The purpose of this memo is to provide implementation instructions for a new Medicaid coverage group, which will provide continued medical assistance to youth, ages 18-20, who are leaving the foster care system. Because staff in the agency’s division of Children and Family Services will have responsibility for eligibility determinations and maintenance under this program, this memo will focus on coordination of coverage and benefits.

Formal policy material is contained in the CFS Manual section 8531 - C.

I. **Background Information**

The new medical coverage group, the Foster Care Medical Card Extension Program, is available to former foster care youth who ‘age out’ of the foster care system. The Foster Care Independence Act provides the authority for state Medicaid programs to elect coverage under this optional Medicaid eligibility group.

Coverage under this group is targeted at young adults who leave the foster care system. Many youth leave foster care when they reach age 18, but some stay in foster care beyond their 18th birthday. Youth in the custody of SRS or JJA are potentially eligible for coverage. However, youth in an ineligible living arrangement on their 18th birthday (such as a penal institution or youth detention facility) are NOT eligible for this extended medical coverage.

The following are the basic requirements for coverage under this group:

- General and non-financial Medicaid criteria - such as citizenship/alienage, residency and cooperation
- Date of Birth on or after 07-01-85
• Received a foster care maintenance payment on their 18th birthday

• No income or asset test

• Completed application and annual reviews

Coverage may begin as early as July 1, 2003. Coverage under this category may not extend beyond the month of the individual’s 21st birthday.

II. Eligibility Determination
CFS staff have responsibility for determining eligibility for the new coverage group as well as providing ongoing case maintenance. As potentially eligible youth prepare to exit foster care, the social worker will provide an application for continued medical coverage. A new, single program application has been developed for this purpose (CFS 8595). The signed application can be submitted following the individual’s 18th birthday and will not be considered a valid application if submitted prior to this date.

NOTE: The application may be submitted to any SRS office for processing, as per Universal Access guidelines. Other CFS programs continue to be excluded from Universal Access.

III. KAECSES/MMIS
Eligibility is established on KAECSES through the FC program. Two new medical subtypes have been created to use with the FC program for those eligible for coverage. The presence of these coding combinations will denote eligibility under this category.

Program/Subtype Combinations:

FC AO - Aged Out - Former CFS custody
FC AJ - Aged Out - Former JJA custody

Additional details regarding KAECSES coding are available in the CFS Manual.

For Medicaid purposes, persons eligible under this group are not considered for managed care but are subject to copay.

PRAP Alerts: In addition to the new medical subtypes, two new Person Alerts (PRAP) have been established to identify former foster care youth as potential eligibles or non-potential eligibles. At the time a youth is released from custody and is age 18 or older, CFS will enter the appropriate PRAP alert:

AO - Eligible for FC Aged Out Medicaid - will be used when a youth meets the necessary foster care status requirements. In other words, a FC maintenance payment was received and the individual was in an appropriate living arrangement on their 18th birthday.
NA - Not Eligible for FC Aged Out Medicaid - will be used when a youth may otherwise appear to be eligible, but is not because of an ineligible living arrangement on the 18th birthday.

These codes will be extremely important to eligibility staff, as addressed in item IV B below.

IV. Coordination of Coverage

Although CFS will have primary responsibility for eligibility determinations, EES and HealthWave Clearinghouse eligibility staff must be aware of the potential of coverage under the new group and be prepared to coordinate coverage with CFS staff. CFS has established a regional contact in each management area to assume coordination responsibilities. All correspondence concerning these individuals will be directed to the CFS regional contact. A list of regional contacts is included with this material.

A. Persons may be eligible for more than one coverage group. For example, an 18-year-old may be eligible under both FC AO/AJ as well as MP. When this occurs, the following rules apply:

1. **FC AO/AJ takes priority** over other forms of coverage except for SI-related medical and MS or CI coverage for persons on HCBS or in institutional living arrangements. Youth accessing HCBS or long term institutional care must be moved to a MS or CI medical program, as appropriate.

2. If other members of the individual's family also apply for medical coverage and the FC AO/AJ individual is a member of the assistance plan, the FC AO/AJ recipient shall be included on the family's case as a DI.

B. An application is received by the HW Clearinghouse or by EES for a youth potentially covered under the FC AO/AJ group. When Medicaid coverage is requested on a general application, eligibility must be determined under all Medicaid groups the state covers. Therefore, a general Medicaid application (e.g., the ES-3100 or the HealthWave application) for a former foster care youth shall not be denied until coverage under this program is considered. It is the responsibility of both CFS and EES/Clearinghouse staff to work together to ensure the applicant youth is considered under the full range of coverage groups offered. To ensure applicants receive a full determination, the following process shall be utilized for new applications:

1. When an individual potentially eligible under this group leaves foster care, the CFS worker will enter the AO PRAP code. This will allow others to know that potential FC AO/AJ eligibility exists.
2. When an application is received by an entity other than CFS, the registration clerk will look for the presence of the alert and take the following action:

**If the AO alert is present, the age of the applicant will be noted.**

- If the individual is under the age of 21, the application must be referred to CFS. A copy of the application shall be given/faxed to the regional coordinator, who will process eligibility based on this application, a new FC AO/AJ application is not necessary. The regional coordinator will communicate the results of the determination to the entity receiving the application. The EES or HealthWave Clearinghouse eligibility worker must then continue to process benefits or coverage under other programs or groups.

- If the applicant is age 21 or older, process the application considering other coverage groups.

**If the NA alert is present,** or if no alert has been entered for a former foster care recipient, assume the requirements for the FC AO/AJ program are not met and process the application considering other coverage groups.

C. **A FC AO/AJ application is received by CFS for an individual already receiving Medicaid under another category.** With the exception of coverage under the SI medical program or MS/CI for long term care situations, **coverage in the FC AO/AJ group takes priority over all other groups.** Therefore, when a FC AO/AJ application is received for a person with coverage under another group, action to terminate coverage under the existing program shall be taken as soon as possible. Coverage will then be established under the FC AO/AJ group.

CFS will contact the eligibility worker indicated on the CAP1 screen to initiate the change in medical program.

D. **A FC AO/AJ recipient has reached age 21 or otherwise terminating coverage in the FC AO/AJ group.** The CFS staff person will receive a KAECSES alert just prior to the individual reaching age 21. CFS will then take action to terminate coverage. The notice sent will inform the individual they can apply for continuing coverage through EES or the HealthWave Clearinghouse. However, an individual terminating from FC AO/AJ for a reason other than age (e.g., residency, cooperation, failure to complete the review process) will not likely be eligible for coverage under another group.

E. **Continuous Eligibility for Pregnant Women.** A pregnant woman, covered under the FC AO/AJ program, is protected under the continuous eligibility provisions through the end of the postpartum period. Therefore, if a pregnant woman reaches the age of 21, action must be taken to ensure
her coverage continues. Her newborn infant is also continuously eligible for coverage through his first birthday. This policy is also true for pregnant teens in the general foster care population or recipients of adoption support.

To ensure that both groups are protected, a new KAECSES alert will be generated to alert CFS staff to a potential pregnancy. The alert will originate from the MMIS and will be set when a pregnancy-related service has been received in the past 60 days. If FC coverage is scheduled to terminate, CFS staff will work with EES or HealthWave Clearinghouse staff to verify the pregnancy. Information on file with the fiscal agent can be used to verify a pregnancy.

Any ongoing coverage for a pregnant woman or teen no longer eligible for a foster care-related medical program or adoption support medical program shall be provided through the MP program. The program is to be processed by local EES staff initially and then sent to the HealthWave Clearinghouse for case maintenance.

V. Implementation Process

CFS staff have identified individuals who have left foster care since 07-01-03 and otherwise appear to meet program requirements. A special announcement will be sent to these individuals telling them about the opportunity for ongoing medical coverage under the new group. An application will also be included with the mailing. Persons choosing to apply may return the application to any SRS office for processing. Although persons may apply at any time, an opportunity for prior coverage will be offered for a limited period of time according the following:

- For applications received prior to 05-01-04, coverage shall be backdated to the individual’s release from foster care, but no earlier than 07-01-03.

- For application received on or after 05-01-04, coverage will be established beginning the month of application, unless prior medical is requested.

Youth currently receiving coverage under other programs shall be transferred to coverage under the extension program as they are identified and approved. Coordination between the current case manager and the CFS worker is necessary to ensure remains in place through the change.

Although the responsibility for program administration of the new extension program rests with CFS, efforts by EES and HealthWave Clearinghouse staff are necessary to ensure success of the new program. Many of the major coordination issues have been addressed in this memo. However, it is quite likely that scenarios which fall outside of these examples will also occur. Coordination of regional staff will be necessary when these situations arise, and central office staff may also need to be contacted.
For program questions, please contact the program manager, Deanne Dinkel in CFS. Questions regarding coordination with the family medical programs may be sent to Kristi Scheve in Health Care Policy; coordination issues regarding the elderly and disabled programs (including long term care and HCBS) may be sent to Jeanine Schieferecke in EES. Questions and issues regarding automated systems are sent to SRSTSC (HelpDesk).

Thank you for your support and cooperation in making this new program a success.

BM:SBJS:jmm

Attachment: SRS Area Office Contact Names for Medical Card Extension Program