

MinnesotaCare:

At the time of renewal or when a new household member is added to an existing case, evaluate households with gross annual income above the MinnesotaCare income standard for their household size. **Terminate coverage for the 1st available month for:**

Adults without children whose income exceeds 175% FPG, including adults who lose parental status between renewals.

Parents and caretakers, other than pregnant women, whose gross annual income exceeds \$50,000.

Take the following steps for all children under age 21 and pregnant women, and for parents and caretakers whose gross income remains under \$50,000:

Determine if 10% of their gross annual income is less than the premium amount for a policy with a \$500 deductible available through Minnesota Comprehensive Health Association (MCHA). See §0912.03.05 (Annual MCHA Premiums). Include all household members in the household size whether or not they are enrolled in MinnesotaCare.

If the income is equal to or greater than the annual MCHA premium, send the MinnesotaCare Over Income Letter (DHS 3407) advising the household that their MinnesotaCare will end in 18 months. Start the 18-month notice period effective the 1st of the next month.

If 10% of the gross annual income is less than the household's MCHA premium, eligibility continues. Do not send 18-month notice of cancellation.

EXAMPLE:

A household consists of John, age 35, Abby, age 31, and their minor **child, age 12**. When the worker processes their renewal on March 15, the household's gross annual income is determined to exceed the MinnesotaCare income standard of 275% FPG for a family of 3. **Gross income remains under \$50,000**. To determine whether to send the DHS 3407, calculate the household's annual MCHA premium by adding together the following amounts from §0912.03.05 (Annual MCHA Premiums):

For Abby, age 31, add the amount for an adult age 30 to 34.

For John, age 35, add the amount for an adult age 35 to 39.

For the **dependent child**, add the amount for **a child under age 15**.

Add these amounts to determine the household's annual MCHA premium.

Multiply the household's gross annual income by 10% and compare that figure to the MCHA premium. If 10% of the annual income is greater than the MCHA premium, send the DHS 3407 notifying the household that coverage will end in 18 months. The 18-month period begins April 1.

Parents and caretakers whose income exceeds the \$50,000 (regardless of whether the income exceeds the 275% standard for their household size) are not eligible for the extension. Apply the MCHA test to the children. Send the DHS 3407 if 10% of gross income is equal to or greater than the premium amount for an MCHA policy with a \$500 deductible. Include the parents' premium amounts in the calculation. Terminate the parents' coverage for the 1st available month.

EXAMPLE:

Aman, his wife and 3 daughters receive MinnesotaCare. At the time of their annual renewal, gross income exceeds \$50,000. It also exceeds the 275% FGP standard for the household size. Aman and his wife are no longer eligible for MinnesotaCare. The children may remain eligible if 10% of their gross income is less than the premium amount for an MCHA policy with a \$500 deductible. If 10% of gross income is equal to or greater than the applicable MCHA premium, they are eligible for the 18-month extension. Send the DHS 3407.

Take the following steps when a household that has received the DHS 3407 later reports decreased income OR requests to add a new household member before the next renewal:

Determine if the new income amount remains equal to or greater than the appropriate standard. If the new income amount is now under the standard, send the MinnesotaCare Income Change Evaluation Letter (DHS 3408) to notify the household that they will not be closed.

If income remains equal to or greater than the standard, determine if 10% of the new income amount is equal to or greater than the MCHA premium for their household. If 10% of the income is no longer equal to or greater than the MCHA premium for the household, send the DHS 3408 to notify the household that they will not be closed.

If the income is under the standard or 10% of the new income amount is less than the MCHA premium, end the 18-month over income period. If the household's income later increases beyond the limit, begin a new 18-month period.

If the new income is equal to or greater than the appropriate standard AND 10% of the new income is equal to or greater than the applicable MCHA premium, the household remains in the original 18-month over income period. Review the income again 12 months from the date of the original DHS 3407. Coverage for new members added to the household will end at the same time as the rest of the household.

Reevaluate the household's income at the end of 12 months. See §0905.05 (Annual Renewal--Eligibility).

Also reevaluate the household's income 16 months from the date of the original DHS 3407 (2 months before disenrollment).

Contact the household to determine if employment or income has changed since the last evaluation. If the household reports that employment and income have not changed, document in case notes. No further action is needed. ||

If the household reports a change in employment or income, request verification of the new income for the past 30 days. Document the request in case notes. Allow the household 30 days to return the income verification.

If the household does not return the verifications in 30 days, document in case notes. No further action is needed.

If the household returns the verifications, determine if the new income figure is within the MinnesotaCare limits.

- If the household's income continues to be equal to or greater than the applicable standard AND 10% of the household's income continues to be equal to or greater than the household's annual MCHA premium, the household remains in the 18-month disenrollment period. Send the DHS 3408 to notify the household of the results of the evaluation for both 12 and 16-month reevaluations. For 12-month renewals, also send the MinnesotaCare Over Income Disenrollment-12 Month Reminder Letter (DHS 3388) and the Private Insurance in Minnesota

Flyer (DHS 3416). Do not adjust the income on MMIS if it is higher than the previous amount.

- If the household's income is less than the applicable standard OR 10% of the income is less than the household's annual MCHA premium, send the DHS 3408 to notify the household that they will not be canceled.

EXCEPTION:

Terminate coverage for parents and caretakers if income now exceeds \$50,000.

For others, end the 18-month over income period. If the household's income later increases beyond the limit, begin a new 18-month period.

Reevaluate the household's income at the end of the 18-month notice period. Follow the same steps as for the 16-month evaluation, except:

If the household reports that employment and income have not changed, document in case notes and cancel MinnesotaCare for the 1st month for which you can give 10-day notice.

If the household fails to submit verification within 30 days of the request, cancel MinnesotaCare for Over Income for the 1st month for which you can give 10-day notice.

If the household submits verification of new income within 30 days, determine if the new income is within MinnesotaCare limits.

- If the household's income continues to be equal to or greater than the applicable standard AND 10% of the household's income continues to be equal to or greater than the household's annual MCHA premium, give the household 10-day notice and cancel MinnesotaCare at the end of the month. Mail a DHS 3408 with the results of the evaluation and a Certificate of Creditable Coverage (COCC) to the household. See §0916.23 (Certificates of Creditable Coverage).
- If the household's income is less than the applicable standard OR 10% of the income is less than the household's annual MCHA premium, send the DHS 3408 to notify the household that they will not be canceled. Begin a new 18-month period if the household's income later increases beyond the standards.

Do not cancel pregnant women and infants who have auto newborn eligibility for being over income. See §0907.09.03 (MinnesotaCare Auto Newborns) and §0907.09 (MinnesotaCare Pregnant Women).

M.S. 256L.07 subd. 1b, c

MA/GAMC:

No provisions.