State of New Jersey
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRISTINE TODD WHITMAN
Governor

MICHELE K. GUHL
Commissioner

MARGARET A. MURRAY
Director

MEDICAID COMMUNICATION NO. 00-20 **DATE: October 11, 2000**

TO: County Welfare Agency Directors
Institutional Services Section Supervisors
Statewide Determination Agencies

SUBJECT: NJ FamilyCare Program
N.J.A.C. 10:78
N.J.A.C. 10:69

On July 13, 2000, Governor Whitman signed the FamilyCare Health Coverage Act legislation to provide affordable health insurance coverage to children and adults, creating the NJ FamilyCare program. NJ FamilyCare, which is a state and federally funded program, covers parents/caretakers of dependent children (mostly uninsured) up to 200% of the Federal Poverty Level (FPL) and adults and couples without dependent children up to 100% FPL. In addition, lawfully admitted permanent residents, regardless of date of entry, may qualify for NJ FamilyCare.

In an effort to maximize federal funding, the AFDC Medicaid program has been expanded by adding an enhanced **earned income** disregard. Families with earned income will be eligible for AFDC Medicaid if their family incomes are equal to or less than 133% FPL. However, the AFDC Medicaid expansion will not affect those families with only unearned income, who must continue to qualify under the July 16, 1996 AFDC payment standard. As with every Medicaid program, except the Medicaid expansion under NJ KidCare, eligibility is not contingent upon being uninsured.

As you and your staff have been advised over recent months, the Division of Medical Assistance and Health Services has been working to finalize the systems and operational details in order that you may begin the enrollment process for NJ FamilyCare eligibles, effective September 1, 2000. The following summarizes those details in order that you may begin to process those cases for which your agencies are responsible.

ELIGIBILITY GROUPS

The eligibility groups include the following children and adults:

AFDC Medicaid Expansion

Parents and dependent children (insured and uninsured) with earned incomes at or below 133% FPL (AFDC Medicaid expansion), including Medicaid Special for children to age 21;

NJ FamilyCare

Legal permanent resident parents and children (insured and uninsured) who meet all other AFDC Medicaid program requirements regardless of date of entry;

Legal permanent resident children (uninsured, unless New Jersey Care Plan A) who meet all other eligibility criteria under the NJ KidCare Plans A, B, C, or D eligibility criteria regardless of date of entry;

Parents/caretakers of dependent children (uninsured) with incomes above the AFDC amount but below 150% FPL; including legal permanent residents regardless of date of entry;

Parents/caretakers of dependent children (uninsured) with incomes above 150% but below 200% FPL; including legal permanent residents regardless of date of entry;

Single adults and couples (insured and uninsured) without dependent children eligible for Work First New Jersey/General Assistance (WFNJ/GA) cash benefits;

Single adults and couples (uninsured) without dependent children with incomes at or below 50% FPL, including legal permanent residents regardless of date of entry; and

Single adults and couples (uninsured) without dependent children with incomes at or below 100% FPL, including legal permanent residents regardless of date of entry.

There is no asset test for any group, except for cash eligibility related to WFNJ General Assistance. In this instance, individuals who are determined resource ineligible and who meet all other criteria, would be eligible for NJ FamilyCare.

SERVICES

1) Children/adults eligible under AFDC/AFDC Medicaid Expansion (133% FPL for earnings):
   - Receive all of the same benefits as a Medicaid beneficiary enrolled in the New Jersey Care 2000 managed health care program
   - Eligibility begins with established month, i.e. date of application no earlier than 9/1/00
   - Retroactive benefits no earlier than July 1, 2000
   - Fee-for-service benefits until enrollment into managed care
   - Medicaid Extension, pursuant to N.J.A.C. 10:69;

2) Parents/Caretakers eligible with incomes above the AFDC amount to 150% FPL:
   - Receive an adult benefits package similar to NJ KidCare Plan D services
   - No monthly premium payment or co-payments
   - Eligibility begins in the month of managed care enrollment;

3) Parents/Caretakers eligible with incomes between 151-200% FPL:
   - Receive an adult benefits package similar to NJ KidCare Plan D services
   - $25.00 monthly premiums for the first adult and $10.00 for the second adult, with applicable co-pays
   - Eligibility begins in the month of managed care enrollment;

4) Single individuals and couples eligible for cash assistance under the WorkFirst New Jersey General Assistance program:
   - Receive an enhanced medical service package similar to Medicaid benefits
   - Eligibility begins with established month, i.e., date of application no earlier than September 1, 2000
   - Fee-for-service benefits until enrollment into managed care
   - No monthly premiums or co-payments
   - Nursing facility services for selected individuals who meet the Medicaid/New Jersey Care aged, blind or disabled requirements, except for categorical and/or alien requirements;

5) Single individuals and couples eligible at or below 50% FPL:
   - Receive a medical service package similar to Medicaid benefits
   - Eligibility begins with established month, i.e., date of application no earlier than September 1, 2000
   - Fee-for-service benefits until enrollment into managed care
   - No monthly premiums or co-payments
   - Nursing facility services for selected individuals who meet the Medicaid/New Jersey Care requirements, except for categorical and/or alien requirements;

6) Single individuals and couples eligible above 50% but equal to or less than 100% FPL:
   - Receive an adult benefits package similar to NJ KidCare Plan D services
   - Eligibility begins in the month of managed care enrollment
   - No monthly premiums or co-payments.

NOTE: Legal qualified immigrants, including permanent residents subject to the five year bar and eligible for NJ FamilyCare, will receive those services covered under the applicable eligibility group and will be identified by a Special Program Code. The WFNJ/GA program precludes eligibility for restricted immigrants. That restriction does not apply to NJ FamilyCare.

In addition, Presumptive Eligibility (P.E.) services are available to all NJ FamilyCare groups. Adults will receive P.E. coverage that is limited to hospital and Federally Qualified Health Centers (FQHC) services and related pharmacy. Hospitals and FQHCs will determine presumptive eligibility and refer to your agencies as appropriate. In addition, restricted immigrant children who would qualify for Medicaid/NJ KidCare, Plans A, B or C, but for immigration restrictions, and eligible through the NJ FamilyCare program will access unrestricted presumptive eligibility services through established P.E. sites, according to current procedure.

CONVERSION CASES (WFNJ General Assistance)

Individuals and couples who are receiving cash assistance under WFNJ as of October 1, 2000, will be systemically converted to NJ FamilyCare, with an effective date of September 1, 2000. These general assistance cases will be systemically converted from Program Status Code 760 to NJ FamilyCare Program Status Code 761 during the first week in October and systemically terminated, effective October 31, 2000. As a result, a NJ FamilyCare case number will be created using the county number for the first two digits, program 70 for the third and fourth digits, and the same six digit and two digit person number. The first NJ

FamilyCare card will be issued to these individuals for November 1, 2000.

Please note that any WFNJ General Assistance case that has another open Medicaid number at the time of conversion, will be terminated effective October 31, 2000, and a NJ FamilyCare number will not be created, retaining the Medicaid number. For additional details concerning the WFNJ GA conversion process, please refer to the Medicaid Eligibility System Instruction 00-1, dated September 25, 2000, which was distributed to your agencies.

TRANSITION CASES (PARENTS/CARETAKERS OF NJ KIDCARE CHILDREN)

In order to expedite enrollment of eligible parents/caretakers of children presently enrolled in NJ KidCare Plan A (133% FPL), the Division will be mailing conversion packets to NJ KidCare parents/caretakers on the Medicaid eligibility file as of August 1, 2000 and under your county's supervision as of that date. Each packet will contain a letter informing caretakers of the NJ FamilyCare program, a county conversion form, HMO health profile form, NJ FamilyCare factsheet, and a postage-paid return envelope, addressed to the welfare agency of the county of residence. Since you already have most of the required information on file from the NJ KidCare cases, the conversion forms will serve to provide you with required caretaker information, i.e., immigration status, social security number, and medical insurance status.

Once you have received these forms and the required information, we ask that you data enter the caretakers' information into the Medicaid eligibility system via the 061 screen, assigning the same Medicaid number as the children, and the appropriate person number. For your reference, attached is a list of program status codes for your use in properly identifying the caretakers on the Medicaid Eligibility File. The caretakers will be enrolled in the same managed care plan as their children. The health profile form will serve to provide the HMO with medical information. We are requesting that you submit the completed health profile forms to the Health Benefits Coordinator on site at your agencies on a weekly basis. Once these forms are processed, the HBC will contact the parent to choose a primary care physician. Failure to complete the health profile form shall not delay eligibility.

In addition, your agency may be processing eligibility for NJ KidCare children after the August 1, 2000 date and those parents/caretakers will not have received a conversion packet. We will be supplying your agencies with a supply of conversion packets so that you may outreach these caretakers and process eligibility in the same manner as caretakers who did receive the mailing.

The Division's Quality Control team will suspend any error citations for these transition cases until after the first scheduled redetermination.

OPERATIONS

With the implementation of the NJ FamilyCare program, your agencies will assume responsibility for the eligibility determinations of the expanded AFDC Medicaid families with incomes at and below 133% FPL and single adults and couples with incomes at and below 50% FPL. The statewide vendor will assume responsibility for the AFDC Medicaid population, parents/caretakers at 200% FPL and below, as well as single adults with incomes between 51% and 100% FPL. The vendor will screen and refer single individuals and couples to your agencies with incomes below 50% FPL.

Once we have worked out the coordination and systems issues, your agencies will assume responsibility for the parents/caretakers and children eligible at income levels at or below 150% FPL and individuals and couples eligible at income levels above 50% to 100% FPL. At this time, for any cases that you have determined to be income ineligible, i.e., above the 50% FPL or AFDC 133% FPL income levels, please forward a copy of the application to:

NJ FamilyCare
P.O. Box 4818
Trenton, New Jersey 08650-8955.

As a general rule, all cases should be evaluated first for Medicaid, then for NJ FamilyCare eligibility. In an effort to streamline the eligibility operations, it should be noted that the calculations for NJ KidCare Plan A are now consistent with those being used for the AFDC Medicaid Expansion (133% FPL), except for cases with unearned income.

In addition, since eligibility for parents under the AFDC Expansion at 133% FPL is based upon an earned income disregard, there will be situations in which parents will not qualify for AFDC Medicaid due to unearned income, but the children will be eligible under NJ KidCare Plan A. In these cases, a referral by your agency to the statewide vendor is required for an eligibility determination of the parents/caretakers under NJ FamilyCare.

REDETERMINATION of NJ FamilyCare eligibility will be conducted on a yearly basis, including the WFNJ GA beneficiaries receiving NJ FamilyCare medical coverage. Please note that failure to cooperate with WFNJ/GA requirements is not a reason to terminate the medical benefits. However, failure to cooperate with the yearly redetermination process is justification for a termination of medical benefits. However, if an individual is determined to be financially ineligible for WFNJ/GA, then medical benefits will terminate and an evaluation for continued eligibility under other segments of NJ FamilyCare will take place, either by your agency or by referral to the statewide vendor, if warranted.

Family groups currently receiving **MEDICAID EXTENSION** benefits will be re-evaluated as a family under NJ FamilyCare program criteria at the end of the two-year extension. Children currently eligible under NJ KidCare segments and those new cases that would qualify for NJ KidCare must continue to be evaluated and coded as such until further notice. Uninsured children who qualify for NJ KidCare Medicaid Expansion are subject to enhanced federal matching funds. Your cooperation in assisting with this critical identification is greatly appreciated.

The NJ FamilyCare **APPLICATIONS** will be available and distributed to your agencies within the next week. Once the new applications are available for your use, it will be necessary for you to affix your agency's name, address and telephone number, since it currently lists the state 800# number and address. In the interim, you may use existing NJ KidCare applications to process NJ FamilyCare eligibility for new applicants. However, for parents and caretaker information, you must solicit additional information not appearing on the NJ KidCare application, i.e., Social Security Number, citizenship status, and other medical insurance information.

The Division is also in the process of collecting health insurance information for the **PREMIUM ASSISTANCE PROGRAM** with a January 2001 implementation. As a result, we are requesting that you provide us with employer sponsored medical insurance availability

information. For any approved NJ FamilyCare case, (i.e., family groups up to 200% FPL and single individuals and couples without dependent children up to 100% FPL), in which Question #4, Section 4: Health Insurance on the NJ FamilyCare application is checked "yes", please forward a complete copy of the NJ FamilyCare application to:

Division of Medical Assistance and Health Services
Office of Premium Assistance and Support
P.O. Box 712
Trenton, New Jersey 08625.

This request pertains to the conversion as well as the new applicant groups. Please direct any inquiries regarding this process to Harvey Myers, Manager, Office of Premium Assistance and Support, at (609) 588-7780.

FAMIS/MEDICAID ELIGIBILITY SYSTEMS

Systems coding instructions are being issued through two separate communications. A Medicaid Eligibility System Instruction has been distributed and a Medicaid Instruction for FAMIS processes is forthcoming.

For the parent transition cases referred to above, eligibility data will be entered onto the Medicaid Eligibility System via the 061 screen. For any new applications for the AFDC expansion group, the FAMIS system will be able to accommodate these changes in early November. Therefore, it will be necessary to process any new NJ FamilyCare cases through the Medicaid Eligibility System on an interim basis until the FAMIS systems changes are in place.

We look forward to our continuing working relationship in implementing the NJ FamilyCare program and appreciate your significant efforts in providing health coverage to our mutual beneficiaries. If you have any questions regarding this communication, please contact the Bureau of Eligibility Policy at (609) 588-2556.

Sincerely,

Margaret A. Murray
Director

MAM:S
Attachment
C: Christine Grant, Commissioner
William Conroy, Deputy Commissioner
Department of Health and Senior Services

David Heins, Director
Division of Family Development

Charles Venti, Director
Division of Youth and Family Services

PRIOR PERSON NUMBER The two digit number which identifies the persons in a case. Valid prior person numbers are as follows:

Code	Definition
01-04	Adult
05	Pregnant Woman
06-09	Adult
10-19	Essential Spouse (any age)
20-39	Children Under 21
40-47	Medicaid Special – siblings within one family unit
48	Medicaid Special – second individual residing in a marital relationship
49	Medicaid Special – single individual

PROGRAM STATUS CODE The three digit code which designates the individual's program status. Values are as follows:

Code	Assistance to the Aged (Program 10)
110	SSI money payment
120	Medicaid only, non-money payment
130	Categorically related, non-money payment – Essential Spouse
140	Institutional resident or " good faith"
160	Home Care Expansion Program
190	New Jersey Care

Code	Assistance to the Disabled (Program 20)
210	SSI money payment
220	Medicaid only, non-money payment
230	Categorically related, non money payment - Essential Spouse
240	Institutional resident or "good faith"
260	Home Care Expansion program
290	New Jersey Care

Code	Aid to Families with Dependent Children and Family Care(Program 30)
310	TANF & AFDC/Medicaid eligible, money payment
320	Regular, non-money payment or Medicaid extension
330	Regular, categorically related, non-money payment including Medicaid Special and children in intact families
380	NJFC Parents/Caregivers with earned income between current AFDC payment standard and 133% FPL
390	Presumptively eligible pregnant woman
410	AFDC/Medicaid, not TANF
420	Non-money payment Federally matched
430	Non-Federally matched AFDC/Medicaid extension
440	Non-Federally matched AFDC/Medicaid extension
450	"N" segment adults non-Federally matched TANF eligible
451	"N" segment adults TANF sanctioned but still Medicaid eligible
452	"N" segment adult not receiving TANF cash grant but still Medicaid eligible
460	"N" segment children Federally matched receiving TANF
461	"N" segment children TANF sanctioned but is AFDC/Medicaid eligible
462	"N" segment children not receiving TANF cash grant but is AFDC/Medicaid eligible
470	Non-Federally matched AFDC/Medicaid extension
480	New Jersey Care/KidCare plan A child under the age of 2, equal to or less than 100% of poverty
481	New JerseyCare/KidCare plan A child age 2-6, between the AFDC income standard and 133% of poverty and New Jersey Kid Care plan A child under the age of 2 between 100% to 133% of poverty

Code	Aid to Families with Dependent Children and (Program 30)-cont.
482	New Jersey Care/KidCare plan A child under the age of 1, between 133% and 185% of poverty
483	New Jersey Care/KidCare plan A child born after 9/30/83, equal to or less than 100% of poverty

Code	New Jersey Care Expansion and New Jersey KidCare
484	New Jersey Care/KidCare plan A child age (up to19) up to100% Federal Poverty Level, no private insurance coverage
485	New Jersey Care/KidCare plan A child age (6-19) 100% to 133% Federal Poverty Level no private insurance
486	New Jersey Care/KidCare plan B child age (1-19)133% to 150% Federal Poverty Level
487	New Jersey Care/KidCare plan C child age (1-19)150% to 185% Federal Poverty Level, premium/co-pay required
488	New Jersey Care/Kid Care plan C child age (1-19) 185% to 200% Federal Poverty Level, premium/co-pay required
489	New Jersey Care/KidCare plan C newborn, fee for service
490	New Jersey Care pregnant woman equal to or less than 100% of Poverty Level
491	New Jersey Care pregnant woman, between 100% and 133 % of Federal Poverty Level
492	New Jersey Care pregnant woman, between 133% and 185% of Federal Poverty Level
493	New Jersey KidCare family income from 201% thru 250% Federal Poverty Level Child 0 to 19
494	New Jersey KidCare family income 251% thru 300% Federal Poverty Level Child 0 to 19

Code	New Jersey KidCare and Family Care
495	New Jersey KidCare family income from 301% thru 350% Federal Poverty Level Child 0 to 19
496	New Jersey KidCare family income 201% thru 350% Federal Poverty Level newborn, fee for service
497	NJFC Parents/Caregivers 0-150% FPL (Not eligible for AFDC Medicaid)
498	NJFC Parents/Related Caregivers 151-200% FPL

Code	Assistance to the Blind (Program 50)
510	SSI money payment
520	Non-money payment
530	Categorically related, non-money payment (Essential Spouse)
540	Institutional resident or "good faith"
560	Home Care Expansion Program
590	New Jersey Care

Code	Division of Youth and Family Services Program 60 - County Code of Medicaid number Less than 22
600	State Foster Care and Adoption Assistance
620	SSI/Foster Care and Adoption Assistance
630	Title IV-E Foster Care and Adoption Assistance
650	State Program

Code	Institutional Services Section (Program 60) - County Code of Medicaid number greater than 21
600	SSI money payment
620	Medicaid Only-SSI Related
630	AFDC related or AFDC recipient temporarily institutionalized
640	Institutional resident non-Federally matched

Code	Family Care/Other Adults (Program 70)
761	NJFC General Assistance adults 0-23% FPL
762	NJFC Other adults 24-50% FPL
763	NJFC Other adults 51-100% FPL

Code	General Assistance and Other Programs
760	General Assistance Program (Nursing Home)
770	Cystic Fibrosis Program
780	Aids Drug Distribution Program

Code	State Juvenile Residential Facilities (Program 80)
800	Residential Program

Code	Working Disabled (Program 20)
	Disabled
291	Ticket To Work: 100 -150% FPL
292	Ticket To Work: sliding premium scale 151 –185% FPL
293	Ticket To Work: sliding premium scale 186 – 200% FPL
294	Ticket To Work: sliding premium scale 201 – 250% FPL

Working Disabled (Program 50)-cont.

Code	Blind
591	Ticket To Work: 100-150% FPL
592	Ticket To Work: sliding premium scale 151-185% FPL
593	Ticket To Work: sliding premium scale 186-200% FPL
594	Ticket To Work: sliding premium scale 201-250% FPL