



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

ADMINISTRATIVE OFFICES
QUAKERBRIDGE PLAZA—BUILDING 7 & 5
QUAKERBRIDGE ROAD
TRENTON, NEW JERSEY 08619

ADDRESS REPLY TO:
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MEDICAID COMMUNICATION: 87-24 DATE: September 15, 1987

TO: County Welfare Agency/
 Board of Social Service Directors
 County Welfare Agency/
 Board of Social Service Fiscal Officers

SUBJECT: Expenditures for Services Required to Perform Medicaid Eligibility
 Determinations

The Division of Medical Assistance and Health Services has received several inquiries regarding expenditures by County Welfare Agencies/Board of Social Services for services required to perform Medicaid eligibility determinations. Examples of these services include medical examinations to confirm disability or pregnancy; bank verifications of account balances; etc.

Since these services are necessary for an accurate determination of Medicaid eligibility, the reasonable costs for such services are allowable expenditures and should be included in the total cost of eligibility determinations. To accomplish this, the budget statement and cost reporting forms are being modified to include two new account numbers. Account number 70.10, "Other Expenses for Medicaid Only Eligibility Determinations" will be charged directly to the Medical Assistance program (MAP) work unit while account number 70.11, "Other Expenses for Medically Needy Eligibility Determinations" will be charged directly to the Medically Needy program (MNP) work unit. Please note that these revisions will require the renumbering of the other subaccounts in account number 70.0 "Miscellaneous Matchable" to 70.01, 70.02, 70.03, etc. These changes will be effective January 1, 1988 and will be incorporated in the forthcoming budget instructions.

If you have any questions or require additional information, please contact David Lowenthal, Supervising Accountant at (609) 588-2820.

Sincerely yours,

Thomas M. Russo, Director
Division of Medical Assistance
and Health Services

TMR:Lm

c Odella T. Welch, Deputy Commissioner

Marion E. Reitz, Acting Director
Division of Public Welfare

William Waldman, Acting Director
Division of Youth & Family Services

Bernice Smith, Director
Office of Auditing