



## **Policy Directive 2017-04-01**

**Title: Reasonable Compatibility Test**

**End date: 3/31/18**

**Date: 4/27/2017**

**From: Allison Miller, Family Medical Policy Manager**

**Program impacted: MAGI, Medically Needy, MediKan, and MSP Programs**

This Policy Directive reverses the direction provided in the previous Policy Directive on this topic which was issued on August 5, 2016.

The purpose of this change is to provide instruction on when the Manual Reasonable Compatibility (RC) Tool shall be used. The RC test is only performed outside of KEES in two situations:

1. The BASI quarter used by KEES does not have wages, but checking BASI manually indicates that there is an additional quarter that could be used for the RC test.
2. The RC test in KEES has failed to execute, an incident is submitted to the KEES Helpdesk and the KEES Helpdesk has instructed the user to complete the Manual RC Tool.

The RC test is applicable to all MAGI programs in addition to Medically Needy, MediKan and MSP programs.

Effective upon receipt of this information, the following policies and procedures are applicable:

- A. The KEES RC test uses the wages in KDOL in the current quarter and the previous quarter. However, policy will allow the *two* previous quarters to be used to determine reasonable compatibility.
- B. If KEES checks RC and returns a result of NO, then staff shall evaluate the income KEES obtained from KDOL.
  1. If the amount in the 'KDOL Monthly Income Amount' field is \$0, then staff shall check BASI manually to determine if an additional quarter exists that can be used for the RC test. If yes, they shall complete the Manual RC Tool.
  2. If any amount other than \$0, this means the income is not RC and staff shall proceed with Tier 3 income verification.
- C. The Manual RC Tool is completed using the most recent of the two KDOL-Wage quarters that exist prior to the current quarter.

- D. This Manual RC test is only performed against KDOL-Wages. The Manual test should not be performed against The Work Number because that test was already performed successfully by KEES.
- E. If the Manual RC test indicates that the income is NOT reasonably compatible, staff shall proceed to Tier 3 for income verification.
- F. In situations where the KEES RC test failed to execute, an incident is reported to the KEES Helpdesk.
- G. After researching the issue, the KEES Helpdesk may instruct staff to complete the Manual RC Tool. In these situations, the entire Manual Test is completed, both against KDOL and The Work Number.

The Manual RC Tool has been updated and was provided with the KEES Dispatch dated 4/27/2017. It will also be updated on the KEES Repository.

For staff that use the Subsystems Macro as their method of completing the RC tool, the macro has been updated as well and will be shared with staff.