



MiChild Eligibility Manual

MiCHILD ELIGIBILITY MANUAL

TABLE OF CONTENTS

- Section 1 - General Information 1
 - 1.1 Health Plans 1
 - 1.2 Dental Plans 1
 - 1.3 Mental Health and Substance Abuse Services..... 1
 - 1.4 Administrative Contractor 1
- Section 2 - Special Populations 3
 - 2.1 Court-Ordered Medical Insurance 3
 - 2.2 Deductible Applicants 3
 - 2.3 Newborn Eligibility 3
 - 2.4 Newborns of Dependent Children 3
 - 2.5 Retroactive Medicaid 4
 - 2.6 Children's Special Health Care Services (CSHCS) 4
- Section 3 - Eligibility Criteria 5
 - 3.1 Citizenship 5
 - 3.1.A. Exemption 5
 - 3.1.B. Verification Sources of Citizenship 6
 - 3.1.C. Alien Status 8
 - 3.2 Identity 9
 - 3.2.A. Verification of Identity 9
 - 3.3 Residency 10
 - 3.4 Social Security Number 10
 - 3.5 Age 10
 - 3.6 Insurance Coverage 11
 - 3.7 Assets 11
 - 3.8 Income 11
 - 3.9 Excluded Income 12
 - 3.10 Premiums 12
 - 3.11 Nonfactors 13
 - 3.12 Excluded Children 13
 - 3.13 Exception Process 13
- Section 4 - Application Process 14
 - 4.1 Local Agencies 14
 - 4.2 Initial Determination of Eligibility..... 14
 - 4.2.A. Presumptive Eligibility 14
 - 4.3 Administrative Contactor 15
 - 4.3.A. Applications Sent Directly to the Administrative Contractor 15
 - 4.3.B. Approval Letters 15
 - 4.3.C. Denial Notices 16
 - 4.4 Department of Community Health 16
 - 4.5 Begin Date of Eligibility..... 16
 - 4.6 Inpatient Hospitalization 17
 - 4.7 Enrollment in Health Plans and Dental Plans 17
 - 4.8 Referral to Medicaid 17



MIChild Eligibility Manual

- 4.9 Changes in Family Status..... 17
- 4.10 Enrollment Lock-In..... 17
- 4.11 Annual Redetermination of Eligibility..... 17
- 4.12 Post-Eligibility Audits 18
- Section 5 - MIChild/Medicaid Application 19
 - 5.1 General Information 19
 - 5.2 Choice of Health Plans and Dental Plans 19
 - 5.3 Children's Information 19
 - 5.3.A. Health Insurance Questions..... 20
 - 5.3.B. Past Medical Bills Questions..... 20
 - 5.4 Income..... 20
 - 5.5. Additional Information..... 20
- Section 6 - Eligibility Determination 21
 - 6.1 General Information 21
 - 6.2 Nonfinancial Factors 21
 - 6.3 Group Composition (Income Group) 21
 - 6.4 Financial Factors 21
 - 6.5 Modified Adjusted Gross Income (MAGI) 22
 - 6.5.A. Countable Income 22
 - 6.5.B. Non-Countable Income Sources..... 24
 - 6.6 Determination..... 25
- Section 7 - Premiums 26
 - 7.1 Assessment of Premiums..... 26
 - 7.2 Administrative Contractor Responsibility 26
 - 7.3 Failure to Pay Premiums..... 26
 - 7.4 Application Process 27
- Section 8 - Disenrollment 28
 - 8.1 General Information 28
 - 8.2 Retroactive Disenrollment..... 28
 - 8.3 Disenrollment From MIChild..... 28
 - 8.4 Disenrollment From the Health Plan 29
- Section 9 - Dental Services 30
 - 9.1 General Information 30
 - 9.2 Eligibility..... 30
 - 9.3 Enrollment..... 30
 - 9.4 Loss of Eligibility During Treatment 30
 - 9.5 Disenrollment 30
- Section 10 - Mental Health and Substance Abuse Services 31
 - 10.1 General Information 31
 - 10.2 Eligibility..... 31
 - 10.3 Enrollment 31
 - 10.4 Disenrollment..... 31
- Section 11 - Department Reviews/Complaints/Grievances..... 32
 - 11.1 General Information 32
 - 11.2 Requests for Department Review 32
- Section 12 - Post-Eligibility Audit Process..... 33
 - 12.1 General Information 33
 - 12.2 Administrative Contractor Responsibility 33
 - 12.3 DCH Responsibility 33



MIChild Eligibility Manual

12.4 Result of Audit	33
12.5 Disenrollment Notices	34
12.6 Audit Reports	34
Section 13 - Definitions	35
Section 14 - Citizenship and Alien Status	38
Section 15 - Native American Payment Exclusions	40



SECTION 1 - GENERAL INFORMATION

MIChild is a health care coverage program using State funds, as well as funds authorized under Title XXI of the Federal Social Security Act, to furnish health care coverage to a targeted population. This population consists of individuals under age 19 who are not eligible for Medicaid, whose family income is above 160% and at or below 212% of the federal poverty level, and who do not have comprehensive health care coverage.

1.1 HEALTH PLANS

The Department contracts with health plans to provide covered services to MIChild beneficiaries. Plans are reimbursed on a per eligible member per month capitation basis and are responsible for activities including:

- provision of most services, as determined by the Department (dental services, mental health services and substance abuse services are explained below).
- reimbursement for direct care and subcontracted providers.
- maintenance of records, as determined by the Department.

1.2 DENTAL PLANS

The Department contracts with dental plans to provide covered dental services to MIChild beneficiaries on a per eligible member per month capitation basis.

Dental plans have the same responsibilities as the health plans. Enrollment in the dental plans occurs through the Administrative Contractor.

1.3 MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

The Department contracts with local Community Mental Health Services Programs (CMHSP) and Coordinating Agencies (CA) to provide all mental health and substance abuse services to MIChild beneficiaries on a per eligible member per month capitation basis. Beneficiaries are NOT enrolled with the CMHSP or CA to receive services, and can be referred to them by the health plans. The CMHSPs and CAs are responsible for:

- provision of mental health services, as determined by the Department.
- reimbursement for direct care and subcontracted providers.
- maintenance of records, as determined by the Department.

1.4 ADMINISTRATIVE CONTRACTOR

The Department of Community Health contracts with an Administrative Contractor to provide administrative support for MIChild.



MIChild Eligibility Manual



The Administrative Contractor is responsible for activities including:

- eligibility recommendations, with the Department granting final approval of eligibility.
- enrollment/disenrollment in the health plan and the dental plan chosen by the beneficiary's family.
- maintenance of records, as determined by the Department.
- verification of enrollment and membership in health plans and dental plans.
- collection of monthly premiums from the family.
- monitoring the health plans and dental plans, as determined by the Department.
- operating a telephone bank to answer beneficiary/public questions about eligibility, applications, enrollments, and related matters.



SECTION 2 - SPECIAL POPULATIONS

There are some applicants who may be eligible for, or enrolled in, other federal/state programs. These applicants may also be eligible for MIChild.

2.1 COURT-ORDERED MEDICAL INSURANCE

There are situations when the non-custodial parent/guardian has not provided court-ordered medical insurance. In these situations, the child may be enrolled in MIChild. The custodial parent/guardian must be advised that he must pursue the court-ordered insurance.

- Any beneficiary with comprehensive health insurance must be disenrolled from MIChild.
- If the non-custodial parent/guardian is still in the process of obtaining comprehensive health insurance, the child may be enrolled in, or remain on, MIChild.
- If the custodial parent/guardian has not pursued the court-ordered medical insurance, the child must not be enrolled in, or remain on, MIChild.

2.2 DEDUCTIBLE APPLICANTS

A family may be required to meet a deductible amount to become Medicaid eligible. In these situations:

- The child may be MIChild eligible.
- The incurred medical expenses of anyone in the child's fiscal group may be used to meet the deductible amount.
- When the deductible is met, children on MIChild are **not** to be disenrolled from MIChild.
- Once the child is Medicaid eligible due to the deductible, MIChild will be considered a third-party resource to be billed prior to billing Medicaid. The Department will reconcile the payments in an internal process.

2.3 NEWBORN ELIGIBILITY

The newborn in a family whose mother is already receiving Medicaid for the month of birth is eligible for Medicaid for one year. In these cases, the newborn must not be enrolled in MIChild.

A family may not receive MIChild benefits for any member who is Medicaid eligible, other than deductible applicants. If determined eligible for Medicaid, the children must be disenrolled from MIChild effective the last day of the month prior to the month that Medicaid begins so there is no break in health care coverage for the children.

2.4 NEWBORNS OF DEPENDENT CHILDREN

If a beneficiary enrolled in MIChild gives birth, the newborn's fiscal group will have to be redetermined using only the mother and the newborn in the fiscal group. Both the mother and the newborn will usually be Healthy Kids/Medicaid eligible. A new MIChild/Medicaid application must be submitted for the newborn if the unborn child was not included in the original application.



MIChild Eligibility Manual



If the unborn child was included in the original determination of the fiscal group, and the income for the fiscal group is equal to or less than 195% of the FPL, the newborn would be Medicaid eligible until age 1. The other children currently on MIChild remain on MIChild. The entire group retains the redetermination date of the original group.

If the unborn child was included in the original determination of the fiscal group, and the income for the fiscal group is more than 195% of the FPL, the newborn would be MIChild eligible. The other children currently on MIChild remain on MIChild. The entire group retains the redetermination date of the original group.

If the unborn child was NOT included in the original determination of the fiscal group, the addition of one new fiscal group member will always make the newborn Medicaid eligible. The other children may remain MIChild until re-evaluated at redetermination. A new application must be submitted for the newborn.

2.5 RETROACTIVE MEDICAID

There may be cases where the MIChild beneficiary obtains Medicaid coverage for the same time period as MIChild eligibility. In these situations, the beneficiary should be disenrolled from MIChild as soon as he is identified as being Medicaid eligible, effective the first of the month following identification as a Medicaid beneficiary. A beneficiary enrolled in MIChild cannot be retroactively disenrolled from MIChild.

2.6 CHILDREN'S SPECIAL HEALTH CARE SERVICES (CSHCS)

The health plan is the medical provider for children who are dually enrolled in Children's Special Health Care Services (CSHCS) and MIChild.



SECTION 3 - ELIGIBILITY CRITERIA

Eligibility for MIChild must be based on the following criteria. Self-Attestation is acceptable unless there is a conflict in the information provided. In the case of conflicting information, verification may be requested before making a determination of eligibility. Verifications for each criterion are included.

3.1 CITIZENSHIP

The applicant must be a citizen of the United States or a qualified, documented alien. The applicant's statement of citizenship is accepted unless there appears to be a conflict.

Applicants who declare to be U.S. citizens are not required to provide verification unless there appears to be a conflict or discrepancy in prior information. The applicant must be allowed a reasonable opportunity to present satisfactory documentation of citizenship, nationality, or immigration status. Enrollment in MIChild must not be denied, delayed, or terminated while awaiting citizenship/immigration verification documentation. Once an individual has provided all other information that the State needs to determine eligibility, the State must make a decision on whether the applicant is eligible. If the State determines that the individual is otherwise eligible, benefits must be provided while the individual secures the documents needed to satisfy the citizenship documentation requirement.

An initial request for citizenship verification is to be submitted to the Social Security Administration (SSA) at the time of application. The request should include the applicant's name, date of birth, and social security number. A positive match received from the SSA is determined valid documentation of citizenship and identity. If the SSA is unable to provide a match with the information provided, or if there is a discrepancy in the information provided to the SSA, the applicant is notified that they must provide verification of citizenship and/or correct the discrepancy within 90 calendar days. Failure to provide the verification within 90 calendar days results in termination of MIChild. The termination must take place within 30 calendar days following the 90 calendar day period if documentation of citizenship is not provided.

The reasonable opportunity period for citizenship verification does not affect the applicability of the timeliness standards to other eligibility criteria. If a MIChild application is denied or terminated for any reason other than citizenship, it is not necessary to continue pursuit of the citizenship verification. Subsequent applications will allow the applicant 90 calendar days to provide verification if the SSA has not verified citizenship.

Presumptive eligibility for children and pregnant women will continue to allow two months of coverage while pursuing other eligibility requirements. The 90 calendar day period will begin after the presumptive period if verification of citizenship is not provided during the two-month presumptive period.

3.1.A. EXEMPTION

Citizenship verification is not required for:

- "Deemed Newborns" (children born to Medicaid recipients). Children who are initially eligible for Medicaid or Children's Health Insurance Program (CHIP) as "deemed newborns" are considered to have provided satisfactory documentation of citizenship and



MIChild Eligibility Manual



are not required to submit further documentation at subsequent eligibility determinations or re-determinations

- Safe Delivery babies
- children receiving Title IV-B services or IV-E adoption assistance
- foster care
- Supplemental Security Income (SSI) or Retirement Senior Disability Income (RSDI)

3.1.B. VERIFICATION SOURCES OF CITIZENSHIP

Primary evidence of citizenship is documentary evidence of the highest reliability that conclusively establishes that the person is a U.S. citizen. Primary evidence of U.S. citizenship is:

- SSA verification
- U.S. passport
- U.S. passport card
- Certificate of Naturalization (N-550 or N-570)
- Certificate of Citizenship (N-560 or N-561)
- Tribal enrollment or membership documents issued from a federally recognized Tribe must be accepted as verification of citizenship; no additional identity documents are required.

Secondary evidence of citizenship is documentary evidence of satisfactory reliability that is used when primary evidence is not available. Secondary evidence of U.S. citizenship is:

- U.S. public birth record showing birth in one of the 50 United States, District of Columbia, American Samoa, Swain's Island, Puerto Rico (if born on or after January 13, 1941), U.S. Virgin Islands, Northern Mariana Islands.
- A Michigan enhanced driver's license or enhanced state ID card.
- Certification of Report of Birth (DS-1350). The Department of State issues a DS-1350 to U.S. citizens who were born outside the U.S. and acquired citizenship at birth based on the information shown on the Consular Report of Birth Abroad of a Citizen of the United States of America (FS-240).
- Consular Report of Birth Abroad of a Citizen of the United States of America (FS-240). Children born outside the U.S. to U.S. military personnel usually have an FS-240.
- Certificate of Birth Abroad (FS-545). The FS-545 should be treated the same as the DS-1350. Prior to November 1, 1990, Department of State consulates also issued FS-545 along with a prior version of the FS-240. The FS-545 was no longer issued after 1990.
- United States Citizen Identification Card (I-197 or I-179). The U.S. Citizenship and Immigration Services (USCIS) issue these forms to naturalized U.S. citizens living across the Canadian or Mexican borders who need it for frequent border crossings.



MIChild Eligibility Manual

- Northern Mariana Care (I-873). The card has not been issued by the USCIS since November 1986; however, previously issued cards are considered valid.
- Final adoption decree. The decree must show the child's name and U.S. place of birth. In a situation where an adoption is not finalized, and the state in which the child was born will not release a birth certificate prior to final adoption, a statement from a state-approved adoption agency that shows the child's name and U.S. place of birth is acceptable. The adoption agency must state in the certification that the source of the place of birth information is an original birth certificate.
- Evidence of civil service employment by the U.S. government. The document must show employment by the U.S. government prior to June 1, 1976.
- Official military record of service. The document must show a U.S. place of birth (Certificate of Release or Discharge from Active Duty (DD-214) or similar official document showing a U.S. place of birth).
- Verification with the Department of Homeland Security's Systematic Alien Verification for Entitlements (SAVE) database.
- Evidence of meeting the automatic criteria for U.S. citizenship outlined in the Child Citizenship Act of 2000. The Child Citizenship Act of 2000 allows certain foreign-born, biological and adopted children of American citizens to acquire American citizenship at birth. They are granted citizenship when they enter the United States as lawful permanent residents (LPR). The child must meet all of the following requirements:
 - Have at least one American citizen parent by birth or naturalization.
 - Be under 18 years of age.
 - Live in the legal and physical custody of the American citizen parent.
 - Be admitted as an immigrant for lawful permanent residence.

If a child is adopted, the adoption must be full and final.

Third level evidence of U.S. citizenship is documentary evidence that is used when neither primary nor secondary evidence is available. Third level evidence may be used only when primary evidence cannot be obtained within a reasonable length of time, secondary evidence does not exist or cannot be obtained, and the applicant or recipient alleges being born in the U.S. Third level evidence is usually a non-government document established for a reason other than to establish U.S. citizenship and showing a U.S. place of birth. The place of birth on the non-government document and the application must agree. Third level evidence is:

- An extract of a hospital record on hospital letterhead, established at the time of birth and created at least five years before the initial application date (or near the time of birth for children) and indicates a U.S. place of birth. Do not accept a souvenir birth certificate.
- Life, health, or other insurance record showing a U.S. place of birth and created at least five years before the initial application date.
- Religious record, recorded in the U.S. within three months of birth and showing that the birth occurred in the U.S. This must show either the date of birth or the individual's age



MIChild Eligibility Manual



at the time the record was made. The record must be an official record with the religious organization. Entries in a family Bible are not considered religious records.

- Early school record. The school record must show the name of the child, the date of admission to the school, the date of birth, a U.S. place of birth, and the name(s) and place(s) of birth of the applicant's parents.

Fourth level evidence should only be used for the rarest of circumstances. Fourth level is:

- Federal or state census record showing U.S. citizenship or a U.S. place of birth. This is usually for persons born prior to 1950. The census record must show the person's age. To secure this information, the applicant, recipient, or state will need to complete form BC-600, Application for Search of Census Records, for proof of age. Add in the remarks section: "U.S. citizenship data requested and indicate that it is for Medicaid eligibility. There is a fee for this form.
- U.S. state Vital Statistics official notification of birth that was amended more than five years after the person's birth.
- Statement signed by the physician or midwife who was in attendance at the birth.
- Institutional admission papers from a nursing facility or other institution, or medical records from a hospital, doctor, or clinic indicating a U.S. place of birth and created at least five years prior to the initial application date
- A written affidavit may be used. The affidavit must be completed by the applicant or recipient and at least two other individuals (one of whom is not related to the applicant/recipient and who have personal knowledge of the event(s) establishing the applicant's/recipient's claim of citizenship. Written affidavits should only be used in rare circumstances. The individual signing the affidavit must be able to provide proof of his/her own citizenship and identity. It is not necessary to notarize the affidavit; however, the person signing the affidavit is doing so under penalty of perjury for false information. The affidavit should include information explaining why other documentary evidence establishing the applicant's claim of citizenship does not exist or cannot be obtained.

3.1.C. ALIEN STATUS

Some legal immigrants are not eligible for MIChild for the first five years of residency. (See Section 15 – Citizenship and Alien Status.)

Legal immigrants who are eligible in the first five years of residency include:

- Refugee under Section 207
- Cuban/Haitian Entrant (Class Code CR6, CU6, or CU7)
- Iraqi and Afghan special immigrant

Iraqi and Afghan special immigrants are no longer bound by the five-year bar for Medicaid and CHIP eligibility after their first eight months in the U.S. Like refugees, they are considered to be qualified aliens who are not subject to the five-year bar.



MiChild Eligibility Manual



Alien status can be verified by:

- Alien Registration Receipt Card (I-551). (The Citizenship and Alien Status Section of this manual contains alien status codes that appear on the I-551 and their impact on MiChild eligibility.)
- I-94 Arrival/Departure Record form stamped "Processed for I-551", "Cuban/Haitian Entrant (Status Pending)", "parole", "212 (d) (5)", or "Form I-589 Filed".
- I-94 Arrival/Departure Record form indicating admission into the United States from Cuba or Haiti and a letter or notice from the U.S. Citizenship and Immigration Services indicating ongoing (not final) deportation, exclusion, or removal proceedings.
- Passport stamped "Processed for I-551 Temporary Evidence of Lawful Admission for Permanent Residence."

Any other notations on the I-94 Arrival/Departure Record or other forms (e.g., visa) are not acceptable and the child is not eligible for MiChild.

3.2 IDENTITY

The identity of the head of household must be verified.

- U.S. citizens age 16 and older must verify their identity.
- If an authorized representative applies on behalf of a child, the authorized representative must verify their own identity.
- Non-U.S. citizens are not required to verify identity unless questionable.

3.2.A. VERIFICATION OF IDENTITY

Acceptable sources of verification of identity include:

- Current, valid driver's license with a photograph of the individual
- Federal, state, or local government issued identification card with the same information included on the driver's license
- School-issued identification with a photograph for children 16 to 18 years of age. (School records, such as report cards, are acceptable if no student ID is issued.)
- U.S. military card or draft record
- Benefit award letter or other document indicating an individual's receipt of benefits under a program that requires verification of identity (SSI, RSDI)
- A cross-match with a federal or state governmental public assistance law enforcement or correction agency data system
- U.S. passport
- A Certification of Naturalization (Department of Homeland Security; form N-550 or N-570)
- A Certificate of Citizenship (Department of Homeland Security; form N-560 or N-561)



MIChild Eligibility Manual



- Military dependent's identification card
- Tribal documentation for Native American and Alaska Native
- U.S. Coast Guard Merchant Mariner card
- Three or more corroborating documents such as marriage license, divorce decree, high school diploma, college degree, or employer ID cards. This option is only available to individuals who submitted second or third level proof of citizenship. This option is not to be used for anyone presenting fourth level citizenship verification.

Note: Recently expired (30 days) identity documents are acceptable as long as there is no reason to believe the document does not match the individual.

3.3 RESIDENCY

The applicant must be a resident of the state of Michigan.

A person is considered a resident if he lives in Michigan and intends to remain in Michigan permanently or indefinitely. The parent/responsible relative's statement of the child's intent to remain in Michigan is accepted as proof of the child's residence in Michigan in accordance with the rules of the Centers for Medicare and Medicaid Services (CMS).

Children in a family that comes to Michigan with the intent to work (e.g., migrants) are eligible for MIChild benefits, provided all other eligibility requirements are met.

If the applicant is leaving Michigan for more than 30 days but intends to return to Michigan, then intent to remain a resident must still be verified. Such verification could include proof that utility bills, rent, or property taxes are currently being paid.

3.4 SOCIAL SECURITY NUMBER

All applicants, except newborns, must have a Social Security Number (SSN) or an application for an SSN must have been filed. SSN is not required for the parents unless they are also applying for medical benefits for themselves.

The applicant's statement of the SSN or their statement that application has been made for a SSN is acceptable verification.

Each child must have obtained a SSN by annual redetermination.

3.5 AGE

The applicant must be between 0 and 18 years of age. MIChild coverage ends the last day of the month in which the child turns 19.

The applicant's or responsible relative's statement of the child's age is verification of the age criteria. In addition, the applicant's date of birth must be entered on the MIChild application.



3.6 INSURANCE COVERAGE

The applicant must not:

- be currently covered under a comprehensive health insurance policy (group or private); or
- have had comprehensive employer-based comprehensive health insurance in the past three months, including Medicare, with an exception allowed for non-voluntary loss of insurance. Applicants will not be eligible for coverage until the fourth month after the employer-based coverage ends. Applications received within 90 calendar days of the eligible month will be processed for coverage, if otherwise eligible, beginning the fourth month. (The Definitions Section of this manual contains a definition of nonvoluntary loss of insurance.)

Specialty insurance coverage, such as dental-only or catastrophic-only coverage, is not considered comprehensive health insurance.

Coverage through the CSHCS program or the Native American Health Services is not to be considered comprehensive health insurance for eligibility purposes.

3.7 ASSETS

No asset test is used.

3.8 INCOME

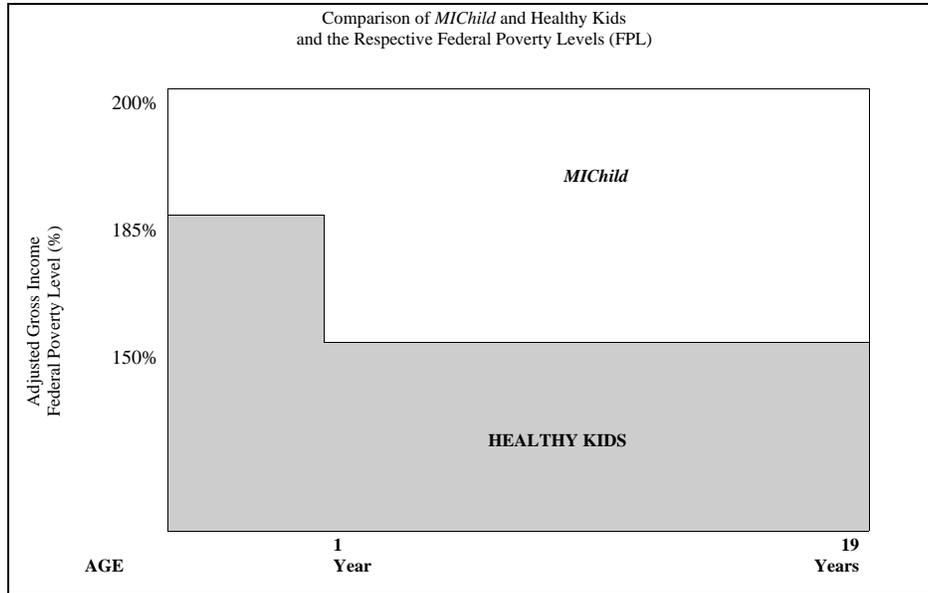
The adjusted gross income must be above 160% and at or below 212% of the FPL, depending on the child's age.

- For children age 1 year to 19 years of age, the adjusted gross income must be above 160% and at or below 212% of the FPL.
- For children under 1 year of age, and pregnant women under 19, the adjusted gross income must be above 195% and at or below 212% of the FPL.

The Eligibility Determination Section of this manual provides further detail on calculating the adjusted gross income. A copy of the current monthly federal poverty level amounts is available on the web at <http://www.cms.gov/> > [Medicaid](#) > [Eligible for Medicaid?](#)



MIChild Eligibility Manual



All income (earned and unearned) of the fiscal group must be reported on the application. Self-declaration of income by the applicant must include the payee's name and the gross amount of monthly income.

NOTE: If the custodial parent/guardian receives child support on behalf of the child, then this amount must be considered as income for the child.

3.9 EXCLUDED INCOME

The following income must not be used to determine MIChild eligibility:

- Income from Temporary Census employment.
- Earnings of a child under age 19 if the child is living with a relative who provides care and supervision.
- Supplemental Security Income (SSI) benefits. (Anyone receiving SSI is automatically eligible for Medicaid. That person, but not his income, should be included in the fiscal group for budgeting purposes.)
- Certain payments to Native Americans. (The Native American Payment Exclusions Section of this manual provides a list of public laws involving payments to Native Americans.)

3.10 PREMIUMS

The premium is \$10.00 per family per month, regardless of the number of children in the family. (The Premiums Section of this manual contains additional information regarding premium payment.)



3.11 NONFACTORS

The following must not be a factor in determining MiChild eligibility:

- Disability status
- Pre-existing condition
- Diagnosis

3.12 EXCLUDED CHILDREN

Individuals who are not eligible for MiChild include children who:

- are eligible for Medicaid (even if not yet enrolled in Medicaid). (The Special Populations Section of this manual contains additional information on newborns, deductible beneficiaries, and Medicaid.)
- have been criminally adjudicated and are in a correctional facility, including a detention home or training school.
- are admitted to an institution for the mentally disabled (e.g., ICF/MR).
- are eligible for health insurance coverage on the basis of a family member's active permanent employment by a state, county, or city government agency in Michigan. School employees are not considered government employees.
- are covered by court-ordered medical insurance. (The Special Populations Section contains additional information regarding court-ordered medical insurance.)

3.13 EXCEPTION PROCESS

If there are special circumstances or questions regarding an applicant's MiChild eligibility, the Department will provide guidance with eligibility determination.

The Administrative Contractor should contact the Department for assistance.



SECTION 4 - APPLICATION PROCESS

Applications may be submitted online at www.michigan.gov/mibridges or by completing and mailing a paper application (DCH-1426). Paper applications can be downloaded from the MDCH website at www.michigan.gov/mdch. If applications are received elsewhere (i.e., DHS, doctor's office, etc.), they must be forwarded to the Administrative Contractor.

4.1 LOCAL AGENCIES

The Department may contract with local agencies to provide outreach for MIChild. These agencies will provide information regarding MIChild, including eligibility criteria, the application process, and coverage.

These agencies will have applications available at their offices and provide assistance with completion of the application. They may also provide assistance with the verifications required for MIChild.

Applications must be forwarded to the Administrative Contractor.

4.2 INITIAL DETERMINATION OF ELIGIBILITY

The Administrative Contractor will review the application. If the application is unsigned, not fully completed, or required verifications are not present, the application is considered incomplete.

Initial determination of eligibility must be made within two (2) work days of receipt of the completed application. Initial determination of eligibility will consist of:

- Reviewing and approving, if eligible, the completed application. The application must indicate the family's choice of health plan AND dental plan to be considered a complete application.
- Verifying that the applicant is not currently enrolled in, or appears to be eligible for, Medicaid or other federal/state programs.
- Determining the adjusted gross income (refer to the Eligibility Determination Section of this manual).
- Comparing the adjusted gross income with the federal poverty level amounts.
- Enrolling the child in a health plan and dental plan, if eligible, effective the date eligibility was determined.

Dental plans, community mental health services programs, and coordinating agencies may not recommend eligibility for MIChild.

4.2.A. PRESUMPTIVE ELIGIBILITY

Presumptive eligibility will be determined for any child or pregnant woman whose MIChild application is filed online by a trained, qualified entity approved by the Department of Community Health. Qualified entities enrolling children and/or pregnant women in MIChild include state employees, public health department employees, and eligibility counselors at health clinics designated by the State to process MIChild applications.



MiChild Eligibility Manual



The qualified entity will determine eligibility based on the information submitted by the child's family or the pregnant woman by way of application for MiChild. The gross monthly income must not exceed the income levels established for MiChild. A pregnant woman whose income is at or below the maximum Federal Poverty Level for MiChild is presumed eligible for MiChild.

Presumptive eligibility will not be determined for children or pregnant women who are not citizens or qualified aliens based on information provided at the time of application for health care coverage. If citizenship or immigration status is unclear at the time of application, the pregnant woman is presumptively eligible for health care coverage.

Presumptive eligibility is effective the date the presumptive eligibility is determined by the qualified entity. Presumptive eligibility ends when regular eligibility becomes effective based on determination made by the Administrative Contractor. Regular eligibility determination must be made within 60 calendar days of the date of the presumptive eligibility determination. Children and pregnant women with presumptive eligibility receive the full benefits of MiChild. Presumptive eligibility is limited to one period of presumptive eligibility during any consecutive 12-month period.

Legal: Section 1920A of the Social Security Act.

4.3 ADMINISTRATIVE CONTACTOR

4.3.A. APPLICATIONS SENT DIRECTLY TO THE ADMINISTRATIVE CONTRACTOR

Applications may be sent directly to the Administrative Contractor for approval. In this situation, any required verification must be attached to the application. Completed applications must be reviewed within ten (10) work days of receipt. The day the application is received is the first day of this ten work day time frame. A decision on eligibility must be mailed to the family's address via first class mail before the close of business on the tenth work day. The Administrative Contractor must follow-up with applicants filing incomplete applications.

The Administrative Contractor verifies any required documents and makes an eligibility recommendation to the Department of Community Health for MiChild. A Department employee will make the final determination of MiChild eligibility. Notice of approvals/disapprovals will be mailed by the Administrative Contractor to the family.

4.3.B. APPROVAL LETTERS

Approval notices must include:

- the applicant's name and address
- the begin date of MiChild eligibility
- annual redetermination date
- information regarding payment of the premiums, including prior balance
- the health plan and dental plan the family has chosen, including the phone numbers



MIChild Eligibility Manual



- CMHSP, CA and substance abuse information
- notice of changes which must be reported in writing to MIChild within 10 days of the change, include change of address, receipt of Medicaid, or the only beneficiary leaves the home or dies
- the Department of Community Health nondiscrimination statement
- the statement "If you do not understand this form, please contact Michigan Enrolls at 1-888-988-6300" in English, Arabic and Spanish

4.3.C. DENIAL NOTICES

Denial notices must state:

- the applicant's name and address
- the reason for denial of eligibility
- legal basis for denial (i.e., Title XXI of the Social Security Act, as amended)
- Department Review rights (include a Department Review Request form)
- the Department of Community Health nondiscrimination statement
- the statement "If you do not understand this form, please contact Michigan Enrolls at 1-888-988-6300" in English, Arabic and Spanish.

4.4 DEPARTMENT OF COMMUNITY HEALTH

All applications will be reviewed by the Department of Community Health for final determination of MIChild eligibility. If the Department determines that the child does not meet MIChild eligibility criteria, the Department will notify the Administrative Contractor, and the Administrative Contractor will notify the family and providers with the information noted above.

4.5 BEGIN DATE OF ELIGIBILITY

The begin date of eligibility for MIChild will depend on the following:

- MIChild eligibility begins the first day of the month following the month of approval. **NOTE:** If the application is approved within five (5) work days of the beginning of the next month, the eligibility is effective the first of the following month. For example, if the application is approved May 28, the effective date is July 1.
- If the applicant has had comprehensive, employer-based insurance coverage within the past six months, coverage may begin the month after the three-month penalty ends. (Refer to the Eligibility Criteria Section of this manual for information on eligibility criteria.)
- If the applicant was recently disenrolled for failure to pay the MIChild premium, coverage will begin the month after a new application is received and eligibility approved for MIChild, unless there is an outstanding premium balance which was incurred within six months prior to the date of application. All outstanding balances for premium payments incurred within six months of the application date must be paid in full, along with the initial premium payment at case opening, before enrollment in MIChild will take effect.



Dental, CA and mental health coverage will begin the same date.

4.6 INPATIENT HOSPITALIZATION

If MIChild eligibility begins while a beneficiary is in the hospital, the health plan is reimbursed for a full month of service. The health plan is not responsible for services rendered while the beneficiary was in the hospital, as the health plan did not authorize the hospitalization. The health plan is responsible for all medically necessary services once the beneficiary is discharged.

If MIChild health plan coverage ends while a beneficiary is in the hospital, the health plan is reimbursed for a full month of service. The health plan is responsible for services rendered while the beneficiary was in the hospital as the health plan authorized the hospital stay.

4.7 ENROLLMENT IN HEALTH PLANS AND DENTAL PLANS

The Administrative Contractor is responsible for enrolling the beneficiary in the health plan and the dental plan. The health plan and dental plans may refer beneficiaries to CMHSPs and CAs.

If the MIChild application is received directly from the applicant or from an outside agency (e.g., schools, Tribal Health Centers), then the Administrative Contractor will be responsible for enrolling the beneficiary in the health plan and dental plan chosen by the family or auto assigned. Each health plan and dental plan, CMHSP, and CA will be notified of new MIChild enrollees.

4.8 REFERRAL TO MEDICAID

The application must be reviewed for ~~Healthy Kids~~ Medicaid eligibility prior to MIChild eligibility approval.

4.9 CHANGES IN FAMILY STATUS

If the family has applied for MIChild but has been determined ineligible, the child(ren) may be enrolled in MIChild any time a change occurs that makes a child eligible for MIChild. This could include a change in family size, loss of a job, or change in family income. (A change in the child's health status does not make a child eligible for MIChild.) If a family has a change in status that makes the children newly eligible for MIChild, the family should reapply as soon as possible.

4.10 ENROLLMENT LOCK-IN

The MIChild beneficiary is "locked-into" a health plan and dental plan for 12 months from the date of enrollment as long as the child remains MIChild eligible. Beneficiaries have the first 90 calendar days of that period to change health plans and dental plans.

A beneficiary may change health plans and dental plans for cause, at any time, as determined on an individual basis and approved by the Department.

4.11 ANNUAL REDETERMINATION OF ELIGIBILITY

Eligibility determinations will be done annually. The Administrative Contractor must provide the family with redetermination forms for MIChild 30 work days prior to the end of the beneficiary's eligibility year. The redetermination form lists the eligibility information the Administrative Contractor has on file. If no



MIChild Eligibility Manual



changes have occurred, the beneficiary signs and returns the redetermination form, indicating no changes have occurred. MIChild eligibility will continue as long as the premiums continue to be paid for the next year. If changes have occurred, the beneficiary must return the redetermination form with changes noted and required documentation, if any, within 10 calendar days from the date of the redetermination notice. Each individual's eligibility will be redetermined.

If the redetermination form is returned indicating a change of information but is incomplete, the family will be notified of the required documentation needed following the time frames specified for original applications. The Administrative Contractor will follow-up with the family, either by telephone or in writing. Failure of the family to complete the redetermination process will result in disenrollment from MIChild effective the last day of the enrollment year.

4.12 POST-ELIGIBILITY AUDITS

Post-eligibility audits will be done from a random sample of applications and redetermination approvals. If the audit results in loss of MIChild eligibility, or if the family fails to cooperate with the audit process, MIChild benefits will terminate. Quality Assurance procedure requires the applicant to verify income (which is not required of standard applicants) if the person applies within six months of termination of coverage due to failure to comply with an audit. A new application received more than six months after the termination will be processed without verification. (Refer to the Post-Eligibility Audit Process Section of this manual for additional information.)

The Administrative Contractor uses the same forms for approval/denial notices as for initial determinations.



SECTION 5 - MICHILD/MEDICAID APPLICATION

5.1 GENERAL INFORMATION

Application for MIChild benefits can be made by submitting a paper application (DCH-1426) which can be downloaded from the website or by completing an electronic application. Paper applications can be downloaded from the MDCH website at www.michigan.gov/mdch. The electronic applications can be accessed online at www.michigan.gov/mibridges.

The application may be completed by anyone, but must be signed by the applicant, parent or responsible relative. It should be completed in ink and in English. The current version of the form should be used. Dates should be entered in the MM/DD/YYYY format. Telephone numbers must include the area code.

If an item does not apply, the applicant should enter "N/A."

Information must be provided for all children or pregnant women, including each child's or pregnant woman's primary language and relationship to each adult listed on the application, as well as citizenship status. If a child is not a citizen of the United States, a copy of the front and back of the I-551 or I-94 must be obtained.

If there are more than three children living in the home, additional pages must be included with the application. The additional information must include each first, middle, and last name, primary language, and the relationship of the child to each adult. Additional pages must include the applicant's signature.

A SSN, or an application for a SSN, is required for each person who wishes to receive health care coverage unless the applicant is an exempted deemed newborn, or is designated a Conditional Entrant to the United States.* If a SSN is not available, the applicant should be given an Application for a Social Security Card (SS-5) to request a SSN, or be directed to the local Social Security Administration for assistance.

Each adult is asked to list his primary language. If there are more than two adults in the home, additional pages must be included with the application. Each additional adult must include first, middle, and last name; and relationship to each child. Additional pages must include the applicant's signature.

* Any individual is exempted from providing a social security number if that individual is not eligible for a social security number or does not have one and is only eligible to receive a Social Security Number for a non-work purpose such as an individual who is a Conditional Entrant to the United States.

5.2 CHOICE OF HEALTH PLANS AND DENTAL PLANS

Choosing health plans and dental plans is required for MIChild. If the children are eligible for Medicaid, the family will be contacted by the Administrative Contractor to verify their choice of health plan and dental plan prior to enrollment. Dental coverage is provided through dental plans in some counties for Healthy Kids/Medicaid. If the applicant has not selected a health plan or dental plan, a plan will be auto assigned.

5.3 CHILDREN'S INFORMATION

All children in the home must be listed for budgeting purposes.



MIChild Eligibility Manual



Completion of the racial/ethnic information is voluntary.

If a child does not have a social security number, the applicant should be given an SS-5 to apply for the SSN.

If a child is not a citizen of the United States, a copy of the front and back of the I-551 or I-94 must be obtained.

Many of the questions are self-explanatory. Only those questions that may need clarification are listed below.

5.3.A. HEALTH INSURANCE QUESTIONS

These questions should be answered "yes" only if any of the children are currently receiving benefits under any health insurance. While coverage through a parent's employer usually makes a child ineligible for MIChild, the information is required for Medicaid.

Catastrophic coverage, or specialty coverage such as dental only, is not considered comprehensive health insurance coverage.

5.3.B. PAST MEDICAL BILLS QUESTIONS

This information is required to determine possible retroactive coverage for Medicaid. Medicaid beneficiaries are automatically enrolled for three months of retroactive coverage. The retroactive health services cover medical expenses incurred within three months prior to applying for Medicaid. **There is no retroactive coverage for MIChild.**

5.4 INCOME

The application requests income information for all persons in the home. Gross and net income information must be reported. Self-employed persons should list allowable deductions. Persons with rental income should include an explanation of their expenses for the rental property. (Further explanation of income reporting may be found in the Eligibility Determination Section of this manual.)

5.5. ADDITIONAL INFORMATION

The application includes important information regarding the rights and responsibilities of applicants, nondiscrimination information, notice requirements, and the applicant's signature.

Prior to signing the application, and additional sheets if necessary, the applicant should read the information regarding release of information, use of this application for Medicaid purposes, subrogation, discrimination, and pursuit of financial or medical support for children.

If a health plan and/or dental plan are not chosen by the applicant, plans will be selected for them. (Refer to the Choice of Health Plans portion of this section for additional information.) The application is not considered until the application is signed.



SECTION 6 - ELIGIBILITY DETERMINATION

6.1 GENERAL INFORMATION

MIChild eligibility is determined using the MIChild/Medicaid application. The information contained on the application and supporting verifications, as specified, include all the information needed to determine eligibility.

If the application is incomplete, or verifications need to be obtained, the Administrative Contractor must request such information in writing from the applicant. The applicant has 30 calendar days from the date of request to provide the needed information or the application will be denied.

Eligibility for Medicaid must be determined prior to consideration of MIChild eligibility. Once the child has been determined NOT eligible for Medicaid, MIChild eligibility may be determined.

6.2 NONFINANCIAL FACTORS

There are several nonfinancial factors that must be documented, either by separate document or by the applicant's statement. These factors include:

- citizenship/alien status
- residency
- Social Security Number
- age
- health insurance coverage

(The Eligibility Criteria Section of this manual provides further information regarding these factors.)

6.3 GROUP COMPOSITION (INCOME GROUP)

The group composition for MIChild is the same as for Medicaid. The size of the household will be determined by the principles of tax dependency in the majority of cases. Parents, children and siblings are included in the same household. Parents and stepparents are treated the same. The 'Medicaid Child Age' for Medicaid household composition purposes is defined as 19-20 year olds who are full-time students. Individual family members may be eligible under different categories. A pregnant woman shall be counted as herself plus the number of unborn children for all groups in which the pregnant woman is included.

6.4 FINANCIAL FACTORS

As indicated in the Eligibility Criteria Section of this manual, the adjusted gross income for MIChild must be above 160% and at or below 212% of the FPL, depending on the child's age.

The adjusted gross income is determined for the month that eligibility will begin. For example, if the application is received directly by the Administrative Contractor in June, then eligibility cannot begin until July. Therefore, the monthly budget should be determined for July.



MIChild Eligibility Manual



Budgets will always be determined using a four-week month, even if there are five weeks in the month being determined.

6.5 MODIFIED ADJUSTED GROSS INCOME (MAGI)

The Modified Adjusted Gross Income process is used when determining income eligibility for the program. MAGI is a methodology for how income is counted and how household composition and family size are determined. It is based on federal tax rules for determining adjusted gross income. It eliminates asset tests and special deductions or disregards. MAGI for purposes of Medicaid eligibility is a methodology which State agencies and the exchange must use to determine financial eligibility.

Every individual is evaluated for eligibility based on MAGI rules. The MAGI rules are aligned with the income rules that will be applied for determination of eligibility for premium tax credits and cost-sharing reductions through exchanges. MAGI groups include the groups formerly known as FIP-related. Children and pregnant women are examples of groups who receive MIChild coverage under the MAGI related category. Income will be verified via electronic federal data sources in compliance with MAGI methodology.

6.5.A. COUNTABLE INCOME

Self-declaration of income is allowed.

The following are common sources of income which are countable in a MAGI related determination:

- Wages/Salary
- Self-Employment
- RSDI
- Unemployment Benefits
- Spousal Support

5% DISREGARD

- The 5% disregard is the amount equal to 5% of the Federal Poverty Level for the applicable family size. It is NOT a flat 5% disregard from the income.
- The 5% disregard shall be applied to the highest income threshold.
- The 5% disregard shall be applied only if required to make someone eligible for Medicaid or MIChild.

REASONABLE COMPATABILITY

- Attested MAGI income will be found not reasonably compatible with MAGI income from trusted sources if the difference exceeds 10%
- Reasonable compatibility scenarios



MICHild Eligibility Manual

- If the group’s attested income is below the income threshold for the program being tested and trusted data source also validates income below the income threshold, then no reasonable compatibility test is performed. Applicant is eligible.
- If the group’s attested income is above the income threshold for the program being tested but trusted data source finds income below the income threshold, then no reasonable compatibility test is performed. Applicant is not eligible based on attested income.
- If the group’s attested income is above the income threshold for the program being tested and the trusted data source validates income above the income threshold, then no reasonable compatibility test is performed. Applicant is not eligible based on attested income.
- If the group’s attested income is below the income threshold for the program being tested but the trusted data source indicates income above the income threshold, then reasonable compatibility test is performed:
 - If income is reasonably compatible, then the applicant is eligible
 - If the income is not reasonably compatible, then the program pends and the individual is required to provide proof of their attested income.

Countable Income	<ul style="list-style-type: none"> ▪ All income (earned and unearned) of the fiscal group. Self-declaration of monthly income by the applicant must include the payee’s name. ▪ RSDI (Retirement, Survivors and Disability Insurance) benefits. (If a family member receives RSDI, then so do all of his dependents.) Self-declaration of the gross monthly amount is used. ▪ Self-employment income. The family’s self-declaration of monthly income and deductions, on a monthly basis, will suffice. ▪ Unearned income received by the children applying for, or receiving, MICHild and by the children’s parents who live with the children (e.g., child support, Social Security benefits) is included in the self-declaration of income section of the application. ▪ Income from rental property. Self-declaration of the gross monthly rental income amount is used. ▪ Seasonal income is budgeted using the income received during the time the applicant is employed. If the seasonal income has ended at the time of application, do not include it in the budget. ▪ Contractual income. When budgeting contractual income: <ul style="list-style-type: none"> ➢ Determine the length of the contract. ➢ Determine the amount of income to be paid during the length of the contract. ➢ Divide the income by the number of months of the contract.
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MIChild Eligibility Manual



	<p>Example: A teacher has a 12-month contract payable over 9 months. Since the actual contract is for 12 months, the income is averaged over 12 months (contracted for 12 months @ \$36,000 per year equals \$3,000 per month). If the contract itself only covers 9 months of the year and is paid out over the 9 months, the income is averaged for that same 9 months (contracted for 9 months @ \$36,000 per year equals \$4,000 per month).</p> <p>Note: If the contractual employee also has other income, the amount of income that can be reasonably anticipated for the budget month must be counted even if both income sources are the same employer. The additional income should be treated the same as a second income.</p> <p>Example: School bus driver with a 12-month contract payable over 9 months for driving a daily route to/from school. The income is averaged over the 12-month length of the contract. The same driver also has an agreement with the school system to drive students to/from three events per month for three months @ \$50 per trip. The income is countable since it can reasonably be anticipated. Therefore, \$150 per month is added to the contractual income already budgeted for this person for those 3 months.</p> <ul style="list-style-type: none">▪ Garnishment of wages: The gross amount of wages (before garnishment is deducted) is counted as income.
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6.5.B. NON-COUNTABLE INCOME SOURCES

The following are common sources of income which are not countable in a MAGI related determination:

- Child Support
- Workers Compensation
- American Indian/Native American payments
- Veteran's Benefits
- Supplemental Security Income
- Adoption Subsidy
- Disaster Relief Payments

CHILD SUPPORT

Parents have a responsibility to meet their children's needs by providing support and/or cooperating with the Office of Child Support (OCS), the Friend of the Court (FOC), and the prosecuting attorney to establish paternity and/or obtain support from an absent parent.

Absent parents are required to support their children. Support includes child support, medical support, and payment for medical care from any third party. A parent who does not live with the child due solely to the parent's active duty in a uniformed service of the U.S. is considered to be living in the child's home.



MIChild Eligibility Manual



The custodial parent or caretaker of children must comply with all requests for action or information needed to establish paternity and/or obtain child support on behalf of children for whom they receive assistance, unless a claim of good cause for not cooperating has been granted or is pending.

6.6 DETERMINATION

If the child has met all nonfinancial and financial factors for eligibility, then the child is eligible for MIChild.



SECTION 7 - PREMIUMS

7.1 ASSESSMENT OF PREMIUMS

MIChild families will be assessed a premium of \$10.00 per family per month, regardless of the number of children in the family. The family is responsible for payment of the premium each month.

Native Americans and Alaska Natives are exempt from the \$10.00 per month premium. The family is exempt from payment if any family member listed on the application and living in the household is a Native American or Alaska Native, even if that member is an adult or a Medicaid recipient.

7.2 ADMINISTRATIVE CONTRACTOR RESPONSIBILITY

The Administrative Contractor is responsible for collecting the appropriate premium amount. It is the Administrative Contractor's option, with the family's concurrence, to obtain the premium on a monthly, quarterly, or yearly basis, or by some other payment arrangement.

The Administrative Contractor will send the family a yearly coupon booklet for premium payment purposes. There will be one coupon for each month the premium is due.

7.3 FAILURE TO PAY PREMIUMS

The family has until the 10th of the month for which the premium was due to make the payment. If the 10th of the month is not a work day, the due date will be the next business day following the 10th. MIChild eligibility and coverage will continue for that month. For example, if during the month of January the family did not pay the premium for February, the premium must be U.S. postmarked by February 10 for MIChild benefits to continue past the last day of February.

The Administrative Contractor will notify the family, in writing, of:

- the amount due.
- the date the past due premium must be paid.
- the beneficiary's disenrollment from the health plan if the past due premium is not paid.
- the date coverage will end.
- the need to report any change in circumstances (for example: loss of income, additional family members, or requirement to pay child support for a child not living with the family) which may result in a new determination of eligibility.
- the right to request a Department Review and the procedures to follow in requesting a Department Review.

Failure to pay the monthly premium will result in disenrollment from MIChild effective the first day of the month following the month for which the premium was due.

If the applicant is disenrolled for failure to pay the MIChild premium, a new application must be completed and eligibility determined. (Refer to Section 4 - Application Process)



MIChild Eligibility Manual



7.4 APPLICATION PROCESS

The balance owed at the time of disenrollment must be paid, as well as the initial premium, at the time of enrollment if the family submits a new application within six months of the disenrollment for failure to pay.

Enrollment will be terminated if full payment is not received.



SECTION 8 - DISENROLLMENT

8.1 GENERAL INFORMATION

It is the Administrative Contractor's responsibility to disenroll the beneficiary from the health plan.

The health plan is responsible for the beneficiary's medical care until the Administrative Contractor notifies the health plan that its responsibility for the beneficiary has ended. This notification will be in a form agreeable to both the health plan and the Administrative Contractor.

8.2 RETROACTIVE DISENROLLMENT

The Administrative Contractor must not retroactively disenroll any beneficiary unless the beneficiary died before the beginning of the month in which the capitation payment was made.

8.3 DISENROLLMENT FROM MICHILD

Enrollment in MiChild is for one year, except in the following situations which result in immediate loss of MiChild eligibility.

- Nonpayment of premiums. The effective date of disenrollment is the last day of the month for which the premium was due.
- Loss of MiChild eligibility due to admission to a correctional facility or an institution for the mentally disabled (ICF/MR). The effective date of the disenrollment is the last day of the month of admission to the institution.
- Family/child moves from the state. The MiChild beneficiary must be disenrolled from the health plan effective the last day of the month that the child resided in Michigan.
- Death of a MiChild beneficiary. The effective date of disenrollment will be the date the beneficiary died.
- A MiChild beneficiary becomes active Medicaid before annual redetermination. A MiChild beneficiary may not receive MiChild and Medicaid for the same coverage period. The effective date of disenrollment is the last day of the month that enrollment in Medicaid was discovered.
- If a change is reported in writing that results in disenrollment from MiChild, the child will be disenrolled effective the month following receipt of the written notification if the notification is received by the enrollment cut-off date. Refunds will only be made for months that MiChild coverage does not exist.
- Beneficiary meets a Medicaid deductible during a month MiChild is active. The beneficiary is not disenrolled; the Department will reconcile the payments in an internal process.
- Beneficiary turns age 19. The effective date of disenrollment is the last day of the month in which the person turns age 19.



MIChild Eligibility Manual



The following is a reason for disenrollment at annual redetermination:

- Loss of MIChild eligibility due to eligibility for other programs (e.g., Medicaid), other insurance coverage, income in excess of MIChild limits, failure to complete redetermination forms, or failure to provide required verifications. The effective date will be the last day of the enrollment year for the beneficiary.

The Administrative Contractor must provide the family with a creditable certificate of coverage upon disenrollment from MIChild.

8.4 DISENROLLMENT FROM THE HEALTH PLAN

Reasons for disenrollment from the health plan include:

- Family/child moves from the health plan's service area. The MIChild beneficiary must be disenrolled from the health plan effective the first day of the month following the Administrative Contractor's implementation of the change of address. The health plan remains responsible for services until the effective date of disenrollment.
- Improper actions on the part of the beneficiary/family that are inconsistent with the health plan membership, including fraud, abuse of the health plan, or other intentional misconduct; or if, in the opinion of the health plan, the beneficiary's/family's behavior makes it medically infeasible for the health plan to safely or prudently render covered services to the beneficiary. Such termination is subject to the written grievance procedures of the health plan, except that the notice of termination must be immediately communicated to the beneficiary/family, along with the procedures for expeditious review. The health plan must contact the Administrative Contractor and supply supporting documentation of the possible disenrollment. The Administrative Contractor will review the documentation and make a recommendation to the Department. The Department must approve the disenrollment. The effective date will be the last day of the month the Department approves the disenrollment.
- The health plan's contract with the Department is terminated for any reason. The effective date of disenrollment is the date the contract is terminated.



SECTION 9 - DENTAL SERVICES

9.1 GENERAL INFORMATION

The Department contracts with licensed dental managed care entities to provide dental services to MIChild enrollees. These entities are responsible for providing MIChild covered services for a per member per month capitation rate.

9.2 ELIGIBILITY

The dental contractor cannot determine initial eligibility for MIChild. Eligibility will be determined as described in the Application Process Section of this manual.

The Administrative Contractor will notify the dental plan that the child is enrolled and the effective date of enrollment. This notification must be within the 10 work day period that the Administrative Contractor has to review the application.

The effective date of enrollment will be the same as for the health plan. (Refer to the Begin Date of Eligibility portion of the Application Process Section for additional information.)

9.3 ENROLLMENT

The child must be enrolled in a dental plan in order for services to be covered. The Administrative Contractor enrolls the child in a dental plan chosen by the applicant or is automatically enrolled if a dental plan is not chosen by the applicant.

9.4 LOSS OF ELIGIBILITY DURING TREATMENT

Certain procedures that were started before the loss of eligibility may be covered provided that the services were completed within a 60 calendar day period from the date of loss of eligibility.

The dental capitation that was paid to the dental contractor covers the completion of these services. The child's family must not be billed for these services.

No capitation payments will be made once MIChild eligibility ends.

9.5 DISENROLLMENT

The Administrative Contractor must notify the dental plan of any disenrollments in MIChild. The effective date of disenrollment will be the same as for the health plan.



SECTION 10 - MENTAL HEALTH AND SUBSTANCE ABUSE SERVICES

10.1 GENERAL INFORMATION

The Department contracts with CMHSPs and CAs to provide mental health and substance abuse services to MiChild enrollees. These entities are responsible for providing MiChild covered services for a per eligible member per month capitation rate.

10.2 ELIGIBILITY

CMHSPs and CAs cannot determine initial eligibility for MiChild. Eligibility will be determined as described in the Application Process Section of this manual.

Once the application is forwarded to the Administrative Contractor and eligibility is verified, CMHSP and the CA will be notified that the beneficiary is enrolled in MiChild and the effective date of enrollment by the Administrative Contractor.

10.3 ENROLLMENT

The child is automatically eligible for MiChild covered mental health and substance abuse services authorized by the CMHSP or CA once MiChild eligibility is determined.

10.4 DISENROLLMENT

CMHSP and the CA will be notified of any MiChild disenrollment. The effective date of disenrollment is the same as for the health plan.



SECTION 11 - DEPARTMENT REVIEWS/COMPLAINTS/GRIEVANCES

11.1 GENERAL INFORMATION

Requests for Department Review, complaints, and grievances regarding eligibility for MIChild should be resolved as follows:

- If the family appeals a denial of initial eligibility made by the Administrative Contractor, the appeal should be resolved through the Administrative Contractor if possible.
- The applicant/family also has the right to appeal directly to a Department Review without first appealing to the health plan or Administrative Contractor.

Complaints, grievances and requests for Department Review regarding services or other actions taken by the health plan must be resolved by the health plan and, if necessary, the MDCH Department Review process or the Department of Energy, Labor and Economic Growth.

11.2 REQUESTS FOR DEPARTMENT REVIEW

The family must be notified of the eligibility decision as indicated in the Application Process Section of this manual. Included with the notification is the family's right to request a Department Review and the Department Review Request form. The family has the right to appeal the eligibility decision made by the Department.



SECTION 12 - POST-ELIGIBILITY AUDIT PROCESS

12.1 GENERAL INFORMATION

The Department will conduct random post-eligibility audits to ensure that MIChild eligibility was granted appropriately.

12.2 ADMINISTRATIVE CONTRACTOR RESPONSIBILITY

The Administrative Contractor will forward to the Department, on a weekly basis, lists of all applications approved initially and at redetermination and of all denied applications.

12.3 DCH RESPONSIBILITY

The Department will randomly select, from the lists described above, the names of case files selected for audit and will request copies of these eligibility materials from the Administrative Contractor.

Upon receipt of these eligibility materials from the Administrative Contractor, the Department will review the materials and request documentation from the beneficiary to substantiate the statements made on the application. This documentation may include copies of pay stubs, written verification from employers, income tax records of self-employed persons, documentation from Friend of the Court, or court documents establishing guardianship fees.

The request for documentation will be made on the Notice of MIChild Audit (DCH-0956). The requested verifications must be returned to the Department, postmarked no later than 15 calendar days from the date of the DCH-0956. Detailed instructions, including a telephone number to call for additional assistance, and a warning that failure to cooperate with the audit will result in immediate termination of MIChild benefits are included on this form.

12.4 RESULT OF AUDIT

If the audit determination process results in confirmation of the original eligibility decision, the beneficiary will receive notice of the successful audit.

Other determinations that may result from the audit are:

- The child originally qualified for Medicaid, not MIChild, **or**
- The child did not qualify for MIChild due to other insurance, excess income, or other eligibility factors.

NOTE:

- Children found eligible for Medicaid will be disenrolled from the MIChild program, and will be enrolled in Medicaid by DHS staff.



MIChild Eligibility Manual



- Children found not eligible for either MIChild or Medicaid will receive notice that they will be disenrolled from the MIChild program. Included with the notification is the family's right to request a Department Review, and the Department Review Request form. The family has the right to appeal the eligibility decision made by the Department.

12.5 DISENROLLMENT NOTICES

Notice of disenrollment from MIChild will include information that the child may reapply at a later date if the family situation changes and health care coverage is needed.

12.6 AUDIT REPORTS

Audit results will be provided on a regular basis and shared with MIChild staff for training purposes.



MIChild Eligibility Manual



SECTION 13 - DEFINITIONS

The following definitions apply to this manual:

Abuse	Provider practices that are inconsistent with sound fiscal, business, or medical practices, resulting either in unnecessary cost to the Program or in reimbursement for services that are not medically necessary or that fail to meet professionally recognized standards of care.
Modified Adjusted Gross Income	The amount of income for the group, minus allowable deductions.
Administrative Contractor	The entity that contracts with the Department of Community Health to provide administrative support for MIChild.
AFDS	Alternative Finance Delivery System. A category of licensure for prepaid limited health service organizations, such as dental and vision plans.
Applicant	An individual who has had an application for MIChild submitted on his behalf. (The person remains an applicant until MIChild is approved, denied, or the application is withdrawn.)
Beneficiary	A child enrolled in MIChild.
CA	The Coordinating Agency that provides substance abuse services to MIChild enrollees.
CMHSP	Community Mental Health Services Program is the agency that provides mental health services to MIChild enrollees.
Certificate of Coverage	Written notification from the health plan of the coverage available under MIChild.
Certificate of Creditable Coverage	Written certification of: 1) the period of creditable coverage for the person and the coverage, if any, under such COBRA continuation provision; and 2) the waiting period, if any, imposed with respect to the person for any coverage.
CSHCS	Children's Special Health Care Services is a program established under Title V of the Federal Social Security Act, being 42 U.S.C. 701 to 716, and pursuant to Sections 5801 to 5879 of Act No. 368 of the Public Acts of 1978, as amended. The program provides specialty health care and related services to persons under age 21 for certain severe and chronic medical diagnoses, and persons age 21 and over with Cystic Fibrosis or certain blood coagulation disorders.



MIChild Eligibility Manual

Comprehensive Insurance	Insurance that covers inpatient and outpatient hospital services, laboratory, x-ray, pharmacy and physician services. Catastrophic coverage, dental-only coverage, or emergency coverage only is NOT considered to be comprehensive insurance coverage.
Court-Ordered Medical Support	Comprehensive medical support ordered by the court as the result of a divorce, separation, paternity, etc.
Deductible	A process which allows persons with excess income to become eligible for Medicaid if sufficient allowable medical expenses are incurred. Such persons must incur medical expenses each month equal to, or in excess of, an amount determined by the local DHS specialist to qualify for Medicaid. Once the deductible amount has been met, there is Medicaid eligibility from the day the deductible amount is met until the end of the month. (The MIChild premium may be used as an incurred expense.)
Dental Plan	The non-profit dental or health corporation or dental AFDS that contracts with the Department of Community Health to provide dental services to MIChild beneficiaries.
Department	Department of Community Health and its designated agents.
Department Review	The process by which the Department reviews complaints about denial of MIChild eligibility, and complaints and grievances about services or other actions taken by the health plan or Administrative Contractor.
DHS	Department of Human Services
FPL	The Federal Poverty Level guidelines are a simplified version of the federal government's statistical poverty thresholds. The poverty guidelines, developed and released annually by the U.S. Department of Health and Human Services, are used as a criterion by many federal and state programs to determine whether applicants are financially eligible.
Final Determination of Eligibility	The Department's determination, after review of the application verifications, of the applicant's eligibility for MIChild.
Fraud	Intentional deception or misrepresentation made by a person with the knowledge that the deception or misrepresentation could result in some unauthorized benefit to that person or another.
Group Composition	The fiscal group used to determine financial eligibility for a MIChild applicant.
Health Plan	Licensed health maintenance organizations, licensed insurers, and licensed nonprofit health care corporations that have contracted with the Department to provide services to MIChild beneficiaries.



MIChild Eligibility Manual



Initial Determination of Eligibility	Process whereby the health plan or Administrative Contractor determines probable eligibility for MIChild without actually approving the applicant's eligibility.
Locked In	Beneficiary's inability to change health plans and dental plans until an open enrollment period.
Nonvoluntary Loss	A loss of comprehensive health insurance coverage due to reasons beyond the family's control. This includes: the employer going out of business; the employee losing his job; the employer dropping comprehensive health insurance coverage for all dependents of the employee; the carrier no longer offering the comprehensive health insurance coverage. COBRA coverage may be dropped and MIChild benefits may begin immediately. There is no six-month wait in this case.
Premium	Monthly cost-sharing amount payable by the parent or other entity. It is considered to be one requirement for MIChild eligibility.
Recommendation of Eligibility	The Administrative Contractor's recommendation, after review of verifications, of the applicant's eligibility for MIChild.
Work Day	The same days of the week (Monday through Friday) that State of Michigan employees must be at work. This excludes State-approved holidays.



MIChild Eligibility Manual



SECTION 14 - CITIZENSHIP AND ALIEN STATUS

The following chart indicates if the child meets the citizenship criterion for MIChild. Eligibility as an alien is based on the codes on the I-551 (Alien Registration Receipt Card).

CITIZENSHIP/ALIEN STATUS	MIChild Eligibility
U.S. Citizen (including person born in Puerto Rico).....	YES
Person born in Canada, at least 50% Native American.....	YES
Qualified Military Alien.....	YES
Spouse or Dependent Child of Qualified Military Alien.....	YES
Refugee under Section 207.....	YES
Asylee under Section 208.....	YES
Cuban/Haitian Entrant (Class Code CR6, CU6, or CU7).....	YES
Amerasian (Class Code AM).....	YES
Permanent Resident Alien (Class Code RE or AS).....	YES
Permanent Resident Alien (Class Code Other Than AM, AS, CR, CU, RE).....	YES
U.S. Entry before 8/22/96.....	YES
U.S. Entry on or after 8/22/96.....	YES
First 5 years in U.S.....	NO *
More than 5 years in U.S.....	YES
Permanent Resident Alien, has I-551.....	YES
Deportation (Removal) Withheld under Section 241(b)(3) or 243(h).....	YES
Granted Conditional Entry under Section 203(a)(7).....	YES
Paroled under Section 212(d)(5) for at least 1 year.....	YES
U.S. Entry before 8/22/96.....	YES
U.S. Entry on or after 8/22/96.....	YES
First 5 years in U.S.....	NO *
More than 5 years in U.S.....	YES
Paroled under Section 212(d)(d) for less than 1 year.....	NO
Nonimmigrant (e.g., student, tourist).....	NO
Aliens not described above (e.g., illegal aliens).....	NO
Iraqi and Afghan special immigrants.....	YES
Iraqi and Afghan special immigrants are no longer bound by the five-year bar for Medicaid and CHIP eligibility after their first eight months in the U.S. Like refugees, they are considered to be qualified aliens who are not subject to the five-year bar.	

* Unless a qualified military alien, or the spouse or dependent child of a qualified military alien



SECTION 15 - NATIVE AMERICAN PAYMENT EXCLUSIONS

The following laws include reference to income by Native Americans that must be excluded from the determination of income.

Public Law 92-203	Tax exempt portions of payments under the Alaska Native Claims Settlement Act
Public Law 92-254	Judgment funds to members of the Blackfeet Tribe of the Blackfeet Reservation, Montana, and Gros Ventre Tribe of the Fort Belknap Reservation, Montana
Public Law 93-134	Funds distributed to members of the Indian tribes and the purchases made with such funds. Also, exclude up to \$2,000 per year of income received by an individual that is derived from leases or other uses of individually-owned trust or restricted lands.
Public Law 93-531	Relocation assistance payments to members of the Hopi and Navajo Tribes.
Public Law 94-114	Receipts distributed to members of certain Indian tribe.
Public Law 94-189	Payments received under the Sac and Fox Indian agreements.
Public Law 94-540	Judgment funds to the Grand River Band of Ottawa Indians.
Public Law 95-433	Payments by the Indian Claims Commission to the Confederated Tribes and Bands of the Yakima Indian Nation or the Apache Tribe of the Mescalero Reservation.
Public Law 96-420	Section 5 Payments to the Passamaquoddy Tribe and the Penobscot Nation or any of their members received pursuant to the Maine Indian Claims Settlement Act of 1980.
Public Law 98-64	Funds distributed to members of Indian tribes and purchases made with such funds.
Public Law 98-123	Funds distributed to members of the Red Lake Band of Chippewa Indians.
Public Law 98-124	Funds distributed to the Assiniboine Tribe of the Fort Belknap Indian Community and the Assiniboine Tribe of the Fort Peck Indian Reservation.
Public Law 99-346	Payments and distributions of judgment funds to the Saginaw Chippewa Indian Tribe of Michigan. May be called payments from the Investment Fund or Elderly Assistance Investment Fund.
Public Law 105-143	Funds distributed to the Ottawa and Chippewa Indians of Michigan.