRPs in place for Core Plan members as of December 31, 2013 will end. No Core Plan members with income requiring a premium will remain eligible after January 1, 2014, due to the new income limits.

MODIFIED ADJUSTED GROSS INCOME (MAGI) RULES:

As described above, MAGI is a new methodology for determining BC+ eligibility, and it is distinct from the income limit changes that take effect for all BC+ members on January 1, 2014.

Use of MAGI rules will be effective for eligibility determinations for all new BC+ applications with a filing date of January 1, 2014, or later. BC+ members eligible for December 2013, who continue to be eligible under the new income limits in January 2014, are considered to be “ongoing beneficiaries”, and they will transition to the new MAGI rules at their next scheduled renewal or March 31st, whichever is later. Applicants with a filing date in 2013, AND who are determined eligible for the month of December, will be considered “ongoing beneficiaries” and will continue to have their eligibility determined under the current BC+ rules (“old rules”), even if the application is processed in 2014.

Applicants with a filing date of January 1, 2014 through March 31, 2014, who request backdated benefits for a month in 2013, will have eligibility determined using the old rules for the backdated months in 2013. Even if they are determined eligible for December 2013, eligibility for any month in 2014, will be determined using MAGI rules because the application filing date is on or after January 1.

MAGI rules will be used for BC+ eligibility, Emergency Services MA for non-qualifying immigrants who would otherwise be eligible for BC+ and for Tuberculosis (TB) MA. The rules do not apply to:

- Eligibility for EBD or LTC programs. Individuals eligible as a Group A Waiver based on BC+ Standard Plan eligibility will have their BC+ eligibility tested using MAGI rules.
- Individuals over 65, unless the individual is a parent or caretaker being tested for BC+.
- Individuals receiving MA through another federal or state program such as SSI, Foster Care, Adoption Assistance or Well Woman MA.

CONVERSION OF ONGOING BENEFICIARIES TO MAGI RULES:

Ongoing beneficiaries who would lose eligibility for BC+ for excess income under the old rules must have their eligibility re-determined under MAGI rules at the time s/he is failing under the old rules.

Ongoing beneficiaries with a renewal in January or February will be tested first using the old BC+ rules. If eligible under the old rules, CARES will not test using MAGI rules. If the household is ineligible under the old rules, CARES will test using MAGI rules. If ineligible under both old and MAGI rules, CARES will terminate eligibility and send a case file (known as an “account”) electronically to the Marketplace to expedite an application for private health insurance and APTC. The Notice of Decision will contain language notifying the applicant or member their account has been transferred to the Marketplace. The signature pages on the paper applications and ACCESS will be updated with language notifying the applicant their account will be transferred to the Marketplace, if they are found ineligible for BC+ and MA.

Ongoing beneficiaries with a January or February 2014 renewal who are found eligible under the old rules will transition to MAGI rules through a conversion batch run done on February 22, 2014. Ongoing members with renewal due in March 2014, or later will transition to MAGI rules at the next scheduled renewal, unless a change ends financial eligibility under old rules.

Workers must start to collect MAGI information on new applications and renewals starting November 18, 2013, to enable CARES to automatically test for eligibility under MAGI rules if anyone in the household loses eligibility for BC+ under the old rules. If MAGI information is not entered into CWW and someone loses financial eligibility under the old rules, workers must request MAGI information from the household and re-determine eligibility under MAGI rules before being able to confirm the termination of BC+.

Ongoing childless adult members will transition to MAGI rules at their next renewal on or after January 1, 2014. January and February reviews will not determine eligibility under the old rules for any childless adult.

For FPOS renewals, an ongoing beneficiary whose renewal is due in January or February will be tested under old rules and, if eligible, certified for 12 months of continuous eligibility. They will transition to MAGI rules at their next renewal. FPOS members with a renewal due in March 2014 will transition to MAGI at the next scheduled renewal.

While FPOS individuals will continue to have their eligibility for FPOS frozen for the 12-month certification period, an FPOS member eligible under the old rules may request to complete an early renewal and transition to MAGI rules prior to the end of their current certification period. Once transitioned to MAGI rules, the FPOS individual's 12-month certification period set for the old rules will end.

EBD/BC+ CHOICE:

When determining eligibility for individuals who meet non-financial criteria for health care as both an EBD individual and as a parent, caretaker, child, childless adult or pregnant woman under MAGI, CWW will explore eligibility for both EBD MA and BC+ simultaneously.

If the individual meets all non-financial and financial criteria for EBD MA and BC+, CWW will continue to choose the "best" benefit for the individual. In most cases, this will be EBD MA. However, if a pregnant woman is eligible for both, she will be put into BC+. CWW will continue to allow IM workers the ability to make a choice between the programs, if there is a reason the applicant chooses to enroll in one or the other.

If the individual fails to meet either the non-financial or financial criteria for EBD MA, CWW will explore eligibility under MAGI, and as long as all non-financial and financial criteria are met, CWW will make the individual eligible as appropriate in the AG under BC+. This includes situations in which an individual is waiting for a disability determination or has an unmet deductible. It also includes situations in which an individual does not meet the asset test for EBD MA, or fails to verify assets.

If an individual does not meet non-financial and/or financial criteria for either EBD MA or BC+, their application will be denied and transferred to the Marketplace.

Childless adults can be eligible under BC+ until they turn 65 or become entitled to receive Medicare. These adults can be eligible under BC+ if they have had a disability determined but are not yet eligible for Medicare. A new alert, "503-Elig adult turning 65 Run Elig", will be generated whenever a BC+ member is turning 65. Workers must run eligibility and test the person for EBD MA. If the member is open for BC+ as a parent or caretaker, CARES will test eligibility for both BC+ and EBD MA as described above.

The case will also be triggered to go through the Adverse Action batch run in the month the childless adult will turn 65.

Because all BC+ members will be covered under the Standard Plan, anyone eligible for BC+ who is also requesting a Home and Community Based Waiver Program, including Partnership and Pace, will be eligible as a Group A Waiver participant based on his/her eligibility for BC+ Standard Plan. This includes a childless adult eligible for BC+.

RENEWALS:

Per federal regulations, renewals for BC+, under MAGI rules, must be completed once every 12 months, but not more than once every 12 months. For this reason, we will no longer be able to automatically consider a renewal for FoodShare, CTS or Childcare as a renewal for Health Care. Review dates between BC+ and other programs will no longer be automatically aligned. A household can request to complete an early renewal for BC+, either separately from or in coordination with a renewal for another program. The request must be documented in Case Comments. The CWW “Application/Review Interview Details” page will be updated to add “Health Care Renewal” to the drop down box. Workers will have to indicate on this page that the renewal is counted for Health Care.

Request / Review Date	Program	Mode	*Interview Type	Last Updated
08/28/2014	MA - HEALTH CARE	Review		

From Date
MM / DD / YYYY

A - ACCESS application
F - Face to Face
M - Mail-in application
N - No Review
T - Telephone

Add Case Comment Cancel Previous Next

The 12-month certification period for BC+ will be set at the case level. so BC+ renewals for the AGs within a case will be aligned as often as possible. If a new AG opens, the renewal date for that AG will be aligned with the current case level renewal date.

When a case includes AGs with a 12-month certification period, as well an AG with a time limited benefit (CEN, pregnant woman, deductible or extension) and the case level renewal date for the 12-month certification is greater than the renewal date for the limited time benefit AG, CARES will hold the case level renewal date set for the AG with the 12-month certification period. When the worker re-determines eligibility for the individual in the time limited benefit, the new AG renewal date will align with the current case level renewal date. A full renewal is no longer required for someone who no longer has a time-limited benefit, such as a woman at the end of her post-partum period or a CEN turning 13 months as long as there is a case level renewal date that is greater than the renewal date for the limited time benefit.

Example: Mary is eligible as a parent (MAGA) with a renewal date of 9/30. Her daughter Lizzy is eligible as a CEN with a renewal date of 5/31. When the worker runs eligibility in May to re-determine Lizzy’s eligibility, a new MAGC AG is built. The renewal date for the MAGC AG will align with the case level renewal date of 9/30.

When the case level renewal date is based on an AG’s 12-month certification and a time limited benefit AG on the same case has a later renewal date, the time limited benefit would remain open even if the household failed to complete a renewal for the AG with the 12-month certification period. If the renewal for the AG with the 12-month certification period is completed, the renewal date for the time limited benefit would remain the same and the process in the example above would follow.

In addition, BC+ members, whose eligibility has been determined under MAGI rules, and who subsequently lose eligibility for failure to complete a review or to verify information for a review, will have 90 days to complete their annual review or provide verification, and reinstate their eligibility without having to file a new application. In order to process a late renewal for benefits back to the 1st day of the month of closure, all financial information will have to be provided for each month of past eligibility.

Example: Joanne's renewal was due June 30th. She did not complete the renewal and her case closed for July. On September 20th, Joanne submitted her renewal. In order to determine her eligibility starting July 1st, Joanne must report income, expenses and household composition for July, August and September, as well as submit any necessary verification.

CWW will be updated to allow a worker to reactivate BC+ up to 3 months after the closure date.

FPOS members will continue to be certified for 12-months of continuous eligibility.

Because MAGI information must be collected at the next renewal in 2014, Administrative Renewals will be suspended for 2014 BC+ renewals.

HOUSEHOLD COMPOSITION:

MEMBERS WHO CAN FILE TOGETHER:

The rules concerning who may be included in a BC+ application and be determined eligible on the same case are not changing under MAGI rules. Only the following individuals, living in the same household, may be eligible on the same case:

- Primary Person
- Primary Person's Spouse
- Natural and adopted minor children under age 19 of Primary Person and/or Primary Person's Spouse
- NLRR minor children under age 19, in a qualifying relationship with the PP or PP's spouse, and who are under the care of the Primary Person or Primary Person's spouse
- Natural/acknowledged parents of included minors
- Minor siblings (full, half, step) under age 19 of included children
- Spouse, son and daughter of included minors

Individuals living outside of the household and adults age 19 or older who do not meet the criteria listed above may be included as a counted individual in a MAGI BC+ Assistance Group (AG) with other members of this household, but must apply for benefits on a separate application.

Example: A 22-year-old college student living with his/her parents must apply separately, even if he/she is a tax dependent of his/her parents.

TAX INFORMATION:

Tax filing status and tax dependency information are used to form BC+ AGs, under MAGI rules. This information is based on what the household expects to do with regard to filing taxes for

income received in the current year. The tax filing status and tax dependency information is based on the expectation of the household and is not required to be verified unless it is questionable, because there is other information that contradicts the applicant's statement.

In order to build the BC+ AGs under MAGI rules, the following information is required for each household member:

- Does the person expect to file taxes for the income s/he has this year?
 - If so, what is his/her tax filing status?
 - Single (or Head of Household)
 - Married Filing Jointly
 - Married Filing Separately
 - Whom do they expect to claim as tax dependents?
 - Tax dependents can be living in the same home as the tax filer or outside of the tax filer's home.
 - Tax dependents may be deceased. A deceased tax dependent can be claimed for the tax year they passed away. The individual will be included as "counted" in any BC+ AG he or she is pulled into but s/he cannot be eligible after the date of death.
 - Is anyone outside the household planning to claim the tax filer as a tax dependent?
- How are the individuals in the home related to one another?

Tax dependents who are living outside of the home or who are deceased must be added to CARES to be included in the BC+ AG as a counted member. Tax co-filers living outside the home must also be added to CARES. However, a deceased tax co-filer should not be added. Limited information is required to add these tax dependents and co-filers to the household:

- Name
- Gender
- Birthdate

If these criteria are not provided, the person will not be included in the tax filer's assistance group.

It is critical that workers adding a tax dependent or co-filer who lives outside the home consider any partial matches displayed when taking that person through clearance to avoid creating a duplicate PIN for an individual already known to CARES. ACCESS will ask for the SSN for these individuals, but because they cannot be made eligible on this case, they are not required to provide their SSN.

Married couples who are living apart and not temporarily absent, and who are filing taxes as "Married Filing Jointly", must be included in each other's cases. The income of the spouse living outside of the home must be collected. His/her countable income will be budgeted and s/he will be included in the spouse and children's AGs, even though s/he will not be eligible for benefits on this case.

Example: Janet applied for BC+ for herself and her child, Michael. Janet is separated from her husband, Ben, but they are still planning to file taxes as “Married Filing Jointly” for the current year. They are expecting to claim Michael as a tax dependent. Because Janet and Ben expect to file jointly, Ben must be added to Janet’s case, along with his taxable income. He will be included in Janet and Michael’s AGs but Ben would not be eligible on this case since he does not live in the household. The same rules would apply to Ben, if he applied on a separate application. He would have to include Janet and Michael, along with Janet’s taxable income on his case.

➤**Note:** In situations where a spouse is unable to obtain income information for a separated spouse and the parent or caretaker has filed a good cause claim with the Child Support agency and that claim has not been denied, workers should proceed to determine eligibility without information from the absent parent. In those situations, treat the case as though the parents are married filing separately and ignore the absent parent’s income.

With the exception of spouses who are living outside of the home but are planning to file jointly, tax and income information for individuals living outside of the home who are claiming any household members as tax dependents, will not need to be collected. This includes an absent parent who is claiming a child in the household as a tax dependent.

Tax dependents and co-filers who are outside of the home will be added as household members in CWW.

These individuals should be coded as “01-living in the household” on the “Current Demographics” page. A new question will be added to the “Current Demographics” page, to indicate the person is a tax dependent or co-filer living outside the household.

There will be new indicators in CWW to identify tax dependents or tax co-filers listed on the case who are living outside the home or who are deceased. Eligibility logic for other programs will be updated so these members are not counted or made eligible for other programs.

- OTX – Tax Dependent or Tax Co-Filer living OUTSIDE the home
- DTX – Deceased Tax Dependent
- DEC-Deceased Individual

New Question on the Current Demographics Page

Current Household Members

TAMARA SUAVI 56M PP	MORTY SUAVI 66F WIF	JOHNNY SUAVI 10M SON
TIMOTHY JOHN 11M NEP		

Effective Period

Last Updated: **08/28/2013**

Delete: Delete Reason:

Individual Name

*First Name MI *Last Name Suffix

Additional Information

* Gender: SSN:

SSA Verification: SSN Override Verification:

* Birth Date: * Verification:

Estimates for Relevance Determination

Age Category: Serves as Alien Sponsor:

* Does this individual meet any of the following criteria:

- Tax dependent of someone in the household
- Tax co-filer with someone in the household
- Claiming their adult child and both are living in the household

Is this individual living outside of the household or deceased?

New Indicators

Case Information Summary Cancel Reset

Household Members and Relationships										
Household 43F PP (7007389210)										
Relationship to Subject	Last Updated	Begin Month	Purchases & Prepares With	Filling Parental Role	Is Caring For	Has Legal Custody Of	Is Essential Person For	Is LTC Tax Dependent Of		
Subject - SPONSOR 20M - SON	09/01/2013	09/2013	Yes	No	No	No	No	No		
Subject - SPONSOR 16M - SON	09/01/2013	09/2013	Yes	No	No	No	No	No		
Household 20M SON (7007389228)										
Relationship to Subject	Last Updated	Begin Month	Purchases & Prepares With	Filling Parental Role	Is Caring For	Has Legal Custody Of	Is Essential Person For	Is LTC Tax Dependent Of		
Subject - SPONSOR 43F - MOTHER	09/01/2013	09/2013	Yes	No	No	No	No	No		
Subject - SPONSOR 16M - BROTHER	09/01/2013	09/2013	Yes	No	No	No	No	No		
Household 16M SON (OTX) (7007389236)										
Relationship to Subject	Last Updated	Begin Month	Purchases & Prepares With	Filling Parental Role	Is Caring For	Has Legal Custody Of	Is Essential Person For	Is LTC Tax Dependent Of		
Subject - SPONSOR 43F - MOTHER	09/01/2013	09/2013	Yes	No	No	No	No	No		
Subject - SPONSOR 20M - BROTHER	09/01/2013	09/2013	Yes	No	No	No	No	No		

BUILDING ASSISTANCE GROUPS USING MAGI RULES

Under MAGI rules, BC+ Assistance Groups (AG) are generally built based on tax filing status and tax dependency. This subset of MAGI rules is referred to as “Tax Rules”. In some situations, the AG is built based on family relationships. This subset of MAGI rules is referred to as “Relationship Rules”. An AG will be built for each individual (the target) in the household requesting health care benefits who meets the criteria to be eligible on the case.

Please refer to Attachment 1: *Forming a BC+ MAGI Assistance Group*, for the step-by-step process for forming a BC+ AG.

CHILD WELFARE PARENTS

Child Welfare Parents will continue to be tested as a parent or caretaker, but whether or not the child will be counted in the parent’s AG will follow the new MAGI rules for building the AG.

TAX FILING RULES

If the target is a tax filer and NOT also a tax dependent, the target’s group will include:

- The target,
- His/her spouse (if living in the household and/or filing jointly), and
- All expected tax dependents of the target, including those who are deceased or living outside the home.

If the target is a tax dependent of someone in the home, his/her AG will include the same individuals as that of his/her tax filer, unless one of the following exceptions is met. If one of these exceptions is met, the AG will be built using relationship rules.

1. The target is neither a tax filer nor a tax dependent, or
2. The target is a tax dependent who meets one of the following exceptions:
 - He/she will be claimed as a tax dependent by someone other than his/her parent or spouse, OR
 - He/she is living with both parents (this includes a parent and step-parent), but his/her parents are not filing taxes jointly; OR
 - He/she will be claimed as a tax dependent by his/her parent who lives outside of the household.

Under tax rules, if a minor child is a tax filer and is not claimed as a tax dependent by anyone in the home or by a parent outside of the home, that minor child’s eligibility will not be affected by his/her parent’s income, but instead be based solely on his/her own income, unless the child is married or has tax dependents.

Example: John is a single father filing taxes and claiming his two children who live with him as tax dependents. He is also claiming his nephew, Joseph, as a tax dependent. Joseph does not reside with John. John does not provide Joseph’s date of birth, so Joseph cannot be included in John’s AG. John’s AG would include John and his two children.

Expected tax filing status and expected tax dependents do not need to be verified unless questionable. In situations where divorced parents indicate that they both expect to claim a given child as their tax dependent, verification should be requested. If the verification indicates definitively which parent can claim the child, then only that parent will have the child included in his/her AG. However, if a child's dependent status is found questionable and verification is requested and not provided, use relationship rules to determine if the parent(s) of that child will still be able to have the child included in his or her AG. This special rule only applies to children and their parents; for any tax dependent who is not the child of the tax filer, the dependent will not be included in the group, if verification is requested but not provided.

RELATIONSHIP RULES:

There are some exceptions when relationship rules will be used to form the AG. Note that these relationship rules are different from the rules that went into effect with the implementation of BC+ in 2008. Relationship Rules will be used when:

1. The target is neither a tax filer nor a tax dependent, or
2. The target is a tax dependent who meets one of the following exceptions:
 - S/he will be claimed as a tax dependent by someone other than his/her parent or spouse, OR
 - S/he is living with both parents (this includes a parent and step-parent), but his/her parents are not filing taxes jointly; OR
 - S/he will be claimed as a tax dependent by his/her parent who lives outside of the household.

Relationship rules are based on qualifying relationships and legal responsibility. MAGI groups formed using relationship rules **DO NOT** include people who are deceased or living outside the home.

If the target is age 19 or older and relationship rules are used, the AG includes the target, the target's spouse and the target's children under age 19.

If the target is under age 19 and relationship rules are used, the AG includes the target, the target's spouse, the target's children under age 19, the target's parents and the target's siblings (including half- and step-siblings) under age 19.

➤**Note:** Unmarried parents are not included in each other's group under relationship rules, even if they have a child in common.

SPECIAL RULES:

There are two "special rules" related to MAGI methodology:

1. If a married couple lives together, they will always be pulled into each other's AG, regardless of filing status.
2. As described above, if a worker deems a tax dependent's status to be questionable, use the relationship rules to determine whether the individual should be included in the tax filer's group. Tax dependents who are the child of a tax filer and living in the home will

be pulled into the tax filer's assistance group, if their dependent status is questionable and not verified.

Example: A mother states that she is claiming her 12 year old son in 2014. The child lives with both parents more than 40% of the time. The worker is told by the father who is open on a separate case that the child will be claimed by him for in 2014. The worker requests verification but verification is not received. When the worker enters the "QV" in the verification field, CARES will use relationship rules and pull the child into both the mother and father's AGs.

JOINT PLACEMENT:

Current BC+ policy regarding joint placement of children will remain the same (see [BC+ Handbook 2.2.1.2: Joint Placement](#)). This means that both parents can be considered a caretaker of the child, as long as the child resides with each of them at least 40% of the time. Their eligibility will be determined as a parent/caretaker, instead of as a childless adult. Both parents will be tested as parents. The AGs will then be formed based on the tax filing and tax dependency status in each case.

When parents are divorced, only one parent can claim the child as their tax dependent in a given year. If both parents are filing taxes, this means that only one parent should include the child in his/her MAGI AG. If only one parent is filing taxes or if no parent is filing taxes, it is possible that both parents will have the child in their MAGI group. When neither parent is filing taxes, and the child lives with both parents at least 40% of the time, the child may be put into both parents' MAGI AGs due to relationship rules. In addition, if a married couple who have both applied for health care on separate cases, do not live together, but will be filing "Married Filing Jointly", the child can be pulled in as a tax dependent into both parents' AGs.

MILITARY MEMBERS:

According to tax rules, deployed military members may still be considered part of the household if they are:

- Claiming a dependent,
- Being claimed as a dependent, or
- Filing jointly with a spouse in the home.

Under MAGI rules, if the absent military member is claiming a dependent in the home or filing jointly with a spouse in the home, that member's taxable income will count in the household and s/he will also be included in the household's group size, as appropriate. This military member will be included as part of the AG, but they will not be eligible for assistance on this case. If a household member is absent due to Military activity, their living arrangement should be coded using the code "13 – Military". If the military member is filing separately and not claiming any dependents in the home, or if the married couple is living apart and not planning to file taxes, do not add the military parent to the case. Certain types of military pay, including combat pay are still considered disregarded as income.

Example: The household consists of married parents, and two children. Dad is absent from the home solely due to military deployment. Mom and dad plan to file taxes as "Married Filing Jointly" and will claim both children as tax dependents. All four members of the household should be listed in CWW. On the Current Demographics page, dad's living arrangement should

be coded as “13 – Military”. Dad will not be eligible for any program of assistance on this case, but he will be included in other household member’s BC+ AGs assistance groups based on MAGI household composition rules and his taxable income will be budgeted in the AGs as appropriate.

FAMILY PLANNING ONLY SERVICES (FPOS):

Eligibility for individuals requesting FPOS will be determined using MAGI income budgeting rules. However, all FPOS assistance groups will be considered a household size of one, even if the member is pregnant. Income of a spouse or parent would never be counted when determining FPOS eligibility for an individual.

ASSISTANCE GROUPS AND SEQUENCES:

The following tables shows the new BC+ AGs that will be built once the target is tested, using MAGI rules instead of the old BC+ rules. These apply whether the group is tested under tax filing rules or relationship rules. The existing BC+ AGs will continue to display as long as the AG is tested using the old BC+ rules. Throughout 2014, workers may see both old AGs and new MAGI AG’s on one case. This can happen prior to the case’s MAGI-based renewal, when a new or existing case member is found ineligible under old BC+ rules and is subsequently tested and found eligible using MAGI rules.

Assistance Group	Description
MAGA	People age 19 or older who are parents, or stepparents of a child in the home.
MAGC	Children under age 19, living alone or with a parent or parents.
MAGB	Continuously Eligible Newborns
MAGP	Pregnant women, including those who become eligible by meeting a deductible or who are eligible for the BC+ Prenatal Program
MAGY	Former Foster Care Youth (formerly known as YEOHCs)
MAGN	People who are caretaker relatives, or the spouses of caretaker relatives in the home.
MAGL	Child living with a Non-legally responsible relative.
MAGS	Childless Adults (non-pregnant, adults ages 19 to 64 who are not living with/caring for children under 19)
MAGM	Individuals in an extension who have to pay a premium.
MAGD	Children who are eligible through a deductible.
MAGE	Adults and children in an Extension who are not required to pay a premium.
FPS	People enrolled in Family Planning Only Services

PARTICIPATION STATUS CODES:

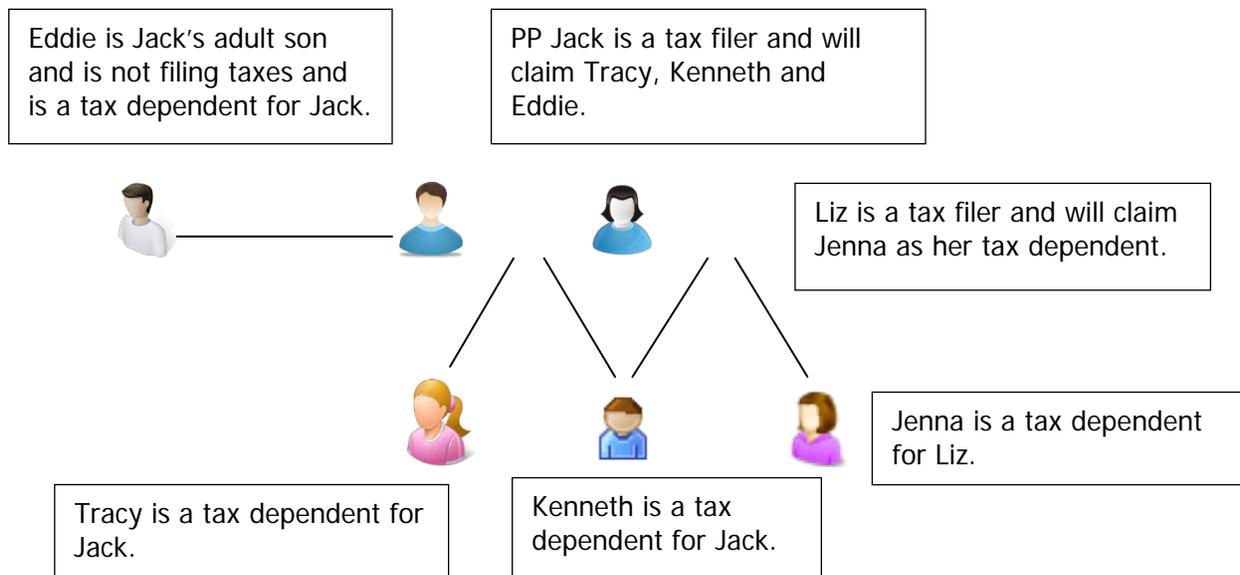
Participation status codes will not change under MAGI, but “Test Adult” and “Test Child” participation status codes will no longer be used. All individuals in a MAGI AG will be listed under one of the following participation statuses.

EA	Eligible Adult	Non-financially eligible in this BC+ AG
CA	Counted Adult	Ineligible for BC+ in this AG
XA	Excluded Adult	Ineligible for BC+ in this AG
EC	Eligible Child	Non-financially eligible in this BC+ AG
CC	Counted Child	Ineligible for BC+ in this AG
XC	Excluded Child	Ineligible for BC+ in this AG

A separate AG and sequence will be built for each target in the household. Multiple sequences of an AG can be built within the same case.

Example: A household with two non-marital co-parents, each with their own child and one child in common could have five AGs within their case:

Jack and Liz are non-marital co-parents, each is a tax filer. They have a child in common, Kenneth. Jack has a child of his own, Tracy. Liz has a child of her own, Jenna. Liz will be claiming Jenna as a tax dependent. Jack’s adult son Eddie also lives in the home. Jack will be claiming Eddie, Tracy and Kenneth as tax dependents.



The following chart shows how the AGs are built for each family member.

Medicaid Eligibility For	Tax or Relationship Rules	Assistance Group and Sequence	<u>Jack</u>	<u>Liz</u>	<u>Eddie</u>	<u>Tracy</u>	<u>Kenneth</u>	<u>Jenna</u>	<u>Group Size</u>
Jack	Tax Filing Rules (Tax Filer)	MAGA 01	EA	XA	CA	CC	CC	XC	4
Liz	Tax Filing Rules (Tax Filer)	MAGA 02	XA	EA	XA	XC	XC	CC	2
Tracy	Tax Filing Rules (Tax Dependent)	MAGC 01	CA	XA	CA	EC	CC	XC	4
Kenneth	Relationship rules	MAGC 02	CA	CA	XA	CC	EC	CC	5
Jenna	Tax Filing Rules (Tax Dependent)	MAGC 03	XA	CA	XA	XC	XC	EC	2

- Jack is a tax filer. His assistance group will include himself, and his tax dependents Tracy, Kenneth and Eddie, using tax filing rules.
- Liz is filing taxes and will claim daughter Jenna as a tax dependent. Liz's group will include herself and her daughter using tax filing rules.
- Tracy is being claimed as a tax dependent of Jack (and does not meet any of the exceptions), so using tax filing rules will have the same individuals in his assistance group as father Jack (Jack, Tracy, Kenneth and Eddie).
- Kenneth is being claimed by his father as a tax dependent, but his mother is also in the home. Because he meets the exception rules, his AG will be formed using relationship rules. The group includes him, his father and mother, and his half-sisters Tracy and Jenna. Even though Eddie is Kenneth's half-brother, he is not included in Kenneth's group because he is over age 19.
- Jenna is being claimed as a tax dependent of her mother (and does not meet any of the exceptions). Using tax filing rules Jenna's group has the same individuals as her tax filer's group, so her group includes herself and her mother.
- Eddie is a tax dependent of his father and lives in the home. Because he is over age 19, he must apply for assistance on his own case (the new childless adult category), however he has a group size of four because he meets the rules for his group having the same individuals as his tax filer's group.

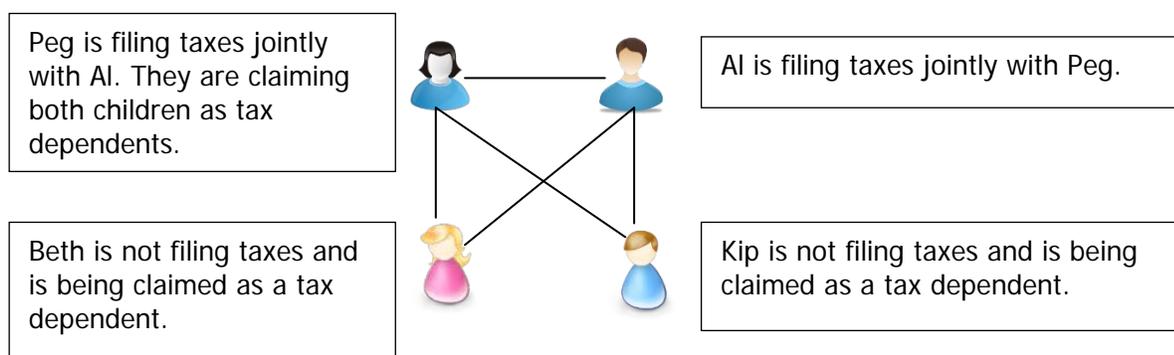
AGs with the exact same household composition under MAGI rules will be "rolled up" and included in one sequence.

For children, MAGC sequences will be rolled up using the sequence for the oldest child in the group. In the situation with twins, the sequences will be rolled up based on the lowest PIN.

For adults, MAGA sequences will be rolled up using the sequence for the primary person, as long as the primary person is requesting health care. If the primary person is not requesting health care, the MAGA sequence will be rolled up based on the sequence of the oldest adult in the group.

Example: A married couple filing taxes jointly with two children would have the same group compositions for the two adults and two children, so the MAGA and MAGC AGs would be rolled up.

Peg and Al are married filing jointly and claiming both of their children. Al is the primary person and Beth is 1 year older than Kip.



Medicaid Eligibility For	Tax or Relationship Rules	AG and Sequence number	<u>Al</u>	<u>Peg</u>	<u>Beth</u>	<u>Kip</u>	<u>Group Size</u>
Al	Tax	MAGA 01	EA	CA	CC	CC	4
Peg	Tax	MAGA 01	CA	EA	CC	CC	4
Beth	Tax	MAGC 01	CA	CA	EC	CC	4
Kip	Tax	MAGC 01	CA	CA	CC	EC	4

- Al’s assistance group includes himself, spouse Peg, daughter Beth and son Kip.
- Peg’s assistance group includes herself, her spouse Al, daughter Beth and son Kip. Since her AG is the same composition as Al’s AG, they will be “rolled” up into one MAGA AG, sequence 01.
- Beth’s assistance group includes herself, her parents and her brother.
- Kip’s assistance group includes himself, his parents and his sister. Since his AG is the same composition as Beth’s, they will be “rolled” up into one MAGC AG, sequence 01.

INCOME CALCULATIONS:

Once a case or individual has transitioned to MAGI rules, his/her income calculations will be based on taxable income. This is true whether tax filing rules or relationship rules are used to build the BC+ AGs. There are four steps to determining what income to count for each individual.

- What is the timeframe for counting income?
- Whose income is counted?
- What income types are counted or disregarded?
- What deductions are allowed?

TIMEFRAME FOR COUNTING INCOME

The existing BC+ rules for determining eligibility based on current monthly income will continue when MAGI rules are applied. The same policies for prorating income in the following situations will also continue:

- People employed only during the school year
- Migrant workers
- Self-employed people
- People with periodic income

WHOSE INCOME IS COUNTED?

The countable income of all eligible or counted members within a BC+ AG is used in the eligibility determination for that AG with one exception:

If a group member is a child or tax dependent of another counted or eligible member of the same group, his/her income is only counted in that group if s/he is expected to be required to file a tax return for the current year, regardless of whether or not the child or tax dependent actually files or plans to file a tax return. If that child or tax dependent is not expected to be required to file a tax return, his/her income is not counted for that AG. When a child or tax dependent is expected to be required to file a tax return, his/her countable income will be included when determining eligibility for the AG.

Currently, children and tax dependents are only required to file a tax return if they have more than:

- \$950 per year in taxable unearned income or
- \$5,950 per year in taxable earned income.

These amounts are subject to change yearly. CWW and ACCESS will be updated with the new amounts. If the child or tax dependent of another member in the same AG expects to have less annual taxable income than the amounts above, we will not include his/her income in the eligibility determination for the AG. This is true even if the child or tax dependent chooses to file taxes for other reasons such as getting a tax refund.

➤**Note:** Taxable unearned income does not include child support, Supplemental Security Income (SSI), Worker's Compensation, Social Security or Veterans Benefits. For purposes of determining whether a child or tax dependent is above the \$950 threshold, Social Security Income should also be excluded, even though this is not disregarded income.

CWW, ACCESS and the paper application will be updated to ask if the child or tax dependent is expected to have income in excess of each of the thresholds. If the answer to any of the questions is "yes", CARES will count the income of that child or tax dependent. If the question is not answered on the application, the worker should enter a "?" and pend eligibility. If the applicant does not submit an answer to these questions, an "F" should be entered and BC+ eligibility denied. If one question is answered "yes", CARES will not pend or fail if a "?" or "F" is entered for the other income type.

The exception for counting a child's or tax dependent's income is only allowed when the person is a child or tax dependent of another counted or eligible member of the AG. When a child or tax dependent is being tested in an AG that does not include their parent or tax filer, the child's or tax dependent's income is always counted for their group. This includes children under age 19 enrolled in FPOS.

An NLRR child AG will not include his/her parent or tax filer so NLRR children's income will always be counted for the NLRR child's AG.

Example 4: Howie is 16 and lives with his grandmother Alice. Alice expects to file taxes for the current year and intends to claim Howie as a dependent. Alice works for the school and makes \$1,200 per month. Howie works part time and earns around \$150 per month.

Because Howie's income is less than the \$5,950 filing threshold, Howie is not expected to be required to file taxes.

In Alice's AG, Howie will be a counted child, but his income will not count because he is a tax dependent of someone in his group and he is not expected to be required to file taxes.

In Howie's AG, he is the only counted or eligible person, so his monthly income will count for his eligibility determination.

WHAT INCOME TYPES ARE COUNTED?

The policy for most countable income for BC+ is not changing. Refer to the BC+ Handbook ([chapter 16.1](#)), for disregarding or counting specific income type rules. When testing eligibility under MAGI rules, the following income types will no longer be counted:

- Child Support Income
- Worker's Compensation
- Veterans benefits

These types of income are not taxable so are not counted when determining BC+ eligibility.

➤**NOTE:** Social Security income is not usually taxable income, however it will continue to be counted for BC+ because of a special provision in federal law. As noted above, Social Security income should be excluded when determining if someone is expected to be required to file taxes. **Supplemental** Security Income (SSI) will continue to be disregarded for BC+ eligibility determinations.

The following income types will now be countable for BC+

- Income from jobs funded by Americorps (Americorps educational awards will not be counted)
- Grants and scholarships, if not used for educational expenses (tuition, mandatory school fees, and books)
- All tribal per capita payments from gaming revenues: no longer disregard the first \$500 per month
- Interest & dividends, irrespective of the amount
- Lump sum income in the month it was received

Only the taxable amount of retirement, pension and annuity payments will be counted as unearned income for BC+. CARES will be updated with an additional field for the taxable amount on the “Unearned Income” page for these income types. The gross amount of these types of income will continue to be counted for other programs of assistance, including EBD and LTC MA.

Taxable income does not include active duty pay in combat zone and certain military allowances.

DEDUCTIONS:

Under MAGI rules “taxable income” is counted instead of gross income when determining an AG’s household income. Taxable income takes into account both pre-tax deductions taken out of someone’s paycheck, as well as certain deductions claimed on IRS Form 1040.

Pre-tax Deductions

Pre-tax deductions are expenses taken out of a paycheck before taxes are applied. Taxable earnings are determined by subtracting pre-tax deductions from gross earned income.

Example: Andy is paid monthly. He earns \$9.73 per hour and works about 40 hours per week. His monthly gross income is \$1,581.13. Andy has three pre-tax deductions:

1. Retirement
2. Dental
3. MC HCP health insurance

Andy’s employer deducts \$116.30 total, per month, pre-tax, from Andy’s gross income. Therefore, Andy’s taxable income is \$1,464.83. ($\$1,581.13 - \$116.30 = \$1,464.83$).

Allowable Pre-Tax Deductions include:

- Health insurance premiums
- Health care savings accounts (including flexible health spending accounts)
- Parking and transit costs
- Group life insurance premiums
- Retirement contributions
- Flexible savings accounts for child care or other dependent care

Ongoing and Calendar Year Tax Deductions

The pre-tax deductions described are amounts that the employer deducts from the employee's paycheck. In addition to these, BC+ will allow certain tax deductions that are listed on page one (1) of the 1040 Tax Form. These deductions are allowed even if that member has the related expense (for example, student loan interest) but is not planning to file taxes.

Itemized deductions like mortgage interest are not allowed under MAGI rules.

➤**Note:** Child support obligation is no longer an allowable deduction for BC+ because it is not an allowable tax deduction.

BC+ has grouped tax deductions into two types: "Ongoing" and "Calendar Year" deductions.

Ongoing Tax Deductions

Ongoing tax deductions will be prorated on a monthly basis and carried over until the next renewal or a reported change in the deduction is reported. Some examples of the most common ongoing tax deductions include:

- Student loan interest paid
- Higher education expenses
- Self-employment tax
- Certain retirement contributions
- Alimony payments

In most cases, if there is a cap imposed on the deduction under IRS rules, CWW will cap the amount of the expense used as a BC+ deduction based on the IRS rules.

Calendar Year Tax Deductions

Calendar Year tax deductions may be allowed as an expense for BC+. Currently there are only two allowable calendar year deductions:

- Out-of-pocket moving expenses for a job related move
- Penalties forfeited due to premature withdrawal of funds from time savings accounts or deposits

These deductions will be prorated on a monthly basis, beginning with the date the expense was incurred or first month of eligibility, whichever is later, through the end of the calendar year the expense was incurred. If the expense was incurred before the application date, it will not be counted.

SELF-EMPLOYMENT INCOME:

Self-employment income will continue to be based on the previous year's tax return. In situations where taxes were not filed in the previous year or where there has been a change in circumstances, applicants and members will continue to complete [Self-Employment Income Report Forms \(SEIRFs\)](#).

Under MAGI rules, countable self-employment income is equal to a person's taxable self-employment earnings.

To calculate taxable self-employment income, use the net income from the tax forms, allowing depreciation, depletion, and any other expenses allowed by the IRS. Other business expenses also allowed by the IRS will continue to be allowable expenses under MAGI rules.

Self-employment losses can offset other types of income for a self-employed person and his/her spouse, if they are filing jointly.

A new self-employment business type, "Royalties" will be added to the self-employment page to capture income from royalties. This income will be counted as "unearned income" in the budget, but will be collected under self-employment, because it is counted as earned income for EBD MA.

To avoid sending accounts back and forth between the State and the Marketplace, depreciation and depletion will be allowable deductions for BC+, starting January 1, 2014, for all BC+ cases including those currently eligible under old BC+ rules. These cases will be run through the November 23rd batch run and tested for the new income limits without adding depreciation back to the countable income.

INCOME LIMITS UNDER MAGI

Under MAGI rules, BC+ members will be allowed an income disregard equal to 5% of the FPL. For adults and parents/caretakers, this disregard is factored into the income limit of 100% FPL for these groups. For children, pregnant women, and individuals eligible under Family Planning Services, the disregard is added to the 300% FPL income limit, for an effective income limit of 305%. In addition, federal MAGI rules resulted in income limits for children, pregnant women and Family Planning Services being adjusted by an additional conversion factor equal to 1% of the FPL, for a total limit of 306% for these three groups. CWW will test these groups against the income level of 306% of the FPL, and this limit will be displayed on the BC+ MAGI budget screens. The dollar amounts for income limits and reporting requirements in the notices of decision will equal 306% FPL.

Certain other income limits for children under MAGI rules, such as those affecting whether or not to apply health insurance access or who is eligible for backdating, will also reflect the addition of 6% of the FPL. One exception is that the income thresholds for children's premiums will only increase by the 1% conversion factor.

Certain other income limits for children under MAGI rules, such as those affecting whether or not to apply health insurance access or who is eligible for backdating, will also receive an additional disregard of 6% of the FPL. One difference is that the income thresholds for children's premiums will only increase by the 1% conversion factor.

REPORTING RULES UNDER MAGI:

The reporting thresholds for BC+ households will be based on the income of the AG with the highest income amount. That amount will be used as the basis for the reporting threshold indicated on the Notice of Decision. Members in households eligible for BC+ under MAGI rules will also be required to report:

- Changes in expected tax filing status
- Changes in expected tax dependents
- If they no longer have a tax deduction they reported at application or renewal

Changes in the thresholds used to determine if someone is expected to be required to file taxes are not required to be reported. However, if the worker becomes aware that the child or tax dependent has gone over the thresholds, the answer to the question on the Tax Details Page should be updated.

PREMIUMS UNDER MAGI:

Under MAGI rules, there will be occasions where different children within the same household will be in separate AG's with different income levels.

Each child's premium will be based on his/her own AG's size and income, which may result in different premium amounts for different children in the same household.

A 5% cap will continue to apply to children's premiums. To determine a household-level premium, add all children's premiums together and compare the total premium amount to 5% of the premium-paying AG in the household with the highest countable income amount (not FPL %). The combined total of all children's premiums will be either the total of all premiums or 5% of that AG's income, whichever amount is less. The household level premium amount must be paid in order for all children in the household to remain eligible.

EXTENSIONS UNDER MAGI:

All BC+ Extensions that start in 2014, will be for 4 months. Parents, caretakers and pregnant women will be eligible for a 4-month Extension, if the countable income for their BC+ AG increases above 100% FPL due to an increase in earned income or an increase in spousal support. The individual must have been eligible as a parent, caretaker, or pregnant woman for 3 of the last 6 months immediately preceding the month in which the income increased and the eligibility was lost solely due to the increase in income.

Children, including NLRR children, will be granted an Extension if the child was eligible for BC+ under a MA category during the month that their own parent (including step-parent) or caretaker's income increased, and the parent/caretaker lost eligibility solely due to the income increase.

By MA category, we mean:

- Non-CEN children under age 1 with AG income at or below 300% FPL
- Children age 1 through 5 with AG income at or below 185% FPL
- Children age 6 through 18 with AG income at or below 150% FPL

Children who are already in an Extension are not eligible for a new Extension.

A child's Extension is based solely on their parent/caretaker being granted an Extension. Children do not have to have been eligible for MA for 3 out of the last 6 months or have had income for their AG below 100% FPL.

The child will only be eligible for an Extension once the Extension has been confirmed open for the parent/caretaker. If the adult going into the Extension does not pay a premium or provide requested verification and does not open in the Extension, the child would also not open for an Extension.

Adults in Extensions are subject to premium requirements starting at 100% FPL and are required to report changes in income as it may affect the premium amount. The adult will close if the premium is not paid. Children will remain in the Extension even if the parent/caretaker closes for not paying a premium or verifying a change in income.

If a member's income drops to 100% FPL or lower s/he will go out of the Extension and back into regular BC+. Children, who are in an Extension, will remain in the Extension even if the parent/caretaker's income decreases and the parent/caretaker moves back to regular BC+. Members will also remain in an Extension, even if the only child in the home turns 19 while in the Extension.

Members eligible under the Childless Adult category (MAGS/BCLA) are not eligible for an Extension.

ACCESS:

ACCESS "Apply For Benefits" and "Renew My Benefits" will be updated effective November 16, 2013, to include questions needed to determine eligibility under MAGI. "Report My Changes" will also be updated, but new reporting rules for a given household will not be displayed until January 1, 2014. "Check My Benefits", "Am I Eligible" and "ACCESS for Partners and Providers (Express Enrollment)" will be updated effective December 28, 2014, with new eligibility statuses, new income limits, and new eligibility criteria, as applicable.

IMPLEMENTATION OF POLICY CHANGES:

TRANSITION TO NEW POLICIES:

CARES updates to accommodate these and other changes will be implemented in phases on both September 28, 2013, and November 16, 2013. A batch run will be done on November 23rd, to apply the new income limits to existing BC+ households for benefits effective January 1, 2014.

Because the CWW changes to collect MAGI related information will not be implemented until November 16th, all applications referred from the Marketplace between October 1st and November 16th, will be held outside of the agency inboxes until November 16th. These applications will be ready to process from the agency inboxes on Monday, November 18th. See [Ops Memo 13-25](#), for more information on processing timelines, dashboard and inbox search changes. A future Ops Memo will be released with information on processing an application referred from the Marketplace.

DEPENDENT 18 YEAR OLD:

Alerts 094 and 095 will be generated to inform workers when an 18 year old will graduate after age 19 or that an 18 year old has graduated. The text for these alerts will be updated as follows:

- 094: Turning 18 Graduation after 19, run elig.
- 095: 18 year old graduating. Run elig.

PREMIUMS:

A new alert, "502-Non CEN turning 1 inc >200%" will be generated for non-CEN infants over 200% of the FPL who are turning age 1 to notify the worker that the child will now be required to start paying premiums. The worker will have to run eligibility to update the premium status of the infant once s/he turns 1.

CARES WORKER WEB CHANGES:

CARES Worker Web (CWW) will be updated over the weekend of November 16th, to include new pages and new questions and fields on existing pages to collect the additional information necessary to determine BC+ eligibility based on MAGI rules.

NEW PAGES IN CWW:**Tax Filing Details Page**

The "Tax Filing Details Page" will collect information on who is filing taxes along with the individual's filing status and the tax dependents for each tax filer. This page and the "Tax Information Summary" page can be found on the Navigation Menu, under the new "Tax Filing Information" heading.

The page is divided into three sections:

Household Tax Information: This section collects the Begin Month, which determines the tax year and whether or not anyone in the household is filing taxes.

Individual Tax Information: This section collects the individual tax filers, their filing status and whether or not the filer has any tax dependents or is being claimed by anyone outside the household. If the filing status is "married filing jointly", the section will also collect the name of the spouse. This section also collects the name of the tax dependents for each filer and whether or not the dependent is claimed for the current tax year only.

If the tax dependent is deceased or claimed only for the current tax year, an alert will be generated at Adverse Action in November of that tax year to inform the worker to run eligibility for January, to remove that tax dependent for the following year. More information on these alerts will be announced in a future Operations Memo. The first alerts will not be set until November 2014 adverse action so the CARES update will be done with a future implementation. The case will also be triggered to go through Adverse Action in December, if the case is not updated by the worker prior to that date.

Income of Children and Tax Dependents: The section contains the questions to determine if the child or tax dependent will be expected to be required to file taxes. Answering “Yes” to either the earned or unearned income question, regarding the child or tax dependent’s income, will indicate the child or tax dependent will be expected to be required to file taxes and his/her income will be counted. While the threshold for self-employment earnings is considered in the IRS requirement to file taxes, we have received clarification that self-employment earnings should not be used to determine if the individual’s income is counted for BC+. Entries on the “More Than \$400 in Taxable Self Employment Income” field will not be used in the “expected to be required to file taxes” determination. Workers should enter a “No” on this field.

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Tax Filing Details [Cancel] [Reset]

Household Tax Information

Effective Period

Begin Month: 09 / 2013 Last Updated: 09/23/2013

Tax Year: 2013

Household Filing Status

Is Anyone In The Household Filing Taxes? Y - YES [Add Additional Tax Filer]

Individual Tax Information [Delete]

Tax Filer Details

Tax Filer: WIFE EXAMPLE 33F PP Delete Reason: []

Filing Status: MJ - MARRIED FILING JOINTLY Spouse: HUSBAND EXAMPLE 33M HUS

Is Tax Filer Planning To Claim Any Dependents? Y - Yes Is Tax Filer being claimed as a Dependent by someone outside the home? N - No

Dependent Details

Dependent: [] Verification: []

Delete: [] Delete Reason: []

Individual Claimed as Tax Dependent only for this Tax Year: []

[Reset] [Add]

Dependent	Verification	Individual Claimed as Tax Dependent only for this Tax Year	Delete
CHILD EXAMPLE 12F DAU	NQ - NOT QUESTIONABLE	N - NO	[]

Income of Children and Tax Dependents [Update Individuals]

Children and Tax Dependents	More Than \$5,950 in Taxable Earned Income in 2013?	More Than \$950 in Taxable Unearned Income in 2013?	More Than \$400 in Taxable Self Employment Income in 2013?
CHILD EXAMPLE 12F DAU	No	No	No

Enter New Begin Month: MM / YYYY

Updated on or before MM / DD / YYYY

[Add Case Comment] [Cancel] [Previous] [Next]

At conversion, the fields on this page will be populated with a “?”. The first time CARES tests any individual in this household using MAGI rules, CARES will pend BC+ eligibility for this information. If eligibility is pending for answers to the “Income of Children and Tax Dependents” questions, the Verification Checklist will ask if any children or tax dependents have income above the thresholds and ask for the name of any child or tax dependent with income exceeding the threshold. If one of the threshold questions is answered “yes”, CARES will not pend for a “?” entered on the other questions for that individual since his or her income is going to be counted.

Household Relationships Page:

To avoid confusion, the question “Is Tax Dependent of XXXX” on the Household Relationships page will be changed to “Is LTC Tax Dependent of XXXX”. This question on the “Household Relationships” page is only relevant for Long Term Care MA eligibility. [See Medicaid Eligibility Handbook, Chapter 18.6.1 #2](#), for more details on this policy.

The screenshot shows a form titled "Reference Person" with the following details:

- Individual: WIFE EXAMPLE 33F PP
- Last Updated: 09/20/2013
- HUSBAND EXAMPLE 33M HUS
- Husband is the: HUS - HUSBAND of Wife, Effective: 09 / 2013
- Verification: NQ - NOT QUESTIONABLE
- Husband also:
 - Purchases & Prepares Meals with Wife: Yes
 - Has Legal Custody of Wife: No
 - Is an Essential person for Wife: No
 - Is Caring for Wife: No
 - Is Filling Parental Role for Wife: No
 - Is LTC Tax Dependent of Wife: No (indicated by a red arrow)

TAX INFORMATION SUMMARY PAGE:

This page provides a summary of the information entered on the “Tax Filing Details” page.

The screenshot shows the "Tax Information Summary" page with the following data:

Individual Tax Information							
Begin Month	Is Anyone in the household Filing Taxes?	Last Updated	Tax Filer	Delete Reason	Filing Status	Dependents?	
09/2013	YES	09/23/2013	WIFE EXAMPLE 33F PP		MARRIED FILING JOINTLY	Yes	

Income of Children and Tax Dependents							
Begin Month	Tax Year	Last Updated	Individual	Exceeds Earned Income Threshold	Exceeds Unearned Income Threshold	Exceeds Self Employment Income Threshold	
09/2013	2013	09/23/2013	CHILD EXAMPLE 12F DAU	No	No	No	

At the bottom, there is a search bar with fields for "Begin Month" (MM / YYYY) and "Updated on or before" (MM / DD / YYYY) with a "Go" button. Navigation buttons include "Add Case Comment", "Cancel", "Previous", and "Next".

➤ **Note:** If a tax dependent has been deleted, the history for that tax dependent on the “Tax Information Summary” page will only display the PIN number for that tax dependent.

BC+ TAX DEDUCTIONS GATEPOST:

This new gatepost page will collect the information on which Ongoing and/or Calendar Year tax deductions the household is claiming. If the worker answers “Y – Yes” to any of the deduction types, the “BC+ Tax Deductions” detail page will be automatically scheduled. The gatepost page, the details page and the summary page can all be accessed from the Navigation Menu under the BC+ Tax Deductions heading.

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BC+ Tax Deductions Gatepost [Cancel] [Reset]

Effective Period
Last Updated: 08/27/2013

Ongoing BC+ Tax Deductions
Is anyone in the household planning to claim any of the following BC+ Tax Deductions?

AD - Alimony:	N - No	AW - Allowable write-in expenses:	N - No
DP - Domestic production activities deduction:	N - No	DS - Deductible part of self-employment tax:	N - No
FO - Fee-based official tax-deductible expenses:	N - No	HE - Higher education expenses:	N - No
IR - Individual retirement account (IRA) contributions:	N - No	LB - Loss from sale of business property:	N - No
MD - Military reserve members tax-deductible expenses:	N - No	OO - Other - Ongoing deduction:	N - No
PA - Performing artists tax-deductible expenses:	N - No	SI - Student loan interest:	N - No
SP - Self-employed SEP, SIMPLE or qualified plan:	N - No	TE - Teachers' tax-deductible expenses:	N - No

Calendar Year BC+ Tax Deductions
Is anyone in the household planning to claim any of the following BC+ Tax Deductions? Only select BC+ Tax Deductions that were incurred during or after the potential eligibility period.

MC - Out-of-pocket costs for a job related move?	N - No
OY - Other - Calendar year deduction?	N - No
PW - Penalties for early withdrawal of funds?	N - No

Based on client's response, populate blank fields as N

[Add Case Comment] [Cancel] [Previous] [Next]

At conversion the answers will be populated to an “N-No” for all questions. When an individual or household is being tested for BC+ using MAGI rules for the first time, workers should gather this information prior to confirming the BC+ eligibility.

BC+ TAX DEDUCTIONS DETAILS PAGE:

This page collects the detailed information about each tax deduction claimed by the household. CARES will populate the “Deduction Selected” field, based on the type of the deduction. If the deduction is an “Ongoing MAGI Tax Deduction” the “Ongoing Deduction Information” section must be filled out. If the deduction is a “Calendar Year MAGI Tax Deduction” the “Calendar Year Deduction Information” section must be filled out. If a case includes a “Calendar Year Deduction”, the case will be triggered to go through a batch run at December Adverse Action in the year listed in the “Begin Month” field for that Calendar Year Deduction.

BC+ TAX DEDUCTIONS SUMMARY:

The new “BC+ Tax Deductions Summary” page displays the information entered on the “BC+ Tax Deductions Details” page.

Ongoing BC+ Tax Deductions										
Row	Individual	Begin Month	End Month	Last Updated	Delete Reason	Seq	Deduction Type	Frequency Period	Total BC+ Amount	Monthly BC+ Amount
MARY PP	EXAMPLE 33F	09/2013		09/20/2013		1	HIGHER EDUCATION EXPENSES	SEMI-ANNUALLY	\$6,000.00	\$1,000.00
MARK HUS	EXAMPLE 33M	09/2013		09/20/2013		1	STUDENT LOAN INTEREST	MONTHLY	\$10.00	\$10.00

Calendar Year BC+ Tax Deductions											
Row	Individual	Begin Month	End Month	Last Updated	Delete Reason	Seq	Deduction Type	Number of Months	Incurred Month	Total BC+ Amount	Monthly BC+ Amount
No data found.											

NEW FIELDS ADDED TO EXISTING CWW PAGES:**Household Members Page**

Tax dependents and co-filers, who are living outside the household or are deceased, may now be included in a BC+ AG with others living in the household. Two new questions have been added to the “Estimates for Relevance Determination” section on the “Household Members” page. The new questions in this section will indicate if an individual living outside the household, an adult child of someone in the household, or a deceased tax dependent should be considered relevant to the case for BC+.

The last question in this section: “Is this individual living outside of the household or deceased?” will also determine the response to the new questions on the “Current Demographics” page.

The screenshot displays the 'Household Members' form. At the top, there are 'Cancel' and 'Reset' buttons, and a 'Total: 3' indicator. Below this is a table of 'Current Household Members' with three entries: 'WIFE EXAMPLE 33F PP', 'HUSBAND EXAMPLE 33M HUS (DEC)', and 'CHILD EXAMPLE 12F DAU'. The form is divided into several sections: 'Effective Period' (Last Updated: 09/25/2013), 'Individual Name' (First Name: WIFE, Last Name: EXAMPLE), 'Additional Information' (Gender: FEMALE, Birth Date: 09/19/1980, Verification: NO - NOT QUESTIONABLE), and 'Estimates for Relevance Determination'. The 'Estimates for Relevance Determination' section is highlighted with a red box and contains the following fields: 'Age Category' (22 and older), 'Serves as Alien Sponsor', a question 'Does this individual meet any of the following criteria:' with a 'Yes' dropdown, a list of criteria (Tax dependent of someone in the household, Tax co-filer with someone in the household, Claiming their adult child and both are living in the household), and a question 'Is this individual living outside of the household or deceased?' with a 'Yes' dropdown. At the bottom, there is an 'Alias Name Information' section.

At conversion, the answers to the new questions will be populated with a “No”

Current Demographics Page

A new question has been added to the Current Demographics page to identify tax dependents and co-filers who live outside of the household. This enables CWW to appropriately include the individual in the BC+ AGs without including that individual in any other program of assistance.

The question will be pre-populated based on the response to the question on the Household Members Page: “Is this individual a tax dependent or a tax co-filer living outside the household?”.

The screenshot shows a web form titled "Living Arrangement Information". It contains the following fields and sections:

- Effective Period:** Begin Month: 08 / 2013, Last Updated: 08/27/2013
- Living Arrangements:**
 - Living Arrangement Type: 01 - INDEPENDENT (HOME/APT.)
 - Verification: NQ - NOT QUESTIONABLE
 - Living Arrangement Date: MM / DD / YYYY
 - Minor Parent Living Arrangement: [Dropdown]
- Child Out of Home Details:**
 - Is this a child living outside this home and in Foster Care or court-ordered Kinship Care? No
 - Are the parents / caretakers cooperating to re-unite with this child? [Dropdown]
 - Verification: [Dropdown]
- Tax Dependent / Tax Co-Filer Out of Home Details:**
 - Is this individual a tax dependent or tax co-filer living outside of the household? No

The "Tax Dependent / Tax Co-Filer Out of Home Details" section is highlighted with a red border in the image.

At conversion, the answer to the new question will be populated with a “No”.

Employment Page

A new section “BC+ Pre-Tax Deductions” will be added to the “Detailed Wage Information” section of the Employment page. This section will collect the pre-tax deduction type, amount, verification and frequency. Types of pre-tax deductions include:

- Health Insurance Premiums
- Health Care Savings Accounts
- Parking and Transit Costs
- Group Life Insurance Premiums
- Retirement Contributions
- Flexible Savings Accounts (Child Care/Other Dependent Care)
- Other

➤**Note:** When an individual or household is being tested for BC+ eligibility using MAGI rules for the first time, workers should check the income verification for any pre-tax deductions and update this section appropriately. These deductions could make a difference in eligibility or premium amounts due on the case.

The “Totals and Comments” section will be updated as follows:

- The “Monthly MA Amount” and “Override Monthly MA Amount” fields will be renamed “Monthly MA Gross Amount” and “Override MA Gross Amount”.
- New fields “Monthly BC+ Pre-Tax Deductions Amount”, “Monthly BC+ Taxable Amount” and “Override Montly BC+ Taxable Amount” will be added to this section.

Employment Summary Page

The Employment Summary page will be updated to display the Monthly MA Gross Amount, Monthly BC+ Taxable Amount and the Converted Amount of income entered on the Employment Page.

Employment Summary													Cancel	Reset
Employment														
Row	Individual	Begin Month	End Month	Last Updated	Del Rsn	Seq	Employer Name	Emp Begin Date	Monthly MA Gross Amount	Monthly BC+ Taxable Amount	Conv Amount	In-Kind Amount		
	OPS EXAMPLE 33F PP	01/2014		01/01/2014		1	ABC CORP	12/23/2012	\$900.00	\$620.00	\$967.50	\$0.00		

Loss of Employment												
Row	Individual	Begin Month	End Month	Last Updated	Delete Reason	Seq	Employment Lost Date	Wages Earned Per Week	Good Cause	Re-request FS		
No data found.												

At conversion, the BC+ taxable amount will be populated with the Monthly Gross Amount.

Unearned Income Gatepost

The “Unearned Income Gatepost” page will be updated to include two new unearned income types: “TC – Tribal Per Capita Income” and “PC – Personal Capital Gains”. The question, “Does anyone in your household receive educational aid?” will now be required to be answered for BC+.

Unearned Income Gatepost		Cancel	Reset
Effective Period			
Last Updated:		09/24/2013	
Unearned Income			
Does anyone in your household receive income from any of these sources?			
AA - Adoption Assistance:	N - No	AN - Annuities:	Y - Yes
CH - Charitable Contributions:	N - No	CS - Child Support / Maintenance / Alimony:	N - No
DI - Sick / Disability Benefits:	N - No	DV - Dividends:	N - No
FO - Foster Care:	N - No	GR - General Relief:	N - No
IN - Interest:	N - No	KC - Kinship Care:	N - No
MA - Military Allotment:	N - No	MN - Maintenance / Alimony:	N - No
MO - Money From Other Person:	N - No	NA - National Refugee Relief:	N - No
OT - Other:	N - No	PA - Assistance In Another State:	N - No
PC - Personal Capital Gains:	N - No	PE - Other Pension / Retirement:	Y - Yes
PS - Payments From Property Sold:	N - No	RE - RNIP:	N - No
RR - Railroad Retirement:	N - No	SI - Supplemental Security Income:	N - No
SS - Social Security:	N - No	TC - Tribal Per Capita Income:	N - No
TR - Trust Fund:	N - No	TT - Tribal TANF:	N - No
UN - Unemployment Insurance:	N - No	VE - Veteran Benefits:	N - No
WC - Workers Compensation:	N - No		
Educational Aid			
Does anyone in your household receive educational aid?			N - No

Unearned Income Page

Since only the taxable amount of retirement, pension and annuity payments will count as unearned income for BC+, the “Unearned Income” page will be updated with an additional field to allow workers to record the monthly “BC+ Taxable Amount” in the income information section. This new field will only be required when an Income Type of “PE - Other/Retirement Benefits” or “AN –Annuities” is selected on a case with a health care request. Functionality will continue to work the same as it currently does for all other unearned income types.

When an income type of “PE - Other/Retirement Benefits” or “AN –Annuities” is selected, a new, “BC+ Taxable Amount” field will be enabled in the “Details” section of the page. Once a worker enters an amount and verification code in the “Gross Income Amount” and corresponding verification field, these same values will be auto populated into the “BC+ Taxable Amount” and verification fields. If the taxable reported amount is the same as the gross amount, the worker can click “Add” and “Calculate” which will cause the same amounts to display in both the “Monthly MA Amount” and the new “Monthly BC+ Taxable Amount” field.

If the taxable amount of pension, retirement or annuity income differs from the gross, workers will have to enter the lower taxable amount in the “BC+ Taxable Amount” field and request verification of this amount, if necessary, so that the appropriate amount can be used in the BC+ determination. In this instance, the gross amount will display in the “Monthly MA Amount” field and the lower taxable amount will display in the “Monthly BC+ Taxable Amount” field after the “Calculate” button is clicked.

Verification of the Gross Income Amount or the MAGI Taxable Amount is mandatory for any countable income relevant to a BC+ MAGI determination.

➤**Note:** If the gross amount is verified and the lower “BC+ Taxable Amount” is not verified, the gross amount should be used in the BC+ eligibility determination. Workers should enter the gross amount as the “BC+ Taxable Amount”, when the gross amount has been verified but the taxable amount has not.

To accommodate the policy for Personal Capital Gains/Losses, the “Disregards and Expenses” section of the page will be renamed to “Disregards, Expenses and Losses”. A new field, “Monthly Personal Capital Losses” will be enabled only when the Unearned Income Type of “PC – Personal Capital Gains” is selected. This field will be disabled for all other income types. This field will be used to record both personal capital gains and losses for an individual. There will be more information about capital gains/losses in the BC+ Handbook and Process Help.

Additionally, there will be a new type of other income, “OTMG – Other MAGI”. This income type will be used to record countable income that should be used only for BC+ MAGI eligibility determinations. This is similar to how we use OTFS and OTMA.

Effective Period

* Begin Month: / End Month: / Last Updated: 09/24/2013
 Delete Reason:

Income Information

* Individual: WIFE EXAMPLE 33F PP SSN: _____ Sequence: 2
* Income Type: AN - ANNUITIES
* Verification: OW - OTHER ACCEPTABLE WRITTEN STATEMEN
 Claim SSN Number: N/A
* Income Begin Date: / / Income End Date: / /
* Income Discontinued? Date Loss Of Income Reported: / /
* Frequency Period: M - MONTHLY Number of Pays: 1
* Income Available? Yes Monthly Converted Amount: \$.
 Monthly MA Amount: \$.
 Monthly BC+ Taxable Amount: \$. ←

Disregards, Expenses and Losses

SSI Pass Account Amount: \$.
 SSIE Expenses: \$. Verification:
 FFU Child Support Disregard Amount: \$. * Current Disregard Amount: \$.
* SSA COLA / Disabled Adult Children Disregard Amount: \$.
 Monthly Personal Capital Losses: \$.

Details

Delete	Gross Income Amount	Verification	BC+ Taxable Amount	Verification	Delete
<input type="checkbox"/>	\$ <input type="text"/> . <input type="text"/>	<input type="text"/>	\$ <input type="text"/> . <input type="text"/>	<input type="text"/>	<input type="checkbox"/>

Gross Income Amount	Verification	BC+ Taxable Amount	Verification	Delete
100.00	OW - OTHER ACCEPTABLE WRITTEN STATEMENT	80.00	OW - OTHER ACCEPTABLE WRITTEN STATEMENT	<input type="checkbox"/>

Comments:
Current Size = 0 characters (240 characters max.)

At conversion, the BC+ Taxable Amount will populate with the amount entered in the Monthly MA amount field.

Educational Aid

The Educational Aid page in CWW will be used to record grants and scholarships, as well as the educational expense paid to determine the countable amount of educational assistance the individual receives. Alert “113-Educational Aid Expires” will be generated when the semester or term entered on the page is ending. The case will also be triggered to go through the Adverse Action batch run in the month the semester is ending. Refer to the BC+ Handbook for more information on the types of educational aid that are not counted.

Educational Aid
Cancel

Total: 1

Effective Period (Semester)

Begin Month: 01 / 2014

Delete Reason:

End Month: 05 / 2014

Last Updated: 01/01/2014

Additional Information

Individual: OPS EXAMPLE 33F PP

Semester Sequence Number: 1

Number of Months: 5

Details

Delete:

Begin Month: MM / YYYY

Aid / Expense Type:

Amount: \$.

Verification:

Delete Reason:

End Month: MM / YYYY

Sequence:

Sequence	Begin Month	End Month	Aid Type	Amount	Verification	Delete Reason
1	01/2014	05/2014	GR - GRANTS/SCHOLARSHIPS COUNTABLE	3200.00	AW - AWARD LETTER	<input type="checkbox"/> <input type="checkbox"/>
2	01/2014	05/2014	TU - TUITION	2500.00	OW - OTHER ACCEPTABLE WRITTEN STATEMENT	<input type="checkbox"/> <input type="checkbox"/>

Obsolete Information

* Income Discontinuous?

Individual: OPS EXAMPLE 33F PP

Sequence:

Updated on or before: MM / DD / YYYY

Cancel

BadgerCare Plus Budget Page

A new BC+ MAGI Budget page has been developed for displaying the budget for MAGI based BC+ eligibility determinations. The new budget page will include an indicator for the Household Composition Type (Tax Filer Rules or Relationship Rules). The MAGI fiscal test group will appear right after the “Results” Section. The income displayed will include only the income that is counted for that AG.

BadgerCare Plus MAGI Budget
Cancel Reset

Assistance Group Results

Assistance Group Overview

Assistance Group:	MAGC - BCP - CHILDREN < 19	Sequence:	1
Benefit Begin Date:	11/01/2013	Benefit End Date:	
Determination Date:	09/25/2013		

Results

Assistance Group Status:	O - OPEN	Eligibility Status:	PASS
Plan Type:	STANDARD PLAN	Household Composition Type:	TAX FILER RULES

Fiscal Test Group

	Adults	Children	Total
Eligible Members:	0	1	1
Counted Members: +	2	0	2
Fetus Count: +		1	1
Assistance Group Size:	2	2	4

MAGI Group Income

Group 1 (WIFE EXAMPLE F PP_HUSBAND EXAMPLE M HUS)

Employment Earned Income:	\$	1,600.00
Self Employment Profit(or Loss): +		0.00
Unearned Income(or Loss): +		210.00
Deduction: -		0.00
Countable Income:	\$	1,810.00

Income Eligibility Determination

Total Countable Income

Group 1 Countable Income:	\$	1,810.00
Assistance Group Countable Income:	\$	1,810.00

Income Limits

Countable Income FPL (Actual):	92.22%		
Eligibility Test FPL:	306.00%	Income Limit:	\$ 6,005.25
Premium Requirement Limit FPL:	201.00%	Premium Requirement Income Limit:	\$ 3,944.63

Individual Income

- > WIFE EXAMPLE F PP (CA - COUNTED ADULT)
- > HUSBAND EXAMPLE M HUS (CA - COUNTED ADULT)
- > CHILD EXAMPLE F DAU (EC - ELIGIBLE CHILD)

⏪ ⏩ ⏴ ⏵

MEDICAL STATUS CODES:

Due to changes affecting benefit plans, program funding sources and eligibility income limits, effective January 1, 2014, the following changes to Medical Status Codes will take place.

➤**Note:** Codes are still valid and available for backdated eligibility, for months prior to 2014.

MED STAT CODES ENDING EFFECTIVE DECEMBER 31, 2013

Codes	Description
1B	Parents 100 - 130% FPL
7B	Parents >150 - 200%
7L	Caretakers >150 - 200% FPL
8A	Parents >133 - 150% FPL
8B	Caretakers >133 - 150% FPL
8G	Disabled parents >133% FPL
8H	Disabled caretakers >133% FPL
8J	Earnings extension - 12 mo, disabled p/c >133% FPL
8K	Child support extension - 4 mo, disabled p/c >133% FPL
B8	Parent/caretaker, Community waiver >150 - 200% FPL
BM	Caretakers >100 - 130% FPL
8C	Childless Adult Waiver >100 - 133% FPL
8D	Childless Adult Waiver > 133% FPL
8L	Disabled Childless Adult > 133% FPL
7C	Parents (Self Employed/Farmers) >200% FPL
7M	Caretakers (Self Employed/Farmers) >200% FPL
XA	Basic Plan
7Y	Child >300% FPL
PM	Pregnant minor, < 19 >300% FPL

MED STAT CODES CHANGING JANUARY 1, 2014:

8E	Earnings extension - 12 mo, p/c >133% FPL	Replaced by	9R
8F	Child support extension - 4 mo, p/c >133% FPL	Replaced by	9S
7G	Child, ages 1-18, >250 - 300% FPL,	Replaced by	9L
7H	Child, age < 1, >250 - 300% FPL,	Replaced by	9G
7P	Child, Age < 1, >200 - 250% FPL,	Replaced by	9F
BH	Child, 1-18 >200 - 250% FPL,	Replaced by	9K
7U	CEN >200% FPL,	Replaced by	9H
7T	EE for child, age < 1, >200 - 300% FPL,	Replaced by	9J
TC	Child, 1-18, tribal member >200 - 250% FPL,	Replaced by	T8
7Z	Child, ages 1-18, tribal member >250 - 300% FPL,	Replaced by	T9
7K	Child, <19, ded, >150% FPL BC+ SP,	Replaced by	9N
BZ	Pregnant inmate >200 - 300% FPL,	Replaced by	9B
PS	Pregnant woman - deductible >300% FPL,	Replaced by	9M
TP	Pregnant minor, tribal member >200 - 300% FPL,	Replaced by	9D

- BB Pregnant woman >200 - 250% FPL, and
 7E Pregnant Woman >250 - 300% FPL, Replaced by
- 9C Pregnant Woman >200 - 300% FPL
- BT Pregnant immigrant >200 - 250% FPL, and
 7X Pregnant immigrant >250 - 300% FPL, Replaced by
- 9A Pregnant immigrant >200 - 300% FPL
- BW EE for pregnant woman >200 - 250% FPL, and
 7R EE for pregnant woman >250 - 300% FPL, Replaced by
- 9E EE for pregnant woman >200 - 300% FPL
- BF Child, 6 - 18, >100-150% FPL, Replaced by
- 9U Child, 6 - 18, >100-133% FPL, and
 99 Child, 6 - 18, >133-150% FPL
- CU Childless Adult Core Plan, 0-100% FPL, Replaced by
- 9W Childless Adult Core Plan, 0% FPL, and
 9P Childless Adult (CLA), >0-100% FPL,
- GT Transitional Childless Adult, 0-100% FPL, Replaced by
- 9X Transitional Childless Adult, 0% FPL, and
 9V Transitional Childless Adult, >0-100% FPL

NEW DOCUMENT CODES FOR ECF:

Three new document codes will be added to the Electronic Case File (ECF), to track MAGI tax related verifications. These codes will also be updated on the Document Tracking Sheet. The code will be added under the Expenses Sub Folder.

TD-Tax Deductions: this code should be used to index documents that are submitted as verification of Ongoing and Calendar Year Tax Deductions. This code will be added under the Non-Financial Information Sub Folder.

TFI-Tax Filing Information: This code should be used to index documents submitted as verification of tax filing and/or tax dependency information.

DTS-Document Tracking Sheet: This code should be used to index the Document Tracking Sheet that is generated and mailed out as part of the verification checklist or by the member through ACCESS.

CORRESPONDENCE IMPACT:

Along with requests for verification of new expenses, deductions and income types, the "Verification Checklist" will be updated to include requests for information on tax filing status and tax dependency as well as asking if any child or tax dependent in the household is expected to have income over the threshold for being required to file taxes.

The "Application Summary" will be updated to include all new information gathered for a MAGI determination.

The "Employer Verification Earnings" form (EVF-E) will be updated to include fields for pre-tax deductions subtracted from the gross earnings.

CROSS PROGRAM IMPACT:

CARES/CWW determines eligibility for multiple programs of assistance, using many shared pages and fields. The following information describes how the new pages and fields will affect other IM programs of assistance, as well as Child Care and W-2.

TAX FILING DETAILS AND BC+ TAX DEDUCTIONS GATEPOST AND DETAILS PAGES:

Information entered on the new Tax Filing Details page and the BC+ Tax Deductions Gatepost and Details pages will only be used in the eligibility determination for BC+. No other program of assistance such as FoodShare (FS), Caretaker Supplement (CTS), Child Care, W-2 or EBD and LTC MA will be affected.

These pages will not be scheduled when a W-2 worker creates a new W-2 case, adds W-2 to an existing BC+ case or completes a W-2 renewal.

HOUSEHOLD MEMBERS PAGE:

The new tax related questions on the Household Members page will only be required for cases with a health care request. The questions will not be enabled for a W-2 worker. The information on these fields will not affect eligibility for any programs other than BC+.

When a W-2 worker adds W-2 to an existing BC+ case, the tax related questions on this page will be populated. The tax related questions will default to a "No" and will not be enterable when a W-2 worker adds an individual to an existing BC+ case.

CURRENT DEMOGRAPHICS PAGE:

When the new question on the Current Demographics page, "Is this individual a tax dependent or tax co-filer living outside the household", is answered "Yes" CWW will only consider the individual for BC+ eligibility determinations. The individual will not be included as a household member for any other program of assistance.

When a W-2 worker creates a new W-2 case this question will not be required to be answered. If a W-2 worker adds W-2 to an existing BC+ case this field will be populated by the IM worker's entry and should not be modified by the W-2 worker.

PERSON ADD:

The Tax Filing Details page will be scheduled in the Person Add driver flow when a W-2 worker adds an individual to an existing BC+ case. The tax filer and tax dependent information should not be updated by the W-2 worker. However, the Begin Month field will be blank. The W-2 worker will be expected to enter the current begin month in the field before clicking on "Next" and moving to the next scheduled page.

The income threshold questions in the "Income of Children and Tax Dependents" section will remain blank for any newly added children, until the IM worker accesses the page and enters the information. The W-2 worker is not expected to fill out these fields.

Whenever a W-2 worker adds a person to a BC+ case from the "Household Members" page, the primary worker on the case will receive an alert: "500-Person moved into Household", informing him/her that an individual has been added. The same alert will be generated to the W-2 worker, when an IM worker adds an individual to a case with W-2. When adding an individual to a BC+ case, the W-2 worker should add case comments indicating that a new individual has been added to the case. This will allow the IM worker to identify that tax information for that individual must be obtained and updated in CWW.

If a W-2 worker changes the response to the question on the Current Demographics Page "Is this individual a tax dependent or tax co-filer living outside the household" from a "Yes" to a "No", alert: "500-Person moved into Household" will be generated to the IM worker. The same alert will be generated to the W-2 worker, if the IM worker takes that same action.

PERSON DELETE:

When a W-2 worker deletes an individual who is a tax dependent or tax co-filer from a BC+ case, from either the "Household Members" page or by updating the living arrangement code on the "Current Demographics" page to a "15", the W-2 worker will receive the following edit to prevent the worker from deleting the individual:

"Cannot change to "15-OUT OF HOME" for an individual who has been listed as a tax co-filer or tax dependent on the Tax Filing Details page."

To delete the individual from the case, the W-2 worker should update the question on the "Current Demographics" page "Is this individual a tax dependent or tax co-filer living outside the household" from a "No" to a "Yes". This will remove the person from any other programs of assistance, including W-2. Alert: "501-Tax Dep/Co-Filer Moved Out" will be generated to the IM worker, when a W-2 worker takes this action. The alert will also be generated to the W-2 worker, if the IM worker takes the same action.

A W-2 worker can follow the current process for deleting an individual using either the "Household Members" page or by changing the living arrangement code on the "Current Demographics" page to a "15", when the person is neither a tax dependent nor a tax co-filer on the case.

DECEASED INDIVIDUALS:

When the death of a household member is reported to the W-2 worker, the W-2 worker should update the date of death on the "Permanent Demographics" page and add case comments indicating the death of the individual was reported. If the individual is a tax dependent, the IM worker will receive an alert at the end of that tax year to delete that individual from the case.

If the individual is not a tax dependent or tax co-filer on the case, the W-2 worker can complete the person delete process for that individual.

PREGNANCY VERIFICATION:

Pregnancy verification will continue to be required for W-2. The pregnancy verification field will default to an "NQ". The W-2 worker should use the PN and/or FN verification codes to either pend or fail the pregnancy for W-2, when determining eligibility for a CMP placement. These codes will not affect other programs of assistance. BC+ and CTS will pass when these codes are used, even though W-2 and/or Child Care will pend or fail. If the pregnancy is also questionable for BC+ and MA, a "Q?" will pend W-2 and a "QV" will fail W-2. When the IM worker has entered a Q? on the Pregnancy Page, the W-2 worker should not update the verification code to PN or FN. W-2 will pend or fail based on the Q? or QV entered by the IM worker.

CTS will follow the rules for BC+ and MA and will not require verification of pregnancy. If the worker determined the pregnancy is questionable, a "Q?" will pend CTS as well as BC+ and MA and a "QV" will fail those programs.

If a "QV" is entered for the fetus number, CARES will use a fetus count of one (1) in the BC+, MA and CTS eligibility determinations. No other program of assistance uses the fetus count when determining eligibility or benefit amounts.

SCHOOL ENROLLMENT PAGE:

The questions regarding school enrollment are currently scheduled for Child Care cases for any individual age 4 through age 19. This functionality will not change. The entries on the "Expected Date of High School Graduation" will not affect eligibility for any programs of assistance other than BC+, CTS and W-2. W-2 workers will be required to verify the expected date of graduation when the only child in the home is a dependent 18 year old.

AMERICORPS INCOME:

A new income Earned Income Type: "M-AMERICORPS" will be added to the drop down list on the "Employment" page. CWW will count the income for BC+ and compare the hourly rate to the income to determine if the income is countable for W-2. When a case is open for EBD MA or FoodShare with different rules for counting income from AmeriCorps, the income should be entered on the Employment page for those programs using the "Override Converted Amount" field for FoodShare (FS), and the Monthly MA Gross Amount override field for EBD and LTC MA.

ROYALTY INCOME:

The new self-employment income type “Royalties” will be counted as unearned income for BC+, FS, W-2 and Child Care. EBD and LTC programs will count this income type as earned income. The income will be entered on the “Self-Employment” page and CWW logic will be enhanced to correctly budget the income for the different programs of assistance. The number of hours worked should be entered as zero.

TRIBAL PER CAPITA PAYMENTS:

A new income type will be added to the list of unearned income types. The first \$500 of Tribal Per Capita will no longer be disregarded for BC+; the entire amount will be counted. CWW will count this income type for all programs of assistance.

PERSONAL CAPITAL GAINS:

This income type will be added to the list of unearned income types. CWW will count the gains entered under this income type as unearned income for BC+, W-2 and Child Care. BC+ will allow personal losses as a deduction from personal capital gains. W-2 and Child Care will not allow the losses as an offset to the gains. This income is not counted for EBD or LTC MA or for FS.

EDUCATIONAL AID PAGE:

This page will be used to determine countable Educational Aid for BC+ and EBD MA. W-2 workers should use this page to capture counted unearned income for the amount used for living expenses for the first month (W-2 Manual 3.2.9.1). W-2 workers will have to convert the income into assets for the second, third and following months when available (W-2 Manual 3.3.2)

CONTACTS:

BEPS CARES Information & Problem Resolution Center

[Attachment: Four Steps to Forming a BC+ MAGI Group](#)

*Program Categories – FS – FoodShare, MA – Medicaid, BC+ – BadgerCare Plus, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – FoodShare Employment and Training, BC+ Core – BadgerCare Plus Core, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DHS/DHCAA/BEPS/LA, AA, JL