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## Medicaid and CHIP Eligibility Pilot Round 2 Guidance FAQs

**Q1: The guidance states that CMS will accept pilot proposals through the PETT website as early as July 1, 2014. Can my state submit a Word version of the Round 2 pilot proposal prior to July 1? When will a Word version of the pilot proposal template be available?**

A1: All states will be required to enter Round 2 pilot proposals on the PETT website to go through the full CMS review and approval process. However, states that complete their Round 2 pilot proposals prior to July 1 may submit a draft proposal to [FY2014-2016EligibilityPilots@cms.hhs.gov](mailto:FY2014-2016EligibilityPilots@cms.hhs.gov). CMS will provide preliminary comments on draft proposals but draft proposals will not go through the full CMS review and approval process. CMS will not accept draft proposals via email once the PETT website is able to accept proposals.

A Word version of the Round 2 pilot proposal template will be available in mid to late May.

**Q2: For these pilots, does a MAGI-based redetermination only include those individuals who had a MAGI-based initial determination? Or does it also include individuals who were on “old Medicaid” and are now being redetermined for Medicaid/CHIP eligibility using MAGI rules?**

A2: A MAGI-based redetermination should include actions taken by the state to continue or terminate eligibility for a beneficiary regardless of whether he/she had previously been determined eligible using MAGI-rules. In other words, a determination should not be considered an initial determination just because it’s the first MAGI determination being made for an individual. If an already enrolled beneficiary completes a renewal application, the decision would be considered a redetermination even if it was the first time a determination had been made for the individual using MAGI rules. Redeterminations include beneficiaries enrolled in Medicaid/CHIP being redetermined under MAGI for the first time, as well as beneficiaries initially determined under MAGI and being redetermined under MAGI.

**Q3: If a beneficiary had a change in address and the state took action, would this be considered a redetermination for this pilot?**

A3: States may include such instances in the sampling frame as a redetermination or choose not to sample them if no valuable information can be gleaned from the review. In the round 2 pilot proposals, states are asked to define what is being considered a redetermination for their state.

**Q4: Question #7 on page 9 of the guidance says, “The review for this element should include examination of the tax filing status.” Does the state need to verify whether an applicant followed through on his/her intention to file taxes?**

A4: No. The state should accept the tax filing information an individual included in the application as true. The state does not need to verify that an applicant actually filed taxes but it should ensure that the tax filing information included on the application was used correctly when establishing household composition.

**Q5: The guidance indicates that Question #4 “If the decision has been finalized and eligibility denied, have appropriate final notices been sent?” should be cited as deficiency not an error. Can CMS confirm this is not an error for negative cases?**

A5: For purposes of these pilots, for both active and negative cases, errors are cited if the answer to Question #1 is “no” and deficiencies are cited if the answer to Question #1 is “yes” but the answer to any of the questions #2-9 is “no”. CMS specified this in the guidance so that similar terminology is utilized across states. For negative cases especially, the difference between an error and deficiency is solely a matter of terminology. States are required to report on and develop corrective actions for both errors and deficiencies and they are handled in the same way.

**Q6: In Round 2 Guidance, there has been a change in the definition of errors from Round 1 Guidance. Should states use these new Round 2 error definitions for reporting results for the Round 1 pilot?**

A6: States should report Round 1 error results based on Reporting Round 1 Guidance. Round 1 reporting should match error classifications specified in the state’s approved Round 1 Proposal. The Round 2 Guidance changes to error definitions only apply to Round 2 pilots.

**Q7: My state utilizes a State-Based Marketplace (SBM). What am I required to review for and report on for Question #3 “If the decision was finalized and denied, was the case transferred to the FFM appropriately?” and Question #5 “In assessment states, if the application was transferred from the FFM, were appropriate steps taken to ensure appropriate reuse of information”?**

A7: For Question #3, States using an SBM must review for this element to ensure that an applicant denied Medicaid/CHIP coverage was appropriately referred to the SBM for APTC determination. States that do not have a shared eligibility system should review that the case was transferred to the SBM. States that have a shared eligibility system should look for the result of the APTC determination as evidence that the case was referred correctly.

For Question #5, States utilizing an SBM that do NOT have a shared eligibility system must review for this element and verify that the state used information transferred from the SBM when making the Medicaid/CHIP determination. SBM states with a shared eligibility system do not need to review and report on this element.

States utilizing an SBM must specify whether or not they have a shared eligibility system in their pilot proposal.

**Q8: My state sampled a case that has insufficient information available for review in order to determine if the decision about program (i.e. Medicaid or CHIP) eligibility was correct. How do we handle such cases where Question #1 cannot be answered with a ‘yes’ or ‘no’? How do we respond to the additional Questions #2-9?**

Q8: States should be conducting a review and report on all cases sampled in the pilot. If a state identifies a case that has insufficient information available for review to determine if the eligibility decision was correct, the case will be reported as “undetermined.” A case should be cited as “undetermined” only if the agency cannot verify eligibility or ineligibility using the case record documentation or other sources available at the time of review. A missing case record does not automatically make a case “undetermined.”

The “undetermined” finding will only apply to Question# 1, “Was the decision about program (i.e. Medicaid or CHIP) eligibility correct?” If a case is called “undetermined” for Question #1, states are required to report the case as a “deficiency” in another section and include any details of what information was needed but unavailable for review. If there was insufficient information available to verify eligibility during the review, then there was vulnerability in verifying or storing information during the eligibility determination process under review. For Questions #2-9, states should report on each area as appropriate. States should follow Round 2 Guidance in addressing errors/deficiencies and undetermined cases identified in Question # 1 will require a corrective action plan.