



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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Director

MEDICAID COMMUNICATION NO. 14-09

DATE: July 7, 2014

TO: County Welfare Agency (CWA) Directors
NJ FamilyCare Liaisons
Statewide Eligibility Determination Agencies

SUBJECT: Transitional Medical Assistance Extension and Changes

On April 1, 2014, the Protecting Access to Medicare Act of 2014 was signed into law, extending Transitional Medical Assistance (TMA) under section 1925 until March 31, 2015.

With the changes to Medicaid populations in 2014, TMA now only applies to populations still eligible at the AFDC income level for children and parents (see Medicaid Communication #14-02 for income standards), and would be applied when changes in income such as increased earnings or unemployment insurance benefits (UIB) would make recipients ineligible for the Medicaid portion of NJ FamilyCare. Specifically, if the change increases the countable income past the AFDC income level but still below the Medicaid standard of 142% of the Federal Poverty Level (FPL) for a child or 133% FPL for a parent (taking into account the 5% general disregard allowed by Federal rules where appropriate), they would not be eligible for TMA and would instead be placed in the appropriate program. If the income change did take them past the Medicaid standard, they would then be eligible for TMA.

For example, a mother and 8 year old child currently on NJ FamilyCare below the AFDC income level report an increase in the mother's wages. The new income reported would calculate under MAGI rules to 143% FPL for a household of 2. In this example, the child would be moved to the NJ FamilyCare Medicaid Children's program (formerly New Jersey Care...Special Medicaid Programs for Children) and not to TMA because while the income is over the 142% program limit, it falls within the 5% general disregard. The mother in this example would receive TMA as the 143% is over the 133% NJ FamilyCare Parent program income limit, even with the 5% general disregard.

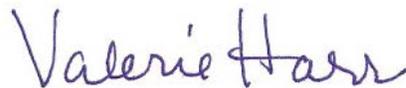
In the Medicaid Eligibility System (MES), TMA would only apply for those in Program Status Code (PSC) 310 or 320. It is important to code the eligibility

segments of TMA cases properly in MES; the codes have not changed from previous use. Extension code V should be used for unemployment income in the first year of TMA, and extension code W for the second year. For an increase in earnings, the first year would have no extension code while year 2 would have extension code H.

Note that the TMA for individuals losing coverage due to increased child support will no longer be applicable going forward, as child support is not counted as income under MAGI-based methodologies. This was formerly extension code D in MES.

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Eligibility Policy field service staff for your agency at 609-588-2556.

Sincerely,



Valerie Harr
Director

VH:I

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