



STATE OF DELAWARE

DELAWARE HEALTH AND SOCIAL SERVICES DIVISION OF MEDICAID & MEDICAL ASSISTANCE PLANNING & POLICY UNIT

MEMORANDUM

REPLY TO
ATTN. OF: Administrative Notice DMMA A-15-2021

TO: All DMMA and DSS Staff

DATE: April 14, 2021

SUBJECT: Verification of Factors of Eligibility for Medicaid

******Administrative Notice DMMA A-05-2019 originally issued on September 19, 2019, is being reissued as a result of common errors found during the most recent MEQC and PERM Audits.***

BACKGROUND

The Affordable Care Act (ACA) and related federal regulations have established a modernized, data driven approach to verification of factors of eligibility for Medicaid and CHIP. States must utilize electronic data sources to confirm information included on an individual's Medicaid application, if available. In addition, States may only request verification from an applicant or recipient in certain situations when electronic data is not available or is not reasonably compatible with information provided by the applicant or recipient.

DISCUSSION

During the most recent MEQC and PERM Audits, there were common errors found related to the disposition of applications. The purpose of this Administrative Notice is to provide guidance to staff about verifying factors of eligibility to ensure that DMMA is administering Delaware's Medicaid program in a manner consistent with federal regulations, simplicity of administration and the best interests of the applicant or beneficiary.

POLICY AND PROCEDURES

1. Staff must use electronic data sources if available to verify factors of eligibility for all Medicaid programs. Staff can request documentation from the applicant or recipient only if electronic data is not available or is not reasonably compatible with electronic data sources.
2. Staff must obtain and use data from the Federal data services hub ("hub") when available.

3. Staff must determine or renew eligibility without requiring additional verification from the applicant or recipient if information provided by the applicant or recipient is reasonably compatible with available data sources. Income information obtained through an electronic data match is considered reasonably compatible with income information provided by or on behalf of an individual if both are either above or at or below the applicable income standard.
4. If DMMA obtains information (other than income) that is needed for an eligibility determination or redetermination that is not reasonably compatible with the information provided by or on behalf of the individual, DMMA shall request additional information from the individual, including-
 - a. A statement that reasonably explains the discrepancy; or
 - b. Other specified documentation.

ACTION REQUIRED

Staff should use the attached Eligibility Factor Table to ensure that they are following the proper protocol for verifying factors of eligibility for Medicaid and CHIP.

Staff should also review the following Federal and State regulations pertaining to verifications.

[42 CFR §435.907\(e\) Application](#)

[42 CFR §435.945 General requirements](#)

[42 CFR §435.945 Verifying financial information](#)

[42 CFR §435.949 Verification of information through an electronic service](#)

[42 CFR §435.952 Use of information and requests of additional information from individuals](#)

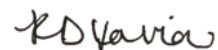
[42 CFR §435.956 Verification of other non-financial information](#)

[DSSM 14800 Verifications of Factors of Eligibility](#)

DIRECT INQUIRIES TO

Colleen Cunningham
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(302) 255-9609

April 14, 2021
DATE



Kimberly Xavier, Chief
Planning & Policy
Division of Medicaid & Medical Assistance

Eligibility Factor Table

Staff should use this table to ensure that they are following the proper protocol for verifying factors of eligibility for Medicaid and CHIP.
 ++Staff should also review the Federal and State regulations pertaining to verifications, bottom of this table and in the administrative notice.

Eligibility Factor	Self-Attestation Accepted without Additional Verification (Y/N)	Self-Attestation Accepted with Post-Eligibility Verification (Y/N)	Electronic Data Source Used (Y/N)	Paper Documentation Required from the Individual (Y/N)	Comments
Income	NO	YES	YES	*YES	<p>Delaware accepts self-attestation with post-eligibility verification for individuals not currently enrolled in SNAP/TANF/GA/POC.</p> <p>For individuals not currently enrolled in SNAP/TANF/GA/POC, post-eligibility verification takes place within 30 days of enrollment.</p> <p>For individuals enrolled in SNAP/TANF/GA/POC, verification takes place at application.</p> <p>SSA data is accessed through the Federal Hub.</p> <p>Earned income will be verified via TALX data, accessed via the Federal Hub.</p> <p>The reasonable compatibility standard for income is that both the information provided by the applicant/recipient and the information obtained through electronic data source are above, at or below the applicable income standard.</p> <p>Delaware uses a reasonable compatibility standard of 10%. The State will request a reasonable explanation from the individual if the difference between the attested and electronic information is not reasonably compatible.</p>

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Date of Birth/Age	YES	NO	NO	NO	
Social Security Number	NO	NO	YES	*YES	Self-attestation will be accepted for individuals who are not eligible to receive a SSN, individuals who may only be issued a SSN for a valid non-work reason, or individuals who refuse to obtain a SSN because of a well-established religious objection. The State will request paper documentation only if unable to resolve through the Federal Hub or other data source.
Citizenship	NO	NO	YES	*YES	The Federal Hub will be used to verify citizenship. The State may also check the vital statistics database if the Federal Hub verification fails. If unable to verify through these existing electronic data sources, the State will request paper documentation of citizenship. The State will provide a 90-day reasonable opportunity period for the individual to provide documentation in this situation and, if otherwise eligible, will furnish Medicaid or CHIP to the individual during the reasonable opportunity period. The reasonable opportunity period will be extended beyond 90 days as/if needed.
Immigration Status	NO	NO	YES	*YES	Delaware uses the Verify Lawful Presence (VLP) functionality in ASSIST Worker Web (AWW) to verify immigration status. The State will only require the applicant or recipient to provide documents if VLP verification fails. If VLP verification fails, citizenship/immigration documents must be sent to the designated SAVE worker for submission to the Department of Homeland Security (DHS).

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Pregnancy	YES	NO	NO	NO	States must accept self-attestation of pregnancy unless they have information that is not reasonably compatible with such attestation.
Caretaker Relative	YES	NO	NO	NO	
Medicare	NO	YES	YES	NO	If a discrepancy exists between the self-attestation and the data source, we will ask for a reasonable explanation. If the discrepancy cannot be resolved, we will request documentation.
Application for Other Benefits	YES	NO	NO	NO	
**Resources	NO	NO	YES	YES	<p>Most LTC Medicaid applicants and recipients are subject to a resource test as part of the determination and annual redetermination of financial eligibility. We do require verification of resources for applicants and recipients subject to a resource test. Please see the following list of potentially countable resources and the type(s) of verification we may request for each:</p> <p>Property (DSSM 20320):</p> <ul style="list-style-type: none"> • Use the Asset Verification System (AVS) to screen for undisclosed property of LTC applicants and recipients. • Request a copy of the deed to verify ownership of property and type of property. • Request documentation to verify the specifics of a life estate agreement. • Request documentation of the property's fair market value (FMV) from a knowledgeable source, such as a licensed real estate agent or appraiser.

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					<ul style="list-style-type: none"> • Request documentation to verify any encumbrances on the property to determine the equity value. • Additional documentation may be requested in cases involving the following types of property: <ul style="list-style-type: none"> ○ Property Excluded Regardless of Value or Rate or Return (DSSM 20320.5.1); ○ Property Excluded Up to \$6,000 Equity, Regardless of Rate of Return (DSSM 20320.5.2); ○ Property Excluded Up to \$6,000 Equity If It Produces a 6% Rate of Return (DSSM 20320.5.3); and ○ Non-Home Real Property (DSSM 20320.6. & 20320.6.1). <p>Vehicles (DSSM 20330.1):</p> <ul style="list-style-type: none"> • Screen the DMV database for vehicle registration. • Kelley Blue Book (www.kbb.com) is used to calculate the fair market value (FMV) of the vehicle on the open market. We may also request verification from the applicant or recipient of any encumbrances, if applicable, to determine the equity value of a vehicle. <p>Financial Institutions Accounts (DSSM 20330.2):</p> <ul style="list-style-type: none"> • Use the Asset Verification System (AVS) to screen for undisclosed financial institutions accounts of LTC applicants and recipients. • Request bank statements from applicants and recipients to verify account information and review deposits, withdrawals, transfers, etc.

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					<p>Promissory Notes, Loans and Property Agreements (DSSM 20330.3):</p> <ul style="list-style-type: none"> Request a copy of the promissory note, loan or property agreement from the applicant or recipient. <p>Retirement Funds (DSSM 20330.4):</p> <ul style="list-style-type: none"> Request documentation of any non-excluded retirement accounts/funds/plans from the applicant or recipient. <p>Stocks (DSSM 20330.5):</p> <ul style="list-style-type: none"> Request a copy of the stock certificate or most recent statement of account from the firm that issued or is holding the stock. <p>Mutual Fund Shares (DSSM 20330.6):</p> <ul style="list-style-type: none"> Request a statement of account from the investment company managing the pool of assets. <p>U.S. Savings Bonds (DSSM 20330.7)</p> <ul style="list-style-type: none"> Request a copy of the bond(s) to verify the ownership of the bond. Use the U.S. Treasury Department’s Database to determine the value of the bond(s) at: https://www.treasurydirect.gov/BC/SBCPrice <p>Municipal, Corporate and Government Bonds (DSSM 20330.8):</p> <ul style="list-style-type: none"> Request a statement of ownership and FMV of the bond(s) from the issuer. <p>Annuities (DSSM 20330.10):</p> <ul style="list-style-type: none"> Request a copy of the annuity to verify ownership, irrevocable/non-assignable status, actuarial soundness, schedule

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					<p>of payments and State of Delaware’s position as the remainder beneficiary.</p> <p>Life Insurance & Burial Resources (DSSM 20340):</p> <ul style="list-style-type: none"> Request a copy of the life insurance policy owned by the applicant or recipient to verify the original face value (FV), the cash surrender value (CSV), and type of policy. Request the most recent annual dividend statement issued by the company for each life insurance policy (if applicable). Request documentation of any burial resources from the applicant or recipient, including but not limited to: designated burial accounts, life insurance funded burial contracts, irrevocable burial trusts, prepaid burial contracts, etc. <p>Trusts (DSSM 20400):</p> <ul style="list-style-type: none"> Request a copy of the trust to determine ownership, revocable/irrevocable status, types of payments allowed/not allowed, value of trust, etc.
**Expenses	NO	NO	NO	YES	<p>LTC Medicaid applicants and recipients residing in a nursing home (NH) are eligible to retain some of their available income to protect for certain expenses.</p> <p>Medical Insurance Premiums (DSSM 20620.2.1)</p> <ul style="list-style-type: none"> Request a copy of the medical insurance premium invoice to confirm the amount and frequency of the payments. <p>Cost of Necessary Medical Care (DSSM 20620.2.2)</p>

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					<ul style="list-style-type: none"> Request verification of the cost of the non-covered, necessary medical care from the applicant or recipient (may also come from the LTC facility) to document the amount of income to be protected. <p>Prior Medical Costs (DSSM 20620.2.3)</p> <ul style="list-style-type: none"> Request verification of medical costs incurred in a prior period of ineligibility (if approved & if incurred within 3 months of effective date) from the applicant or recipient (may also come from the LTC facility). <p>Spousal Excess Shelter Allowance (DSSM 20910.5)</p> <ul style="list-style-type: none"> Request verification of the rent/mortgage, property taxes, home owner's insurance, etc. to determine the amount of excess shelter allowance for the couple.

*Only if electronic verification is not available or not reasonably compatible with attested information.

**Only applicable to certain Long-Term Care (LTC) program applicants and recipients.

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- [42 CFR §435.907\(e\) Application](#)
- [42 CFR §435.945 General requirements](#)
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