



State of New Jersey

**DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

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MEDICAID COMMUNICATION NO: 89-5

DATE: February 7, 1989

TO: County Welfare Agency Directors

SUBJECT: Income Computation for New Jersey Care...Special Medicaid Programs; Pregnant Women

The purpose of this Communication is to clarify the computation of monthly income for pregnant women applying for New Jersey Care...Special Medicaid Programs whose income eligibility is based on 100 percent of the poverty guideline.

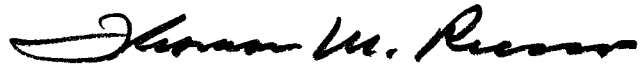
The general policy concerning the treatment of income received less often than monthly has been to convert the income to monthly amounts through the use of traditional conversion factors; specifically, 4.333 for weekly income and 2.167 for bi-weekly income. The use of these conversion factors provide the county agencies with a method of averaging the applicant's income to provide a reasonably accurate assessment when projecting eligibility over an extended period, i.e., the 6-month period between scheduled redeterminations.

Under New Jersey Care, a pregnant woman applicant who is program eligible during any month of her pregnancy continues to be eligible without regard to changes in income for the duration of her pregnancy. This unique aspect of program eligibility obviates the need to ascertain an average income figure upon which a best estimate of on-going income would normally be based. For that reason, in the determination of income eligibility for pregnant women when eligibility will be compared to 100 percent of the poverty level, the AFDC methodology found at N.J.A.C. 10:90-2.4 (a) (the Monthly reporting Handbook) shall be applied. Specifically, income eligibility shall be based on a four-week payment month based on the most recent four consecutive weeks of income. No conversion factor is to be applied. If the pregnant woman's income is below the program's limits and she is otherwise eligible, her eligibility will continue through her pregnancy without regard to any increase in her countable income.

Use of the four-week payment month applies only to pregnant women applying for benefits when income is to be compared to 100 percent of the federal poverty guideline. When evaluating the eligibility of infants for that program segment or when determining eligibility for the medically needy, the conversion factors are to be used to establish monthly income. This applies when the pregnant woman's income is used both to establish her eligibility under the poverty guidelines and for her children under the poverty guidelines or medically needy.

Questions regarding this communication may be addressed to the field service staff assigned to your agency.

Sincerely yours,

A handwritten signature in black ink, appearing to read "Thomas M. Russo". The signature is fluid and cursive, with a prominent flourish at the end.

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

TMR:Hd

cc: Odella T. Welch
Deputy Commissioner

Marion Reitz, Director
Division of Public Welfare

William Waldman, Director
Division of Youth and Family Services