

Ex Parte Renewal Report

**Prepared by the
Illinois Department of Healthcare and Family Services**

**As required by
Public Act 101-0209**

December 31, 2019

EXECUTIVE SUMMARY

As required by Illinois Public Act 101-0209, the Illinois Department of Healthcare and Family Services (HFS) researched how more clients could be added to the Medical Assistance ex parte renewal (redetermination) process. As described in this report, this research leads the Department to conclude that opportunities for further expanding the number of clients who benefit from the ex parte process will involve adding additional verification sources to the process. By adding an electronic source for verifying client assets, Illinois can expand ex parte to include certain clients eligible through the Aid to the Aged, Blind and Disabled eligibility category. In addition, HFS can explore whether operational and security requirements permit ex parte changes to: add electronic sources that can verify self-employment and out of state employer income for more clients; and verify income eligibility by more extensive use of client reported income for the Supplemental Nutrition Assistance Program (SNAP).

Public Act 101-0209

305 ILCS 5/11-5.1(e)

(e) The Department shall conduct a complete review of the Medicaid redetermination process in order to identify changes that can increase the use of ex parte redetermination processing. This review shall be completed within 90 days after the effective date of this amendatory Act of the 101st General Assembly. Within 90 days of completion of the review, the Department shall seek written federal approval of policy changes the review recommended and implement once approved. The review shall specifically include, but not be limited to, use of ex parte redeterminations of the following populations:

- (1) Recipients of developmental disabilities services.*
- (2) Recipients of benefits under the State's Aid to the Aged, Blind, or Disabled program.*
- (3) Recipients of Medicaid long-term care services and supports, including waiver services.*
- (4) All Modified Adjusted Gross Income (MAGI) populations.*
- (5) Populations with no verifiable income.*
- (6) Self-employed people.*

The report shall also outline populations and circumstances in which an ex parte redetermination is not a recommended option.

INTRODUCTION

During the Spring 2019 legislative session, the Illinois General Assembly and the Illinois Department of Healthcare and Family Services (HFS) discussed expanding the number of clients who renew Medical Assistance (Medicaid, Children’s Health Insurance Program, and state funded programs) coverage through the ex parte process. This report contains a description of research into federal and state ex parte renewal requirements, the ex parte options for specified populations, and other ways to increase the number of clients who can benefit from the ex parte renewal process.

The ex parte process provides efficiency for Medical Assistance clients and helps state caseworkers focus their attention on providing other crucial support services. The term “ex parte renewal” refers to a process by which the state systematically uses approved electronic sources during the annual renewal process to verify and process a client’s ongoing eligibility. The ex parte renewal process is an alternative to the traditional method of sending clients a renewal form which they complete and submit to the state with verification documents for a caseworker to process to extend coverage. The Affordable Care Act requires all states to conduct electronic verifications using federally approved electronic sources to confirm continued eligibility before requesting information from the client. (42 CFR 435.948(b); CFR 435.949(a); 42 CFR 435.916). This report uses the term “renewal”, which is often referred to as “redetermination” in Illinois.

The term “ex parte renewal” refers to a process by which the state systematically uses approved electronic sources during the annual renewal process to verify an individual’s eligibility status and process a client’s ongoing eligibility.

METHODOLOGY

HFS conducted a review of federal and state requirements that govern Medical Assistance redetermination processes. Further, to better understand the concerns and issues involving the redetermination process from the client’s and advocate’s perspectives, HFS also reached out to those who work with individuals enrolled in Medical Assistance programs. HFS staff additionally asked members of the Public Education Subcommittee, a component of the Illinois Medicaid Advisory Committee, for suggested populations to consider in this report.

HFS staff met with Illinois Department of Human Services (DHS) staff who work with clients with Developmental Disabilities (DD), and those who participate in Division of Rehabilitation Services (DRS) programs. The Department on Aging (DoA) staff participated in a discussion regarding clients in the Community Care program and shared their concerns about the complications of the Medical Assistance redetermination process. The Division of Specialized Care for Children also provided information about

the Medically Fragile Technologically Dependent waiver population. Finally, HFS reached out to eligibility policy contacts at Medicaid state agencies in other states, as well as participated in conversations on ex parte with the staff of the federal Centers for Medicare and Medicaid Services (CMS).

HFS is grateful for the input and assistance of all parties in the preparation of this report.

SUMMARY OF FEDERAL & STATE REQUIREMENTS

Federal Law and Code of Federal Regulations

Title XIX of the federal Social Security Act and Code of Federal Regulations (CFR) sets forth requirements regarding how states determine eligibility for Medicaid and provide coverage. 42 CFR 435.901 requires each state's Medicaid agency to have standards and methods for determining eligibility which are consistent with the objective of the program and with the rights of individuals under the United States Constitution, the Social Security Act, Title VI of the Civil Rights Act of 1964, section 504 of the Rehabilitation Act of 1973, the Americans with Disabilities Act of 1990. The Age Discrimination Act of 1975, section 1557 of the Affordable Care Act, and all other relevant provisions of Federal and State laws and their respective implementing regulations.

Title XXI sets forth requirements for the Children's Health Insurance Program (42 CFR 457.342; 42 CFR 457.343) specific to the continuous eligibility and periodic renewal of eligibility for children under this program, in alignment with the Medicaid program.

Federal code (42 CFR 435.916 (a)) requires states to review the continued eligibility (renewal) of all clients receiving Medicaid covered services. States must conduct this review once a year for clients in eligibility groups for which the state determines income eligibility by using the Modified Adjusted Gross Income (MAGI) income-counting methodology. MAGI is used for children, pregnant women, parents, caretaker relatives and adults who became eligible for Medicaid through the Affordable Care Act's Medicaid expansion. The state determines eligibility for those who qualify for Aid to the Aged, Blind and Disabled (AABD) using the non-MAGI income budgeting methodology. Federal regulations require that states renew eligibility for the non-MAGI group at least once a year, (CFR 42 435.916 (b)).

The Affordable Care Act (ACA) enacted into law in March 23, 2010, amended federal laws to encourage Medicaid and CHIP enrollment simplification. ACA enrollment simplification requirements related to renewal include requirements for online renewals with electronic signatures, and expanded use of automated ex parte renewals. ACA changed income thresholds and disregard allowances and implemented the MAGI process. 42 CFR 435.603 describes the MAGI budgeting process.

- 42 CFR 435.916 governs the periodic renewal of Medicaid eligibility

- Outlines the periodic renewal of Medicaid eligibility for individuals based on modified adjusted gross income (MAGI). This eligibility is to be determined based on reliable information available to the agency at the time of renewal determination.
- *42 CFR 435.916(a)(2) and (b) add CFR 435.948(b)*
 - Require states to use available information wherever possible when conducting redeterminations.
- *42 CFR 435.916 (a)(2)-(3)(i)*
 - Outlines the usage of Forms A and B respectively in the ex parte process
- *435.916(a)(3)(i)*
 - Individuals who qualify for renewal under the MAGI eligibility are provided with pre-populated renewal form at least 30 days prior to the date of renewal.

Additionally, the Social Security Act requires states to implement the Asset Verification System (AVS) for AABD clients at both application and renewal. The AVS system electronically searches financial institutions across the United States for resources and resource transfer information for individual applicants or clients. The information can provide up to 60 months of account balances, account ownership, earned interest, account open and close dates, account types and the Financial Institution where accounts are located. Illinois' first phase of AVS usage, started in 2019, is an ad hoc AVS web portal for caseworkers. In 2020, the second phase will be introduced, which will include AVS information systematically in the eligibility process within IES. While details are still be determined, access to additional asset verification information can increase the percentage of the AABD population which can renew through the ex parte process.

State Law and Illinois Administrative Code

The Illinois Public Aid Code also outlines the requirements for eligibility verification and renewals for eligible individuals seeking and maintaining Medical Assistance benefits. (305 ILCS 5/11-5.1) Further, the income, residency, and identity verification system components and procedures are also outlined in statute, which directs HFS to utilize electronic databases to the extent possible, in order to “verify eligibility, eliminate duplication of Medical Assistance, and deter fraud.” (305 ILCS 5/11-5.2). This section of statute also indicates that if the check of the electronic databases does not indicate a reason for the recipient to be ineligible, the department should move forward and finalize the renewal. This is the ex parte renewal process. Conversely, the statute requires the Department to provide written notice to the client and seek a response from the client if there are discrepancies between the information in the case record and the electronic databases, or if there is insufficient information to determine eligibility. The Public Aid Code and 89 IAC 120.399 both indicate that eligibility renewals should be completed at least once every 12 months and at any time information about a recipient's circumstances possibly affecting eligibility becomes known to the Department.

State law and rules set forth requirements for determining eligibility for clients “otherwise eligible” for state-funded Medical Assistance programs – primarily children who are recent immigrants or

undocumented immigrants. (305 ILCS 5/12-4.35 and 89 IAC 118.500) For this population, all eligibility requirements for Medical Assistance under Article V of the Public Aid Code and the administrative code for the Children's Health Insurance Program must still be met, including the annual eligibility renewals.

CMS Written and Verbal Guidance Regarding Ex Parte Renewals

Per written guidance Illinois received from the federal Centers for Medicare and Medicaid Services (CMS), when no income information is verified through electronic sources, the state does not have income information upon which to make an eligibility determination and may not assume that the case has no income. The state must send a renewal form to the client with a request for information to verify income or client attestation that they have no income.

HFS requested CMS approval to allow special consideration for two populations of clients for whom zero income is common – homeless clients and clients who are inmates. CMS verbally responded and denied this request due to a concern that individuals in either population may have income.

CURRENT EX PARTE PROCESS

All Medical Assistance income eligibility decisions are based on either the MAGI or the non-MAGI income counting methodology. In short, these are the methods by which a client's income is counted for determining eligibility for Medical Assistance. Medical Assistance eligibility categories each have specific income eligibility maximum thresholds. For example, an ACA adult's income threshold is different from a pregnant woman's threshold, although income is counted for both eligibility categories using the same MAGI methodology.

When determining eligibility for Medical Assistance, the state reviews all applicable eligibility factors that vary depending on each client's eligibility category. These eligibility factors may include monthly

Medical Assistance Income Counting Methodologies

MAGI (Modified Gross Income) used to count income for:

- **Children**
- **Pregnant Women**
- **Parents**
- **Adults eligible under the Affordable Care Act (ACA) Medicaid expansion**

Non-MAGI used to count income for:

- **Aid to the Aged, Blind, and Disabled (AABD) clients; including sub-groups such as Health Benefits for Workers with Disabilities, and individuals who meet spenddown.**

countable income, value of countable assets, age, disability or blindness status, social security number, citizenship or immigration status, household composition and relationship statuses, pregnancy status, and Medicare enrollment status. (All factors do not apply for all eligibility categories.) The state requires verification for some eligibility factors and accepts client attestation of other factors.

Approximately two months before current eligibility is set to end, the Illinois Integrated Eligibility System (IES, also referred to in this report as “the eligibility system”) reviews case record information and approved electronic sources to determine which clients can be verified to have continued eligibility. Any clients who receive Social Security Income (SSI) payments, regardless of eligibility category, are electronically verified as financially eligible because of state statute, which directs the department to expedite the eligibility process when the client receives SSI. (305 ILCS 11-5.4(b)(2)(C))

The eligibility system extends eligibility for those clients with verified eligibility and mails Form 2381A (Form A, see example form in the Appendix to this report) to the client. IES pre-populates Form A with case record and electronically verified information to inform the customer of continued eligibility. Unless Form A information is inaccurate, the client does not need to respond to this form. If Form A information is incorrect or out of date, the client must respond to the form with corrected information within 10 days. When the client reports new information through the Form A process a caseworker will review the new information and determine if continued eligibility is appropriate.

IES sends Form 2381B (Form B, see example form in the Appendix to this report) to for whom electronic verification of eligibility was not found. IES pre-populates Form B with case record and information found electronically. The customer must complete Form B with current information and verification documents and submit to the state by the due date on the notice. Clients can response to Form B by mail, fax or online through Manage My Case (MMC), part of the ABE client portal to IES. If the client does not respond, IES automatically cancels the client’s medical benefits. If they do respond, their medical coverage will continue unchanged until a caseworker completes a review of continued eligibility. IES sends a notice to the client to inform them of the result of the review, either renewal or cancellation of coverage.

If income is found through an electronic source that is reasonably compatible with information previously provided by the individual, the individual can be renewed ex parte based on that information. At present, the reasonable compatibility threshold is a finding of not more than a 5% variance; however, at the direction of the Illinois General Assembly in Public Act 101-0209, the reasonable compatibility threshold will increase to 10% upon federal approval. The individual is given the opportunity to respond with additional information if there is a discrepancy beyond this percentage, through the Form B process.

If the state receives Form B within 90 days of cancelling coverage for untimely submission of the renewal form, IES will reinstate coverage back to the date of cancellation when the caseworker’s review of continued eligibility indicates the client is eligible.

Reasons for Form B

In recent months, IES sent ex parte renewal Form A to clients in over 30% of the cases up for renewal. There are seven primary reasons that cause the remainder of cases to not qualify for ex parte renewal.

Aid to the Aged, Blind, and Disabled (with no SSI) – Because assets are an AABD eligibility factor and the State does not currently have electronic asset verification programmed into the ex parte process that determines if a client receives renewal Form A or B, AABD clients are not eligible for ex parte at this time.

Unverifiable Income – When clients have types of income for which the state does not have an electronic verification source (for example, rental or pension income), clients must provide verification of these income types with Form B.

Zero Income – Federal guidance directs the state to send Form B to clients who have no income so that they can attest to having no income on the form.

No SSN – The state is unable to use electronic sources to verify income without a Social Security number for each adult and eligible person on the case.

Income Exceeds Eligibility Criteria – If the electronic sources indicate that the client's income is over the income eligibility threshold, the client's eligibility cannot be extended by the ex parte process.

Self-Employment Income – The state does not have an electronic source for verifying self-employment income.

Other Reasons – A grouping of minor reasons including benefit match was not successful, third-party liability coverage, and technical exceptions that do not fall into the other categories.

The following table shows how many cases were up for medical renewal in recent months, the number of cases that received Form A and Form B, and the reasons why cases did not receive Form A using the seven primary reasons.

Medical Redeterminations (by month in which ex parte decision is made)					
	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Total number of cases up for rede in two months	143,272	129,563	121,759	119,673	114,105
Form A mailed (ex parte)	46,148	48,155	44,903	38,620	40,162
	32%	37%	37%	32%	35%
Form B mailed (not ex parte)	97,124	81,408	76,856	81,053	73,943
	68%	63%	63%	68%	65%
Reasons Form B mailed	97,124	81,408	76,856	81,053	73,943
Aid to the Aged, Blind, and Disabled	31,738	27,197	24,521	24,453	26,552
	22%	21%	20%	21%	23%
Unverifiable Income	10,916	7,035	6,503	9,139	6,086
	8%	5%	5%	8%	5%
Zero (\$0) Income	26,167	21,827	21,649	22,843	18,312
	18%	17%	18%	19%	16%
No SSN	9,976	8,496	8,329	8,813	8,667
	7%	7%	7%	7%	8%
Income exceeds eligibility criteria	11,210	10,283	9,491	9,973	8,683
	8%	8%	8%	8%	8%
Self-employment income	5,039	4,670	4,547	4,079	3,983
	4%	4%	4%	3%	3%
Other reasons	2,078	1,900	1,816	1,753	1,660
	1%	1%	1%	2%	2%

REVIEW OF POPULATIONS

The following report sections discuss sub-groups of Medical Assistance clients who could be considered for the ex parte renewal process. For most sub-groups, some clients may already receive Form A but not all. That is because unverifiable income, zero income, no SSN, income above the eligibility threshold, and self-employment income can occur in any sub-group of clients.

(1) Developmental Disabilities

This population consists of both children and adults with a diagnosis of developmental disability (DD) occurring before the age of 18 or 22 depending on the nature of the diagnosis. Currently, Illinois serves approximately 30,000 DD individuals through the provision of long-term care institutional and waiver services and supports, including vocational training and workplace supports. The eligibility system does not specifically identify clients who are DD. Thus, additional DD clients living in the community without waiver services are not included in the above number.

The renewal process is a sensitive issue for the DD community, particularly the annual confirmation of assets for those who are in the AABD category, because it often requires the manual gathering of documentation, and if not done timely the cancellation could mean loss of residential or other services. However, current guidelines require that all Medicaid clients must follow the redetermination process; no specific group is exempt.

- DD clients who currently receive Form A:
 1. AABD or MAGI clients with SSI as an income source
 2. MAGI clients whose sources of income can all be verified by electronic sources and whose total verified income is under the appropriate eligibility threshold
- DD clients who currently receive Form B:
 1. AABD clients except those who receive SSI
 2. MAGI clients with income source that cannot be verified by electronic sources
 3. MAGI clients whose verified income is over the appropriate eligibility threshold
 4. MAGI clients who have zero income
 5. MAGI clients with self-employment income
 6. MAGI clients with adults on their case who do not have a Social Security Number or have not applied for one
- Changes that could increase the number of DD clients who receive Form A:
 1. For AABD clients, use of the AVS system in the ex parte renewal process to electronically verify assets
 2. For AABD or MAGI clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
 3. For AABD or MAGI clients with income from out of state employers which is currently unverifiable, use of the federal tax or other sources in the ex parte renewal process
 4. For AABD or MAGI clients who receive SNAP, more extensive use of client reported income information for SNAP

(2) AABD (Aid to Aged, Blind and Disabled)

Clients eligible for AABD are either age 65 and over, blind, or have an adjudicated disability. The state determines income eligibility for AABD clients using the non-MAGI methodology. Assets are an eligibility factor for AABD clients. Except for AABD clients who have SSI income, AABD clients cannot be added for ex parte redetermination until the state uses AVS to verify assets as part of the ex parte process.

- AABD clients who currently receive Form A:
 1. Clients with SSI as an income source
- AABD clients who currently receive Form B:
 1. Clients without SSI income as an income source
- Changes that could increase the number of AABD clients who receive Form A:

1. Use of the AVS system in the ex parte renewal process to electronically verify assets
2. For clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
3. For clients with income from out of state employers which is currently unverifiable, use of federal tax data or other sources in the ex parte renewal process
4. For clients who receive SNAP, more extensive use of client reported income information for SNAP

(3) Long-Term Care Services & Supports

a. Facilities

Medicaid eligibility groups do not vary based on the type of services a client uses. Clients who need long-term care facility services may be eligible as AABD clients with income eligibility determined by the non-MAGI methodology or by one of the eligibility groups for which the MAGI income counting methodology is used. Facilities may include nursing homes, intermediate care facilities for persons with DD, pediatric skilled nursing facilities, etc. Clients must be assessed and approved as in need of long-term care services.

About 52,000 clients of long-term care are in the AABD eligibility groups. Of the clients in AABD, approximately 11,000 (about 18%) receive SSI which allows them to participate in the ex parte process. Another 10,000 clients are in eligibility groups for which income is counted by use of the MAGI methodology.

b. Waiver Services

Illinois Medicaid includes several Home and Community Based Waivers (HCBS) which provide home based services to a client living in the community as an alternative to facility-based care and to promote or maintain independence through assistance with daily living tasks, or to develop skills to manage daily living. All waiver participants must meet an institutional level of care. Illinois has nine HCBS waivers serving the following populations.

- Clients over age 60 – Administered by the Illinois Department on Aging, the Community Care Program provides home and community-based care to 70,800 individuals of whom 38,000 are Medicaid eligible clients. Participants age 65 and over are AABD clients and those 60-64 may be eligible through AABD or another eligibility category.
- Clients with Physical Disabilities – Administered by the Illinois Department of Human Services (DHS), this waiver provides home and community-based services (primarily personal assistance) to 22,500 clients who may be AABD or in an eligibility category for which the state uses the MAGI income counting methodology.

- Clients with HIV – Administered by DHS, this waiver serves approximately 1,100 clients who have been diagnosed with HIV or AIDS and are at risk of placement in a nursing facility.
- Clients with Brain Injuries – Administered by DHS. This waiver serves about 2,700 clients of any age with a brain injury who are at risk of placement in a nursing facility because of the functional limitations resulting from the brain injury.
- Adult clients with Developmental Disabilities – Administered by DHS, this waiver serves 21,000 DD clients who are age 18 or older.
- Children and Young Adults with Developmental Disabilities Residential Waiver - Administered by DHS, this waiver serves about 200 children and young adults with developmental disabilities ages 3 through 21 who need residential waiver supports such as group home, adaptive equipment, or assistive technology and are at risk of placement in an Intermediate Care Facilities for persons with developmental disabilities (ICF-DD). The income of the family is waived, but the child's financial sources are considered for Medicaid eligibility.
- Children and Young Adults with Developmental Disabilities Support Waiver - Administered by DHS, this waiver serves about 1,000 children and young adults with developmental disabilities ages 3 through 21 who live at home with their families and are at risk of placement in an Intermediate Care Facility for persons with developmental disabilities (ICF-DD). The income of the family is waived, but the child's financial sources are considered for Medicaid eligibility.
- Medically Fragile Technology Dependent (MFTD) Children – Administered by the Division of Specialized Care for Children (DSCC) in partnership with DHS and HFS. The program serves approximately 1,000 children under the age of 21 who meet SSI eligibility requirements and would require an institutional level of care without the support of the services provided under the waiver. Parent income is waived, but the child's financial sources are considered for Medical Assistance eligibility.
- Supportive Living Program – Administered by HFS, this waiver serves approximately 9,000 clients. The program is an alternative to nursing home care for low-income persons over age 65 and persons with physical disabilities age 22 or older.
 - LTSS clients who currently receive Form A:
 1. AABD or MAGI clients with SSI as an income source
 2. MAGI clients whose sources of income can all be verified by electronic sources and whose total verified income is under the appropriate eligibility threshold
 - LTSS clients who currently receive Form B:
 1. AABD clients except those who receive SSI

2. MAGI clients with income source that cannot be verified by electronic sources
 3. MAGI clients whose verified income is over the appropriate eligibility threshold
 4. MAGI clients who have zero income
 5. MAGI clients with self-employment income
 6. MAGI clients with adults on their case who do not have a Social Security Number or have not applied for one
- Changes that could increase the number of LTSS clients who receive Form A:
 1. For AABD clients, use of the AVS system in the ex parte renewal process to electronically verify assets
 2. For AABD or MAGI clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
 3. For AABD or MAGI clients with income from out of state employers which is currently unverifiable, use of federal tax data or other sources in the ex parte renewal process
 4. For AABD or MAGI clients who receive SNAP, more extensive use of client reported income information for SNAP

(4) Modified Adjusted Gross Income (MAGI)

The state uses the MAGI income counting methodology in determining eligibility for most Medical Assistance clients. This group includes pregnant women, parents, children, and individuals who are eligible because of the ACA Medicaid expansion. As discussed earlier in this report for smaller groups of clients, income types determine if clients can benefit from the ex parte renewal process.

- MAGI clients who currently receive Form A:
 1. MAGI clients with SSI as an income source
 2. Clients whose sources of income can all be verified by electronic sources and whose total verified income is under the appropriate eligibility threshold
- MAGI clients who currently receive Form B:
 1. Clients with income source that cannot be verified by electronic sources
 2. Clients whose verified income is over the appropriate eligibility threshold
 3. Clients who have zero income
 4. Clients with self-employment income
 5. Clients with adults on their case who do not have a Social Security Number or have not applied for one
- Changes that could increase the number of MAGI clients who receive Form A:
 1. For clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
 2. For clients with income from out of state employers which is currently unverifiable, use of federal tax data or other sources in the ex parte renewal process

3. For clients who receive SNAP, more extensive use of client reported income information for SNAP

(5) Zero Income

One of the more challenging issues with the requirement to verify income at renewal is how to confirm that a client has no income. Written federal guidance to HFS indicates that failure to find income through electronic sources cannot be used as verification that a client has no income. CMS instructs the state to require Form B renewal and the client's signature as verification of zero income from clients who previously, even repeatedly, reported that they have zero income. If the client confirms, signs, and submits the form stating that they have no income, the state will process the renewal and eligibility will continue.

- Zero income clients who currently receive Form A:
 1. None
- Zero income clients who currently receive Form B:
 1. All
- Changes that could increase the number of zero income clients who receive Form A:
 1. None

(6) Self-Employed Clients

Like clients who report no income, the state does not currently use electronic sources at renewal to verify income received from self-employment. Due to system requirements to address federal security requirements, including more restrictive requirements for SNAP and TANF, tax information is not currently integrated into the ex parte process. Federal policy allows electronic access to federal tax data to verify self-employment and other incomes types at renewal.

- Self-employed clients who currently receive Form A:
 1. None
- Self-employed clients who currently receive Form B:
 1. All
- Changes that could increase the number of self-employed clients who receive Form A:
 1. Use of electronic federal tax information in the ex parte renewal process, through federal tax data or other sources
 2. For clients who receive SNAP, more extensive use of client reported income information for SNAP

(7) Other Populations

In addition to the populations listed in Public Act 101-0209, HFS reviewed other populations to identify additional populations that could benefit from the ex parte renewal process. The following is a summary of findings from this review:

a. Colbert and Williams Consent Decree Populations

The Colbert and Williams consent decrees require the state to transition specified clients with mental illness diagnoses into community living settings with appropriate supports and services.

Colbert class members are identified as individuals residing in Cook County nursing homes. Williams class members are individuals diagnosed with mental illness living in Institutes for Mental Disease (IMD) and Special Mental Health Rehabilitation Facilities (SMHRF) in Illinois.

Colbert and Williams class membership cannot on its own allow clients to benefit from the ex parte renewal process. Clients cannot become a part of the ex parte renewal process based on diagnoses, where they live, or the types of services they receive.

- Colbert and Williams class members who currently receive Form A:
 1. AABD or MAGI clients with SSI as an income source
 2. MAGI clients whose sources of income can all be verified by electronic sources and whose total verified income is under the appropriate eligibility threshold
- Colbert and Williams class members who currently receive Form B:
 1. AABD clients except those who receive SSI.
 2. MAGI clients with income source that cannot be verified by electronic sources
 3. MAGI clients whose verified income is over the appropriate eligibility threshold
 4. MAGI clients who have zero income
 5. MAGI clients with self-employment income
 6. MAGI clients with adults on their case who do not have a Social Security Number or have not applied for one.
- Changes that could increase the number of Colbert and Williams class members who receive Form A:
 1. For AABD clients, use of the AVS system in the ex parte renewal process to electronically verify assets
 2. For AABD or MAGI clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
 3. For AABD or MAGI clients with income from out of state employers which is currently unverifiable, use of federal tax data or other sources in the ex parte renewal process
 4. For AABD or MAGI clients who receive SNAP, more extensive use of client reported income information for SNAP

b. Inmates of Correctional Institutions with Zero Income

Medicaid-enrolled individuals who are incarcerated in a public facility do not lose Medicaid eligibility based upon incarceration, per federal regulation 42 CFR 435.1009. Although Medicaid will not cover

medical services provided to Medicaid-eligible inmates in the correctional facility, Medicaid will cover inpatient hospital services provided in the community. Like all other clients, incarcerated clients must complete the annual renewal process to allow for continued coverage.

To ensure continued Medicaid eligibility while incarcerated, inmates are required to complete annual renewals if the certification date occurs while they are incarcerated. Only a very small group of inmates are in the AABD eligibility category. Since almost all inmates have zero or very low earned income amounts, Illinois asked CMS if inmates could be considered a group of zero income clients who could be automatically considered for the ex parte renewal process. CMS verbally denied this request.

- Inmates of correctional institutions with zero income who currently receive Form A:
 1. None
- Inmates of correctional institutions with zero income who currently receive Form B:
 1. All
- Changes that could increase the number of inmates of correctional institutions with zero income who receive Form A:
 1. None

c. Homeless Individuals with Zero Income

The state discussed with CMS the option of expanding the ex parte renewal process to include clients whom the eligibility system identifies as homeless. Because homeless clients are difficult to reach by mail and do not typically have on-line accounts to manage their care, their coverage is often interrupted by failure to respond to the renewal process. Most of these individuals have zero income. Federal CMS verbally informed the state that homelessness is not a reliable indication of lack of income and as with other zero income households, they must attest to zero income.

- Homeless clients with zero income who currently receive Form A:
 1. None
- Homeless clients with zero income who currently receive Form B:
 1. All
- Changes that could increase the number of homeless clients with zero income who receive Form A:
 1. None

d. Students in Chicago Public Schools

The City of Chicago School District (#299) has over 360,000 students from pre-school age through grade 12 attending over 660 schools. According to the School Report Card from the Illinois State Board of Education, approximately 78% of CPS students are eligible for free or reduced lunches, and likely eligible for Medical Assistance.

- Chicago Public School students/families who currently receive Form A:
 1. AABD or MAGI clients with SSI as an income source
 2. MAGI clients whose sources of income can all be verified by electronic sources and whose total verified income is under the appropriate eligibility threshold
- Chicago Public School students/families who currently receive Form B:
 1. AABD clients except those who receive SSI.
 2. MAGI clients with income sources that cannot be verified by electronic sources
 3. MAGI clients whose verified income is over the appropriate eligibility threshold
 4. MAGI clients with zero income
 5. MAGI clients with self-employment income
 6. MAGI clients with adults on the case who do not have a Social Security Number or have not applied for one
- Changes that could increase the number of Chicago Public School students/families who receive Form A:
 1. For AABD clients, use of the AVS system in the ex parte renewal process to electronically verify assets
 2. For AABD or MAGI clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
 3. For AABD or MAGI clients with income from out of state employers which is currently unverifiable, use of federal tax data or other sources in the ex parte renewal process
 4. For AABD or MAGI clients who receive SNAP, more extensive use of client reported income information for SNAP

e. Illinois School Health Program Participants

The Illinois Department of Public Health funds 39 School Health Centers, and there are an additional 27 unfunded centers in Illinois. The purpose of a school health center is to improve the overall physical and emotional health of school age children and youth. On site services include: routine medical care for acute illness and injury, sports physicals, immunizations, pregnancy testing, and substance abuse counseling.

- Illinois School Health Program clients who currently receive Form A:
 1. AABD or MAGI clients with SSI as an income source
 2. MAGI clients whose sources of income can all be verified by electronic sources and whose total verified income is under the appropriate eligibility threshold
- Illinois School Health Program clients who currently receive Form B:
 1. AABD clients except those who receive SSI.
 2. MAGI based clients with income sources that cannot be verified electronically
 3. MAGI based clients whose verified income is over the appropriate eligibility threshold

4. MAGI clients with zero income
 5. MAGI clients with self-employment income
 6. MAGI clients with adults on the case who do not have a Social Security Number or have not applied for one
- Changes that could increase the number of Illinois School Health Program clients who receive Form A:
 1. For AABD clients, use of the AVS system in the ex parte renewal process to electronically verify assets
 2. For AABD or MAGI clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
 3. For AABD or MAGI clients with income from out of state employers which is currently unverifiable, use of federal tax data or other sources in the ex parte renewal process
 4. For AABD or MAGI clients who receive SNAP, more extensive use of client reported income information for SNAP

f. Participants in the Women, Infants and Children (WIC) Program

The Illinois Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) provides food, nutrition education and healthcare referrals to low-income pregnant, breast-feeding or post-partum women; and infants and children to age 5 who are determined to be at nutritional risk. In 2018 about 212,000 people participated in WIC.

- WIC clients who currently receive Form A:
 1. WIC clients with SSI as an income source
 2. MAGI clients whose sources of income can all be verified by electronic sources and whose total verified income is under the appropriate eligibility threshold
- WIC clients who currently receive Form B:
 1. AABD clients who do not receive SSI
 2. MAGI based clients with income sources that cannot be verified by electronic sources
 3. MAGI based clients whose verified income is over the appropriate eligibility threshold
 4. MAGI clients with zero income
 5. MAGI clients with self -employment income
 6. MAGI clients with adults on the case who do not have a Social Security Number or have not applied for one
- Changes that could increase the number of WIC clients who receive Form A:
 1. For AABD clients, use of the AVS system in the ex parte renewal process to electronically verify assets

2. For AABD or MAGI clients with self-employment or other currently unverifiable income sources, use of federal tax information in the ex parte renewal process
3. For AABD or MAGI clients with income from out of state employers which is currently unverifiable, use of federal tax data or other sources in the ex parte renewal process
4. For AABD or MAGI clients who receive SNAP, more extensive use of client reported income information for SNAP

CONCLUSION

HFS reviewed program requirements, available information, and best practices to consider how to expand the percentage of clients who are appropriate for the Medical Assistance ex parte renewal process. We did not find any major populations which could be added significantly increase the ex parte percentage. The types of conditions clients have and the types of services they receive do not determine suitability for ex parte renewals. Instead, it is the type of income a client receives, whether clients provide Social Security Numbers, and whether assets are a factor of eligibility that determine which clients can have their coverage renewed through the ex parte process.

We were able to identify certain electronic sources which may be expanded and programmed into IES to extend ex parte to more clients. The Department will consider the operational and security factors for adding new electronic sources to the ex parte process. The potential for additional electronic data sources includes:

- AVS, an electronic source to reliably verify assets for the AABD population
- Access to electronic income data for out of state employment
- Access to federal tax information or another source of income data for clients with self-employment or other currently unverifiable income sources
- Expanded use of information clients report for SNAP benefits

The ex parte process, when reliable information is available, serves the client and state very well. However, until access to electronic data sources for all types of income and assets, ex parte will not be available to all clients in all eligibility groups. The state will explore the use of additional electronic sources in the ex parte process and remains committed to expanding ex parte wherever permitted.



State of Illinois
Department of Human Services
Department of Healthcare and Family Services

SAMPLE FORM A

Date of Notice: Aug 1, 2019
Case Number: 987654321

Office Name: South Loop
Office Address: 1112 S Wabash
Chicago, IL 60605
Phone: (312)-793-7500
TTY: (866)-217-8037
Fax: (312)-793-7671

<MAILING BARCODE>
JOHN SMITH
401 S CLINTON ST.
CHICAGO IL, 60607

You can manage your case online at
abe.illinois.gov

Esta notificación está disponible en Español.
Usted puede socitarla por Internet en
abe.illinois.gov o llame al
1-800-843-6154 (TTY 1-800-447-6404)

Medical Benefits Redetermination Notice

Dear John Smith,

Based on the information we have today, the person(s) listed in the table below are approved to keep getting **medical benefits** after September 30, 2019. However, if we get new information about a change in your circumstance your eligibility for medical benefits may change. If that happens, we will send you a new notice.

Name	Birth Date	Medical ID (RIN)	Medical Group	Start of Ongoing Coverage
John Smith	Jan 15, 1980	123456789	ACA Adult	Oct 01, 2019

We will send you a new medical card before October 2019.

Important Information about Your Medical Group(s)

Medical benefits covered are different depending on your Medical Group. Some Medical Groups provide full medically necessary health coverage.

List of Common Services Provided for Medical Groups with Full Coverage

- Doctor and clinic visits
- Inpatient and outpatient hospital
- Emergency room
- Prescription medicine
- Surgery
- Podiatric (feet) services
- Hospice care
- Emergency medical transportation
- Lab tests and x-rays
- Medical supplies and equipment
- Family planning (birth control)
- Medical transportation
- Home Health service
- Chiropractic services
- Physical and Occupational therapy
- Dental care (limited for adults over age 20)
- And more, check with your health care provider for details

Turn this page over to read more information on the back.

Medical groups providing full health coverage meet the requirements for insurance under federal law, so you do not have to pay any tax penalty.

Find the Medical Group for each person in the ongoing Medical benefits eligibility table and then read below for more information about the benefits for each Medical Group.

Information about ACA Adult

ACA Adult is health coverage for adults age 19-64 who do not have dependent children living with them. ACA Adult health coverage provides the services listed above for full health coverage.

Adults pay copays for some services.

Doctor and clinic services	\$3.90 per visit
Inpatient hospital services	\$3.90 per day
Outpatient hospital services	\$0.00 per visit
Emergency room	\$3.90 per visit
Prescription medicine	
Generic	\$2.00 per prescription
Brand name	\$3.90 per prescription

Copays may change in the future.

How We Decided Your Eligibility for Medical Benefits

If you have any changes in income or if anyone moves in or out of your household, you must report the change to us within 10 days by going to Manage My Case at abe.illinois.gov or by calling the phone number on the first page of this notice.

Eligibility for medical benefits for the following person(s) is based on household income, who is living with the head of household and how they are related to each other, whether someone in the household files income taxes or is a dependent on someone else's tax return. This is called Modified Adjusted Gross Income (MAGI) methodology. You can find the income limits for each Medical Group online at illinois.gov/hfs/MedicalClients and then clicking "Medical Program Income Standards."

The facts we used to decide **John Smith's** ongoing Medical eligibility are:

The number of people counted in the family size is 1.

Countable monthly income is \$200.

Countable monthly income calculation is based on household income, who is living with the applicant and whether someone in the household files income taxes or is a dependent on someone else's tax return.

Monthly income standard is \$1,436.

How to File an Appeal

You Have the Right to File an Appeal

If you do not agree with our decision, you have the right to appeal and be given a fair hearing. You may represent yourself at this hearing or you can ask someone else, such as a lawyer, relative or friend to represent you. If you are appealing the decision about your medical benefits or health coverage you must do so within 60 days after the "Date of Notice." You can ask for a fair hearing by calling (855) 418-4421(TTY (877) 734-7429), going online to abe.illinois.gov, emailing HFS.FairHearings@illinois.gov, faxing (312) 793-2005 or in writing to HFS Fair Hearings Section, 69 W. Washington, 4th Floor, Chicago, IL 60602.

To apply for free legal help:

- ✓ In Cook County (including the City of Chicago) – Legal Assistance Foundation of Metropolitan Chicago: (312) 341-1070
- ✓ In other counties in Northern or Central Illinois with area codes (309), (815) or (847) – Prairie State Legal Services: (800) 531-7057
- ✓ In other counties in Central or Southern Illinois where the area code is (217) or (618) – Land of Lincoln Legal Assistance Foundation: (877) 342-7891

SAMPLE FORM B



State of Illinois
Department of Human Services
Department of Healthcare and Family Services

Date of Notice: Aug 1, 2019
Case Number: 987654321

Office Name: South Loop
Office Address: 1112 S Wabash
Chicago, IL 60605
Phone: (312)-793-7500
TTY: (866)-217-8037
Fax: (312)-793-7671

<MAILING BARCODE>
Maria Lopez
401 S CLINTON ST.
CHICAGO IL, 60607

You can manage your case online at
abe.illinois.gov

Esta notificación está disponible en Español.
Usted puede solicitarla por Internet en
abe.illinois.gov o llame al
1-800-843-6154 (TTY 1-800-447-6404)

Medical Benefits: Time to Renew Notice

Dear Maria Lopez,

It is time to renew your Medical benefits!

You must complete your redetermination to continue your Medical benefits after September 30, 2019.

To learn how to renew your Medical benefits, read the first page of the Medical Benefits Renewal Form which is included in this envelope.

Call us at the phone number listed at the top of this form if you cannot send everything on time or if you have questions. We may be able to help you get the proofs you need.

Electronic Review of Eligibility for Medical Benefits

We checked our records for information about your household and put it on your Medical Benefits Renewal Form that is included with this notice. We need more information to decide if you are still eligible.

Please review the information on the Medical Benefits Renewal Form carefully. Correct any information that is wrong and add any information that is missing.



State of Illinois
Department of Human Services
Department of Healthcare and Family Services

Date of Notice: Aug 1, 2019
Case Number: 987654321

Office Name: South Loop
Office Address: 1112 S Wabash
Chicago, IL 60605
Phone: (312)-793-7500
TTY: (866)-217-8037
Fax: (312)-793-7671

<MAILING BARCODE>
Maria Lopez
401 S CLINTON ST.
CHICAGO IL, 60607

You can manage your case online at
abe.illinois.gov

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Usted puede solicitarla por Internet en
abe.illinois.gov o llame al
1-800-843-6154 (TTY 1-800-447-6404)

Medical Benefits Renewal Form

You must respond no later than September 01, 2019 to continue getting Medical benefits after September 30, 2019.

To find out if you qualify for medical benefits beginning October 2019, tell us about your household. You can do this one of four ways:

1. Complete the electronic version of this form online in ABE Manage My Case at abe.illinois.gov; or
2. Complete your redetermination over the phone by calling 1-800-843-6154 (TTY: 1-866-324-5553).
3. Fill out, sign, and send us this form and all verifications we ask for.
You may send the form by mail or fax.
 - Mail to P.O. Box 19138, Springfield, IL 62704; or
 - Fax the form to 1-844-736-3563; or
4. If you want to complete your redetermination in person, call 1-800-843-6154 (TTY: 1-866-324-5553) to find help near you.

1. Do these people still live with you?

Maria Lopez

02/17/1981

☐ Yes ☐ No

2. Are there other people living with you not listed above? If yes, list them here.

Full Name

Birth Date

Relationship

_____	_____	_____
_____	_____	_____
_____	_____	_____

For additional persons, please attach a separate sheet.

Turn this page over to read more information on the back.

3. Is the address at the top of this page your correct mailing address? ☐ **Yes** ☐ **No** If No, tell us the correct mailing address:

Our records show that you live at 401 S CLINTON ST CHICAGO IL 60607 Is this correct?

☐ **Yes** ☐ **No** If No, tell us the correct address where you live:

4. Does anyone get paid for working? ☐ **Yes** ☐ **No** If **YES**, enter their name below. **Attach copies of the last 4 pay stubs if paid weekly, last 2 pay stubs if paid every other week or twice a month, and the last pay stub if paid monthly.** If self-employed, attach your income and expense statement for the last 30 days. If someone got tips that are not on their pay stubs, tell us Who? _____ and the total amount of tips received in the last 30 days. Total tips \$ _____

According to our records, you told us your household had income from Self-Employment – MARIA LOPEZ INC. Tell us below if you still have this income and the new amount.

List the Name of Everybody Who is Working	Name of Employer If a person works more than one job, list all the employers.	Rate of Pay	Hours Worked Weekly	How often is the person paid? Weekly, every 2 weeks, twice a month, monthly, other?

Attach a sheet of paper if you need more room to list your family's income.

5. During the last 30 days did anyone receive any other income such as Social Security, SSI, Unemployment, Contributions or any other money? ☐ **Yes** ☐ **No** If **YES**, complete the box below.

Name	Type of Income	Amount	How Often
		\$	
		\$	

Attach a sheet of paper if you need more room to list your family's income.

6. Are you or is anyone who lives with you pregnant?

If **yes**, name: _____ Due date: _____ Expected number of babies: _____

7. Do you or anyone living with you have health insurance? ☐ **Yes** ☐ **No**

If **yes**, name of insurance plan: _____ Policy Number _____

Who is covered by this health insurance? _____

Name of insurance plan: _____ Policy Number _____

Who is covered by this health insurance? _____

8. Will you or anyone who lives with you file a federal income tax return *next* year to report income received *this* year? ☐ **Yes** ☐ **No**

If yes, name of person(s) filing tax return: _____ Birth Date _____

If this person will **file jointly with a spouse**, write name of spouse: _____

If this person will **claim dependents** on the tax return, write name(s) of dependents:

_____ Birth Date _____ _____ Birth Date _____

_____ Birth Date _____ _____ Birth Date _____

9. Will you or anyone who lives with you be claimed as a dependent on anyone's tax return for this year? ☐ **Yes** ☐ **No**

If yes, name of dependent _____ Birth Date _____

Tax filer's name and relationship to dependent: _____

For additional persons, please attach a separate sheet.

10. Do you or anyone living with you pay any expense that can be deducted on your federal income tax return? ☐ **Yes** ☐ **No**

If yes, list the expense: _____ How Much? _____ How Often? _____

Read and sign below:

- I understand that officials in charge of my health benefits may check all information on this form.
- I understand they may check my information electronically. If they ask for my help checking information, I must cooperate.
- I understand that anyone who knowingly lies or provides untrue information, or arranges for someone to knowingly lie or provide untrue information, or intentionally misuses the health benefits card issued by the State of Illinois, may be committing a crime which can be prosecuted or punished under federal law, state law, or both.
- If the Illinois Department of Healthcare and Family Services pays medical bills for me, the State of Illinois may collect my medical support payments instead of me.
- I am signing this form under the penalty of perjury. That means the information I have provided on this renewal form is true to the best of my knowledge, and I may be punished under law if I provide false or untrue information.

Your Signature

Today's Date

Daytime or Cell Phone Number