



MEPD and TW Bulletin 23-18

Date: Dec. 15, 2023

To: Eligibility Services Supervisors and Staff
Program Managers
Regional Directors
Regional Attorneys
Hearings Officers

From: Access and Eligibility Services Program Policy
State Office 2106

Subject: **1. Continuous Eligibility for Medicaid and Children's Health Insurance Program (CHIP) for Children under 19**
2. Administrative Renewals Update

The information in this bulletin will be included in a future handbook revision. Until the handbook is updated, staff must use the information in this bulletin. If you have any questions regarding the policy information in this bulletin, follow regional procedures.

Active bulletins are posted on the following websites:

- [Medicaid for the Elderly and People with Disabilities Handbook \(MEPDH\)](https://hhs.texas.gov/laws-regulations/handbooks/mepd/policy-bulletins) at <https://hhs.texas.gov/laws-regulations/handbooks/mepd/policy-bulletins>
- [Texas Works Handbook \(TWH\)](https://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins) at <https://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins>.

1. Continuous Eligibility for Medicaid and Children's Health Insurance Program (CHIP) for Children under 19

Background

On Dec. 29, 2022, H.R. 2617, the Consolidated Appropriations Act (CAA), 2023 was signed into law. Section 5112 of the CAA, 2023, requires states to provide children under 19 years of age with 12 months of continuous eligibility (CE) coverage in Medicaid and CHIP. This federal law change is effective Jan. 1, 2024.

Current Policy

[Medical Programs - TW](#)

Children under 19 years of age receive a 12-month certification period. The first six months of the certification period is a period of CE. The second six-month period is a period of non-continuous eligibility. ([TWH A-2324](#), Length of Certification)

Children under age 19 remain eligible during the CE period with the following exceptions:

- Death;
- Moves out of state;
- Voluntary withdrawal;
- Not validly enrolled due to being certified in error at application or HHSC's Office of Inspector General (OIG) has determined the person fraudulently received Medicaid and coverage should be denied;
- Reaches age 19.

Children certified for Medicaid receive a Periodic Income Check (PIC) in months five through eight of their 12-month certification period. The result of a PIC and changes in circumstances may potentially affect eligibility during the second six months of the certification period. ([TWH B-637](#), Periodic Income Checks)

[CHIP](#)

Children are certified for 12 months of continuous eligibility except for children in households who have income over 185% of the Federal Poverty Level (FPL). Children certified for CHIP with income above 185% FPL receive an income check in the sixth month of their 12-month certification period. The result of the income check may impact eligibility in the seventh month. ([TWH D-1436](#), Income and Deduction Changes, [D-1510](#), General Information)

Children remain eligible during the CE period with certain exceptions. ([TWH D-1731](#), Exceptions to the Continuous Enrollment Period)

Medical Programs - MEPD

Children are certified for 12 months. Eligibility is redetermined at periodic intervals not to exceed 12 months and after a reported change in circumstances. ([MEPDH B-8200](#), Redetermination Cycles)

Incarcerated Children Under 19

Medicaid for Children Ages 6 – 18 (TP 44)

When the Texas Juvenile Justice Department (TJJD) or a Juvenile Probation Department (JPD) reports a Medicaid recipient (TP 44) is placed in a secured juvenile facility, the child's benefits are suspended. Medicaid coverage is reinstated upon release, only if there are months remaining in the child's certification period. If the child's placement in a juvenile facility is reported by a source other than TJJD or JPD, the child's Medicaid eligibility is terminated. ([TWH B-520](#), Medicaid Suspension, [B-543](#), Child Placed in a Juvenile Facility)

Other Medical Programs Other Than TP 44

Benefits are terminated when a report of incarceration or placement in a juvenile facility is received for a child certified on a Medicaid type of assistance (TOA) other than TP44. (TWH [B-543](#), Child Placed in a Juvenile Facility; A-2344.1, Form TF0001 Required [Adequate Notice])

CHIP

Benefits are terminated when a report of incarceration or placement in a juvenile facility is received for a CHIP recipient. ([B-543](#), Child Placed in a Juvenile Facility; [TWH D-310](#), Certified Group)

Pregnant Children Under Age 19

A child under 19 who is eligible and certified for Medicaid for Pregnant Women (TP 40) remains continuously eligible through the second month following the month her pregnancy terminates regardless of a change in income. ([TWH A-820](#), Regular Medicaid Coverage, [A-832](#), Continuous Medicaid Coverage)

New Policy

All Medical Programs and CHIP

Effective Jan. 1, 2024, children under age 19 who are determined eligible and certified for Medicaid or CHIP at application, or during an annual redetermination, receive 12 months of CE.

Children under age 19 remain continuously eligible for the full 12-month certification period, regardless of changes in income.

Periodic Income Checks are no longer required for children under 19 years of age.

The following are exceptions to the CE period:

- Death;
- Moves out of state;
- Voluntary withdrawal;
- Not validly enrolled due to being certified in error at application or HHSC's OIG has determined the person fraudulently received Medicaid or CHIP and coverage should be denied;
- The household reports a change that makes the child eligible for Medicaid;
- Reaches age 19.

[Incarcerated Children Under Age 19](#)

Medicaid for Children Ages 6 – 18 (TP 44)

When a child certified in TP 44 is released from the secured juvenile facility, Medicaid coverage will be reinstated if there are any months left in the child's 12-month certification period. The child will receive CE for the remaining months.

Other Medical Programs and CHIP

Benefits will be sustained for a child certified on a Medicaid type of assistance other than TP 44 or certified for CHIP when a report of incarceration or placement in a juvenile facility is received. The child remains eligible, and staff must redetermine eligibility at the end of the 12-month CE period.

Pregnant Children Under Age 19

A child under age 19 determined eligible and certified for TP 40 will receive a 12-month CE period, regardless of when the child's pregnancy ends.

If the child turns 19 before the end of their 12-month CE period, they will receive regular postpartum coverage through the second month following the month her pregnancy terminates.

[Current Recipients Whose Eligibility Period Ends After Jan. 1, 2024](#)

For active Medicaid and CHIP recipients, CE applies for the remainder of the current certification period. When their current certification period ends after Jan. 1, 2024, if the child remains eligible, they will be certified for a new 12-month CE period.

For example, the child's certification began in November 2023, CE will apply starting in January 2024 through October 2024, the end of the current 12-month certification period. A PIC will not occur in the fifth month.

Automation

Changes to TIERS are currently scheduled to be implemented with TIERS Release 116.1 on Dec. 23, 2023.

Correspondence

Correspondence changes are not required.

Handbook

Updates to the MEPDH are currently scheduled for the June 2024 revision.

Updates to the TWH are currently scheduled for the April 2024 revision.

Training

Training will be made available in the Program Area Learning Management System (PALMS) as part of Release 116.1 General Information on Dec. 15, 2023. A training broadcast will be sent with further details.

Effective Date

This policy is effective for applications and renewals disposed on or after Jan. 1, 2024.

2. Administrative Renewals Update

Background

At renewal, before transferring a child from Medicaid to CHIP, the household must be given the opportunity to verify income information received through electronic data sources (ELDS).

Current Process

At administrative renewal, if ELDS information indicates the household's income is above the applicable income limit for Medicaid but below the limit for CHIP, TIERS generates and sends Form H1020, Request for Information or Action; Form H1211, It's Time to Renew Your Health-Care Benefits Cover Letter, and Form H1206, Health Care Benefits Renewal - MA to the household requesting income verification. If the household:

- Provides verification of income at or below the income limit for Medicaid, sustain the child's eligibility for Medicaid.
- Provides verification of income above the limit for Medicaid but below the limit for CHIP, transfer the child to CHIP.
- Does not provide the requested income verification, the child's Medicaid eligibility is terminated for failure to provide.

New Process

At administrative renewal, if ELDS indicates the household's income is above the applicable income limit for Medicaid but below the limit for CHIP, TIERS generates and sends Form H1020, Request for Information or Action, Form H1211, It's Time to Renew Your Health-Care Benefits Cover Letter, and Form H1206, Health Care Benefits Renewal - MA, to the household requesting income verification. If the household:

- Provides verification of income at or below the limit for Medicaid, sustain the child's eligibility for Medicaid.
- Provides verification of income above the limit for Medicaid but below the limit for CHIP, transfer the child to CHIP.
- Does not provide the requested income verification and no other verification is required, transfer the child to CHIP.

Correspondence

Form H1211 has been modified to capture the following information:

"Your child is no longer eligible for Medicaid because the reported amount of income you make is more than the allowable income limits for your household. If you think this is incorrect, fill out a renewal form and return it to us by [due date].

If we don't receive your renewal form and supporting verification by the due date, we will use the information we have that confirms your child is no longer eligible for Medicaid.

If your child is no longer eligible for Medicaid, we can test and determine if your child is eligible for the Children's Health Insurance Program (CHIP).

If your child is not eligible for CHIP, HHSC sends your application to the Federal Marketplace (healthcare.gov). They will review your application and let you know if your child can get health insurance through their program."

Automation

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Training

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Effective Date

This policy is effective for renewals disposed on or after Jan. 1, 2024.