
TWELVE MONTHS TRANSITIONAL MEDICAID

09/01/03

MA-3405 TWELVE MONTHS TRANSITIONAL MEDICAID
09/01/03

I. INTRODUCTION

A. Overview

Twelve Months Transitional Medicaid (TMA) can be given to a Work First, including Benefit Diversion, Job Bonus, or MAF-C assistance unit when the earned income of a parent/specified relative in the assistance unit causes ineligibility. The assistance unit must have been eligible for and received Work First Family Assistance (including Benefit Diversion), or MAF-C in North Carolina in at least three of the six months immediately preceding the first month of ineligibility. There must be an eligible child receiving Medicaid or North Carolina Health Choice in order for the parent/specified relative to receive Transitional Medicaid. The transitional period can last up to 12 consecutive months.

When a family loses eligibility for Work First Family Assistance, Job Bonus or MAF-C evaluate for Transitional Medicaid following policy in this section. If eligible for Transitional Medicaid the twelve-month period begins with the first month the assistance unit was ineligible for Work First Family Assistance (including Benefit Diversion), Job Bonus or MAF-C. The parent or specified relative must report earnings quarterly. The aid program/category is A-AF. The payment type is 5.

At any time during the Transitional Medicaid period that the assistance unit is no longer eligible for Twelve Months Transitional Medicaid, conduct an ex parte review to determine ongoing eligibility in other aid program/ categories. A full re-determination must begin the 11th month or prior to the end of the 12 months of Transitional Medicaid.

B. Definitions

1. "Received Work First or MAF-C" includes:
 - a. Benefit Diversion - Only transfer to Twelve Months Transitional Medicaid when the Benefit Diversion certification period ends, or
 - b. Job Bonus, or
 - c. Cases authorized as open/shut, or

TWELVE MONTHS TRANSITIONAL MEDICAID

09/01/03

(I.B.1.)

- d. Reopened Work First or MAF-C cases.

When a case is terminated but the recipient returns requested information within 10 days following the month of termination, certain cases can be reopened. If the reopened case is ineligible due to earned income of the parent/specified relative, authorize the case for Twelve Months Transitional Medicaid.

- 2. "Received Work First or MAF-C" does NOT include months the case:
 - a. Received assistance which must be recouped, or
 - b. Received assistance as the result of a request for an appeal, or
 - c. Received assistance fraudulently as determined by a court.
- 3. "Increased earned income" is defined as new or additional employment, increase in the required hours worked, or increase in rate of pay. Refer to MA-3300, Income, for a definition of new employment.
- 4. "Financially ineligible" means the parent/specified relative's earnings cause the assistance unit's net income (after allowable deductions) to exceed the Work First Need Standard.
- 5. "Financially ineligible" for MAF-C means the parent/specified relative's earnings cause the assistance unit's net income (after allowable deductions) to exceed the categorically needy income limit.
- 6. The parent/specified relative can be the only individual in the assistance unit when he has children receiving Medicaid or NCHC under another aid program/category such as MIC or SSI Medicaid.
- 7. A parent/specified relative is not an independently living child.

II. POLICY RULES

Evaluate for Twelve Months Transitional Medicaid when a family loses eligibility for Work First Family Assistance or MAF-C.

To be eligible for 12 months Transitional Medicaid, the assistance unit must:

- A. Have been eligible for and received assistance (including Benefit Diversion) or MAF-C in North Carolina in at least three of the six months immediately preceding the first month of ineligibility.**

TWELVE MONTHS TRANSITIONAL MEDICAID

REISSUED 11/01/11- CHANGE NO. 15-11

(II.A.)

1. The person who caused ineligibility must have been in the assistance unit for each of these months.
2. Do not consider months in which a recipient:
 - a. Received payments which he was not eligible to receive,
 - b. Was eligible for less than a \$25.00 payment,
 - c. Received payment as the result of a request for an appeal.

B. Be ineligible for assistance because:

1. The caretaker relative increased his earnings due to increased hours of employment (including beginning employment) or due to increase in rate of pay; or
2. An increase in earnings in combination with an increase in other income caused ineligibility for assistance.

C. Continue to have an eligible child in the home during the entire 12 months.

D. Live in North Carolina.

E. Have included the caretaker in the month in which ineligibility for assistance began.

F. Ensure you evaluate the assistance unit for Job Bonus before evaluating for 12 months Transitional Medicaid.

III. GENERAL PROVISIONS

A. Definition of Caretaker Relative

A caretaker relative is the payee and/or other adult in the assistance unit.

B. Automated Transitional Benefit Reports and Tracking

During the transitional period, the assistance unit must complete Transitional Benefit Reports to verify gross monthly earned income and child care expenses. These reports are generated automatically by EIS except for past months when the case is transferred retroactively. The county must generate reports for the retroactive quarters.

TWELVE MONTHS TRANSITIONAL MEDICAID

REVISED 11/01/11 – CHANGE NO. 15-11

IV. TRANSITIONAL MEDICAID

A. Eligibility Period

1. Transitional Medicaid lasts up to 12 consecutive months beginning the first month the assistance unit was ineligible for assistance. The first month of ineligibility may be a month for which a Work First Family Assistance check was received but must be recouped.
2. The assistance unit will get at least the first six months of Transitional Medicaid. If the quarterly report is returned complete in the 4th month or if there is good cause, Transitional Medicaid can continue past the initial six months.

B. Notification

1. When the case is transferred to AAF payment type 5, the automated DSS-8110 notifies the parent/specified relative the family will receive Transitional Medicaid for up to 12 additional months.
2. The [DMA-5083, Notice of Transitional Benefits](#), is enclosed with the DSS-8110, which outlines good cause reasons for not having earnings.

C. Additions to the Assistance/Budget/Needs Unit During the Transitional Period

1. Once the Transitional Medicaid assistance unit is established, do not add any additional members to the assistance unit.

NOTE: When a financially responsible spouse or parent of a child in the assistance unit returns during the Transitional period, include his gross income in the budget when completing the 185% Poverty Income Level test in the second and third quarter Transitional Medicaid period. Refer to VII.G.5.

2. Individuals not included in the transitional assistance unit must apply and be found eligible in their own case.
 - a. Establish a separate Medicaid assistance/budget/needs unit.
 - b. Count as unearned income any contributions given to individuals in the other assistance unit.

TWELVE MONTHS TRANSITIONAL MEDICAID

REISSUED 11/01/11- CHANGE NO. 15-11

(IV.)

D. Child Support Requirement

The parent/specified relative is not required to cooperate with Child Support while receiving Transitional Medicaid.

E. Changes in Income During the Transitional Period

The assistance unit's income cannot exceed 185% of the Poverty Income Limit in the 2nd and 3rd quarters of Transitional Medicaid. If you determine that the income exceeds the income limit due to an increase in earnings, conduct an ex parte review to evaluate under other aid program/categories.

F. Treatment of Parent/Specified Relative's Income With Children In Another Case

If the parent/specified relative receives Transitional benefits and the children receive Medicaid in another case, count the income of a parent/specified relative in the children's case.

V. CHANGE IN SITUATION DURING THE TRANSITIONAL MEDICAID PERIOD**A. Parent/Specified Relative Stops Working**

1. If the parent/specified relative reports he is no longer working he is ineligible for Twelve Months Transitional Medicaid. This does not include a parent/specified relative who is temporarily out of work but plans to return to work.
 - a. A person who is not working, but is on the company's payroll, is considered temporarily out of work. An example is someone who works for a temporary agency but is between assignments.
 - b. If a parent/specified relative stops working then begins another job before the worker can take action, continue Transitional Medicaid benefits.
2. If the parent/specified relative had good cause for loss of earnings, continue Transitional Medicaid. Refer to VII.C. for determining good cause.
3. If during the Twelve Months Transitional Medicaid period, the parent/specified relative reports he stopped working without good cause, follow these steps:

TWELVE MONTHS TRANSITIONAL MEDICAID

REVISED 11/01/11 - CHANGE NO. 15-11

(V.A.2.)

- a. Conduct an ex parte review to evaluate each assistance unit member for ongoing Medicaid in all aid program/categories. Refer to MA-3410, Termination and Deletions, for instructions on how to conduct an ex parte review.
 - (1) If it is during the 2nd or 3rd quarter of the Transitional Medicaid period, determine if good cause exists for not working. Refer to the [DMA-5083, Notice of Transitional Benefits](#).
 - (2) Good cause does not apply in the 1st quarter of Transitional Medicaid. This would be the only time when the parent/specified relative can be unemployed and eligible for Medicaid through the 6th month. To receive Transitional Medicaid after the 6th month, the parent/specified relative must be working.
- b. For a child(ren) under age 19, determine whether any months remain in their 12 month continuous Medicaid period based on the last redetermination.
- c. If the assistance unit remains eligible under MAF-C, begin a new certification period. If the parent/specified relative remains in the assistance unit, the certification period is 6 months.
- d. If the ex parte review determines there is no eligibility under Medicaid or North Carolina Health Choice (NCHC), send a timely notice to terminate.
- e. If the assistance unit later qualifies for TMA again, begin a new 12 month TMA.

B. Termination or Deletion During The Transitional Period

Terminate a case or delete an individual from the assistance unit during the Twelve Months Transitional Medicaid when you learn:

1. The parent/specified relative/child begins to receive SSI.
 - a. EIS automatically deletes the adult/child from the case and authorizes as MAD.
 - b. If the parent receives SSI, evaluate the children under another aid program/category. For children under age 19, determine whether any months remain in their 12 month Continuous Medicaid.

TWELVE MONTHS TRANSITIONAL MEDICAID

REISSUED 11/01/11 - CHANGE NO. 15-11

(V.B.1.)

- c. Any time a child is deleted from Twelve Months Transitional Medicaid, evaluate for other Medicaid programs including continuous Medicaid. See MA-3410, Terminations and Deletions.

or

2. If the parent/specified relative no longer has an eligible child, the parent/specified relative is no longer eligible. Evaluate the caretaker for ongoing Medicaid in any F& C, ABD, or MPW aid program/category. If a child is receiving Medicaid or NC Health Choice in another case or aid program/category, the parent still has an eligible child.

or

3. The child (ren) no longer lives with the parent/specified relative. If you know the child (ren)'s location, evaluate for 12 month continuous Medicaid or eligibility under another aid program/category, (Refer to MA-3340, County Residence if the child's location is out of county.)

or

4. The assistance unit or individual moves out of North Carolina, or
5. You are unable to locate the assistance unit.

Document all reasonable attempts to locate the assistance unit. This includes searching all other agency records, both paper and computer records if no older than 6 months. For example, search Food Stamps, ACTS, Service Records (Child Care, etc.), ESC, SDX, SOLQ and EPICS. If the most recent address is not current, attempt to locate a telephone number to contact the family. Refer to MA-3410, Terminations and Deletions, for an explanation of what is considered a current address.

or

6. The parent/specified relative requests termination for herself and children.
 - a. The request must be in writing and specifically request Medicaid termination.
 - b. File the written request in the case record. The record must include documentation that the individual understood that he and/or the children may still be eligible for Medicaid and chose not to continue.

or

TWELVE MONTHS TRANSITIONAL MEDICAID

REVISED 11/01/11 - CHANGE NO. 15-11

(V.B.)

7. Recipient no longer meets the age requirement (Work First – Age 18 and Medicaid/NCHC – age 19). Delete the individual for age requirements based on the aid program/category the child was in prior to receiving Twelve Months Transitional Medicaid. Evaluate the individual for other Medicaid programs.

C. Evaluation For Other Medicaid

When a change occurs which impacts eligibility, evaluate for continued eligibility under all other aid program/categories. Complete an ex parte review. If no eligibility exists, send the recipient a timely notice to terminate/delete.

D. County Transfers During the Transitional Medicaid Period

If the assistance unit moves to another county in North Carolina any time during the Twelve Months Transitional Medicaid period, follow instructions in [MA-3340](#), County Residence, to transfer the case to the second county. A redetermination of eligibility is not required until the end of the Transitional Medicaid period.

VI. OVERVIEW OF EIS TRACKING DURING THE TRANSITIONAL PERIOD

Transitional Medicaid has quarterly reporting. The assistance unit must complete quarterly [Transitional Benefit Reports, DMA-5082](#), to report gross earned income and child care expenses. EIS automatically generates the reports.

A. Automated Quarterly Reports**1. Quarterly Reporting**

In the last month of the quarter, EIS generates a report for the recipient to complete for that quarter's earnings. Reports are to be returned and reviewed quarterly.

EXAMPLE: Case is eligible for TMA effective October. The first quarter is October – December. The quarterly report will be generated on pull night in December. The report is due in January.

2. Quarterly Deadlines

- a. The deadlines for the return of the quarterly reports are in the 4th, 7th, and 10th months of Transitional Medicaid. Refer to the Work First/Transitional Reporting Schedule for specific dates.

TWELVE MONTHS TRANSITIONAL MEDICAID

REVISED 11/01/11 - CHANGE NO. 15-11

(VI.A.2.)

b. Reports due in the 4th month

- (1) If the recipient does not return the quarterly report by the second deadline in the 4th month, the recipient has until the sixth month to prove good cause. Refer to the [DMA-5084, Transitional Benefits Good Cause](#), for what is considered good cause.
- (2) If good cause is not found by that second deadline in the 4th month, the case displays on the Transitional Cases Due Review report.
- (3) If the case is not terminated or transferred to another aid program/category or if good cause is not found by Work First Regular Run in the 6th month, and coded on the TBR tracking screen, EIS transfers the case to MAF-C for two months.
- (4) Once the case is transferred to MAF-C, it will show on the Case Management report as review due.
- (5) If the case will be terminated or transferred and there is adequate time to act on the case prior to MAF-C beginning, terminate/transfer the case with timely notice prior to the case transferring to MAF-C.

c. Reports due in the 7th and 10th months

- (1) If the recipient does not return the quarterly report by the second deadline in the 7th or 10th month and good cause is not found by that deadline and coded on the TBR tracking screen, EIS transfers the case to MAF-C for two months the night of Work First Regular Run.
- (2) The case displays on the Case Management report as review due.

B. Automated Tracking Screens

Reports are tracked in EIS. You must update the tracking system on one of two screens to indicate if the report was returned. Refer to [EIS Manual Section 3800](#).

1. Use Work First/Transitional Quarterly Reporting Screen to update the current report month. When you key in this screen, it updates the Transitional Benefits Report Tracking Screen.
2. Use EIS Transitional Benefits Report Tracking Screen to update prior months if the Work First/Transitional Quarterly Reporting Screen was not previously updated.

TWELVE MONTHS TRANSITIONAL MEDICAID

REISSUED 11/01/11 - CHANGE NO. 15-11

(VI.)

C. Transitional Cases Due Review Report

1. The Transitional Cases Due Review Report lists cases that have not returned the quarterly report in the 4th month. The report also lists cases in the 10th month that returned all the quarterly reports. This report is available in XPTR. See D., below for XPTR name.
 - a. Cases on this report in the 4th month need an ex-parte review. Cases on this report in the 10th month need a redetermination.
 - b. Cases in the 7th and 10th month that do not return the quarterly report will not be included on the Transitional Cases Due Review Report. These cases display on the Case Management report as review due.
2. Automated reporting and tracking procedures are found in VII. below. You may also refer to EIS Manual Sections 3600 and 3800.

D. Reports In XPTR

1. The Transitional Cases Due Review report is available in XPTR. The XPTR name is DHREJ TRANS CASES DUE REVIEW. Counties also receive a paper copy of this report.
2. The Transitional Notice Register report is available in XPTR. The XPTR name is DHREJ Transitional Notice REG. Counties also receive a paper copy of this report.
3. The Work First Quarterly Reporting Register is available in XPTR. The XPTR name is DHREJ WF QTRLY REPORTING REG.

VII. AUTOMATED TRANSITIONAL BENEFIT REPORTING**A. Requirements**

1. Recipients of Transitional Medicaid must complete Transitional Benefit Reports, DMA-5082, for the first nine months during the twelve month transitional period.
2. EIS generates Transitional Benefit Reports (TBRs) for cases in TMA months 3, 6 and 9. The report shows which months the recipient is required to report and the deadline for the reports to be returned.

TWELVE MONTHS TRANSITIONAL MEDICAID

REVISED 11/01/11 - CHANGE NO. 15-11

(VII.A.)

3. Initial Reports

Cases are selected for reporting at the end of the first quarter of Transitional Medicaid.

EXAMPLE: Case transferred to Transitional Medicaid on October 15th. The effective date of transfer is November 1st. The first quarter is November, December and January. EIS generates the first TBR on pull night in January for the 1st quarter report. Deadline for return of this report is in February, the 4th month.

4. Second Reports

If the first Transitional Benefit Report is not returned and the Work First Transitional Quarterly Reporting Screen updated by the first Transitional Quarterly Reporting deadline, EIS will generate:

- a. A second report, and
- b. A good cause informational insert, ([the DMA-5084](#), **Transitional Benefits Good Cause**).

The deadlines for returning the first and second reports are in the Work First Transitional Reporting Schedule.

B. What Is A Complete Transitional Benefit Report

Review the TBR for changes and completion when you receive it. A complete report is one that:

1. Is signed and dated by the recipient, and
2. Has reported income, and
 - a. The recipient who is working must report his gross income for the three months. The recipient is not required to provide verification of income unless the recipient reports a change.
 - b. If there is a change in income, request verification. Refer to [MA-3300](#), Income, for definition of change and what is considered adequate income verification.

TWELVE MONTHS TRANSITIONAL MEDICAID

REISSUED 11/01/11 - CHANGE NO. 15-11

(VII.B.2.)

- c. If the recipient who is working does not provide income information for all three months, the report is incomplete. If you determine that the report is incomplete, circle the incomplete items in red ink and return it to the recipient. Retain a copy of the report in the case record.
 - d. If the recipient reports he is not working, follow instructions in V.A. above.
3. Reports whether child care expenses were incurred.
 - a. If there is someone in the assistance unit who is working and has child care expenses, the recipient must report child care expense for each of the three months. The TBR must be signed by the child care provider.
 - b. If the recipient who is working did not have child care expenses, box 4 of the TBR report must be marked "no".
 - c. If the recipient who is working does not provide child care information or if the child care information is incomplete, the report is incomplete. If you determine that the report is incomplete, circle the incomplete items in red ink and return it to the recipient. Retain a copy of the report in the case record.
 4. Notify the recipient that the report is incomplete.
 - a. Advise the recipient to complete the circled items and to return the completed report by the second quarterly deadline.
 - b. Notify the recipient that if the information is not completed and returned benefits may be terminated.
 - c. If by the second deadline, the recipient does not provide the requested information, and you do not find good cause, conduct an ex parte review to determine continuing eligibility. Refer to VII.F. for processing instructions for the first quarterly report.

C. Determination of Good Cause

Determine good cause when:

TWELVE MONTHS TRANSITIONAL MEDICAID

REVISED 11/01/11 - CHANGE NO. 15-11

(VII.C.)

1. The quarterly report is not returned by the 1st deadline in the 1st, 2nd, and 3rd quarters of TMA. The parent/specified relative has until the 2nd deadline to prove good cause. Refer to the [DMA-5084, Transitional Benefits Good Cause, for what is considered good cause](#). The recipient's statement of good cause is acceptable. Verification of good cause is required only if the recipient's statement is questionable.
2. The parent/specified relative had no earnings in one or more months in the 2nd or 3rd quarter. Refer to the [DMA-5084, Transitional Benefits Good Cause, for what is considered good cause](#). Acceptable evidence of good cause includes but is not limited to a statement from the employer, bill from the hospital, statement from a doctor, newspaper clipping, or a written collateral statement.

D. Updating The On-line Quarterly Reporting Screen In EIS

EIS automatically tracks Transitional Medicaid cases.

1. Select the Work First/Transitional Quarterly Reporting screen upon receipt of a TBR for the current processing quarter. From the inquiry menu in EIS, enter M in selection. The following screen appears:

```
XXX *** WORK FIRST/TRANSITIONAL QUARTERLY REPORTING *** Report Month
Current Date
COUNTY: __ DISTRICT: __ CASE ID: _____ LAST NAME: _____
TYPE: _
MR
STATUS RPT CASE ID DIST CO CASE LAST NAME FIRST NAME MI FSIS TYPE
X XXXXXXX XXX XXXXXXX XXXXXXXXXXXXXXX XXXXXXXXXXXXXXX X XXX X
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
XXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXXX
ENTER = UPDATE PF7/19 KEY = PAGE BACK PF8/20 KEY = PAGE FORWARD
SELECTION -- KEY
```

2. Use this screen to access Work First Family Assistance reporting (QR), Transitional Benefit reporting, or both. You may access:
 - a. A particular QR/TBR case,
 - b. All of the QR/TBR cases by district or last name, or
 - c. All of the QR/TBR cases in a particular county.

TWELVE MONTHS TRANSITIONAL MEDICAID

REISSUED 11/01/11 - CHANGE NO. 15-11

(VII.D.)

3. Enter the following information:
 - a. COUNTY - Enter the county number for your county.
 - b. DISTRICT - Enter the district number to view/update all QR/TBR cases in a particular district.
 - c. CASE ID - Enter the case ID number of a particular case you want to view/update.
 - d. LAST NAME – Use this field with the district number field. Enter the last name of the payee to view/update all QR/TBR cases with the same last name in a particular district.
 - e. TYPE - Enter A for Work First Family Assistance cases, T for transitional cases, or leave blank for both Work First Family Assistance and transitional cases.
4. Press ENTER. EIS displays cases based on the selection above.
 - a. Update the STATUS field as follows:
 - (1) S - This indicator is entered by EIS when a QR/TBR is generated for issuance.
 - (2) C - Enter this indicator when a complete QR/TBR is received.
 - (3) I - Enter this indicator when an incomplete QR/TBR is received.
 - (4) G - Enter this indicator when the recipient has good cause for not submitting the TBR on a timely basis.
 - b. You may update more than one record at a time. After entering the appropriate code(s) in the STATUS field, press ENTER. This updates the QR/TBR database. This is an on-line update. From this information, EIS either generates a second report or transfers the case to MAF-C.
 - c. If the recipient has reported any changes that affect eligibility for Transitional Medicaid, conduct an ex parte review to determine ongoing eligibility in other aid/program categories.

TWELVE MONTHS TRANSITIONAL MEDICAID

(VII.)

E. Transitional Benefits Report Tracking

EIS uses information keyed on the Work First/Quarterly Reporting Screen to update the Transitional Benefits Reports (TBR) Screen. If you did not update the Work First/Transitional Quarterly Reporting screen because the 1st quarterly report was not returned, you will need to update the TBR screen if the recipient returns the report or good cause is established by Work First Regular Run in the 6th month.

Use the TBR tracking screen to indicate that a quarterly report is returned complete or incomplete or to indicate that the recipient has good cause for not returning the report.

1. From the inquiry menu in EIS, choose selection TR, followed by the Case ID number for the affected case. The following screen appears:

```

EJAXXX  XX  EIS TRANSITIONAL BENEFITS REPORTS TRACKING
CASE-ID XXXXXXXX
CO XX  CO-CASE XXXXX  DIST XXX  WORKER XXX  PAY TYPE X
CASEHEAD/PAYEE XXXXXXXX X XXXXXXXXXXXXX XXX PHONE NUMBER XXXXXXXX
ADDRESS LINE 1 XXXXXXXXXXXX  ADDRESS LINE 2 XXXXXXXXXXXX
CITY XXXXXXXXXXXX  STATE XX  ZIP CODE XXXXXXXXXXXX

TRANSITIONAL  REPORT  REPORT
MONTH          MONTH  RESPONSE
01            05/01  ____
02            06/01  ____
03            07/01  ____
04            08/01  ____
05            09/01  ____
06            10/01  ____
07            11/01  ____
08            12/01  ____
09            01/02  ____
10            02/02  ____
11            03/02  ____
12            04/02  ____
ENTER = UPDATE      PF2/PF14 = INQUIRY MENU
SELECTION --      KEY -----
    
```

2. The REPORT RESPONSE is the only field you can update on the tracking screen. Only entry for Transitional month 3 is allowed. EIS automatically fills in the response for the other two months in the quarter based on your entry for month 3. Allowable entries are:

TWELVE MONTHS TRANSITIONAL MEDICAID

(VII.E.2)

- a. C - Enter this indicator when a completed TBR is received.
 - b. G - Enter this indicator when the recipient has good cause for not submitting the TBR on a timely basis.
 - c. I - Enter this indicator when the TBR is incomplete.
3. To quit processing without updating the tracking record, press PF2.

F. Requirements For the 1st Quarter of Transitional Medicaid

If a quarterly report is not returned by the second deadline in the fourth month, the case will show on the TRANSITIONAL CASES DUE REVIEW report. The report is produced in the 4th month on the night of Work First Regular Run. Cases listed on this report need an ex parte review.

1. If the quarterly report is not returned by the second deadline in the 4th month, determine if good cause exists for not returning the report. The deadline for determining good cause is Work First Regular Run in the 6th month.
 - a. By Work First Regular Run in the 6th month you must:
 - (1) Update the Transitional Benefits Reports Tracking screen to show the TBR was received, or
 - (2) Update the Transitional Benefits Reports Tracking screen to show good cause exists, or
 - (3) Terminate or transfer the case.
 - b. If good cause does not exist, conduct an ex parte review to determine ongoing eligibility under other aid program/categories.
 - c. If good cause is established by the deadline, update the Work First/Transitional Quarterly Reporting Screen.
2. If the case is not transferred or terminated by Work First Regular Run in the 6th month, EIS transfers the case to MAF-C for two months.
3. Refer to VII.B. for the definition of a complete report.

G. Requirements For The 2nd And 3rd Quarters of Transitional Medicaid

In the 6th and 9th months of Transitional Medicaid, EIS generates quarterly reports for the appropriate cases.

TWELVE MONTHS TRANSITIONAL MEDICAID

(VII.G.)

1. If quarterly report status is not updated by the first deadline on the Work First/Transitional Quarterly Reporting Screen, EIS mails out a 2nd TBR report, DMA-5082, with a DMA-5084 good cause insert.
2. The recipient must return the quarterly report or establish good cause for not returning the report by the 2nd reporting deadline in the 7th or 10th month unless there is good cause for not returning the report.

Do not establish good cause for failure to return the reports if:

- a. You know that the caretaker lost earnings without good cause in at least one month, or
 - b. The family's average gross monthly earnings after subtracting child care expenses exceeded 185% of the poverty level.
3. If good cause is established by the second deadline, update the Work First/Transitional Quarterly Reporting Screen.
 4. If you have determined that the report is complete, you must then evaluate the Parent/Specified Relative's Earnings.
 - a. Determine from TBRs if the parent/specified relative had no earnings in one or more months of the 2nd or 3rd reporting quarter.
 - b. If there were no earnings in one of the months, contact the caretaker to establish the reason for the loss of earnings.
 - c. If the caretaker had good cause for loss of earnings, continue Transitional Medicaid. Refer to VII.C. for determining good cause.
 - d. If the loss of earnings was for other reasons and no good cause exists:
 - (1) Transfer the case to MAF-C for two months. Since the TBR has already been updated as having a complete report, EIS will not transfer the case.
 - (2) In the two months, conduct an ex parte review to evaluate the assistance unit for Medicaid under another aid/program category. Inform the caretaker that he may reapply for Work First.

TWELVE MONTHS TRANSITIONAL MEDICAID

(VII.G.)

5. 185% of Poverty Level Income Test
 - a. If the average gross monthly earnings minus the average child care expenses exceeds 185% of the poverty income level for the needs unit, the assistance unit is ineligible for Transitional Medicaid.
 - b. To determine the average gross monthly income, add together the gross income of the parent/specified relative for every month. This includes the earned income of any financially responsible relative if he has returned to the home. Do not allow for any deductions. Do not include any unearned income. Add the three months together and divide by three.
 - c. To determine the average child care expense paid by the parent/specified parent, add together the amounts for the three months. Divide this amount by three.
 - (1) Child care expenses must be necessary for the parent/specified relative's employment. Do not include child care expenses paid by a third party or child care expenses paid for a month in which the caretaker had no earnings.
 - (2) There is no limit to the amount of child care expenses which can be deducted.
 - d. Subtract the average monthly child care expenses from the average monthly earnings.
 - e. Compare this amount to 185% of the Poverty Income Level for the number in the Transitional Medicaid Needs Unit in the third month of the quarter. Refer to the attachment in [MA-3305](#) for 185% of Poverty Income Levels.
 - f. If the net gross income exceeds 185% of the Poverty Income Level at the end of the 7th month:
 - (1) Transfer the case to MAF-C. Since the TBR has already been updated as having a complete report, EIS will not transfer the case.
 - (2) Conduct an ex parte review to evaluate the assistance unit for Medicaid under another aid program/category.

TWELVE MONTHS TRANSITIONAL MEDICAID

REVISED 01/01/06 - CHANGE NO. 04-06**(VII.G.)**

6. If the quarterly reports are not returned and/or good cause is not established, by the 2nd deadline in the 7th or 10th month, EIS will transfer the case to MAF-C for two months with adequate notice. Conduct an ex parte review to determine eligibility for other aid/program categories.

If the case will be terminated or transferred and there is adequate time to act on the case prior to MAF-C beginning, terminate/transfer the case with timely notice prior to the case transferring to MAF-C.

7. In the tenth month, if all the quarterly reports have been returned timely, the case will show on the TRANSITIONAL CASES DUE REVIEW report. The report is produced in the 10th month on the night of the Work First Regular Run. Complete a redetermination.
 - a. If the case is not terminated or transferred to another aid/program category by Work First Regular Run in the 12th month, EIS will transfer the case to MAF-C for two months.
 - b. The case will now be displayed on the Case Management Report as due for review.

H. In the 11th Month of Transitional Medicaid

1. In the 11th month of Transitional Medicaid, conduct a redetermination to determine if the family is eligible for Medicaid in another aid program/category. Refer to MA-3420, Re-enrollment.
2. Do not terminate Transitional Medicaid until eligibility or ineligibility has been established for all individuals in other aid program/categories.
 - a. If the case is eligible for Medicaid in another aid program/category, send the recipient an adequate notice.
 - b. If the recipient is ineligible in another aid program/category, send the recipient a timely notice.
3. If you do not complete the redetermination and enter information in EIS by Work First Regular Run, EIS transfers the case to MAF-C for two months. Continue to authorize the case for an additional month until the redetermination is completed.
4. The Case Management Report displays the MAF-C case as due for review.