



## **MEPD and TW Bulletin 24-01**

**Date:** Feb. 1, 2024

**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. Household Composition Clarification**  
**2. Mileage Rate Increase**  
**3. Notice of Excessive Card Replacements**  
**4. Extending Postpartum Coverage in Medicaid and the Children's Health Insurance Program (CHIP)**

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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. Household Composition Clarification

### Background

The Food and Nutrition Service (FNS) provided technical assistance to clarify that required SNAP household members can be considered living together when they reside at the same physical address. Federal regulations in 7 CFR 273.1(b)(1) require specific household combinations to be considered as purchasing and preparing food together, even if the household states they do not.

### Current Policy

#### SNAP

The following people must be certified in the same SNAP household if they live together:

- Natural, adoptive or stepparents and children 21 or younger.
- A child under age 18 and any nonparent adult household member with parental control over the child.
- Spouses. ([TWH A-231](#), Who Is Included)

If questionable or a regional requirement, verify the household size. ([TWH A-250](#), Verification Requirements)

The following household composition verification sources are acceptable:

- Current school record showing the same address as the specified relative;
- Visual observation of the child;
- Statement from non-relative landlord;
- Statement from non-relative neighbor;
- Hospital, clinic, health department or private doctor's record;
- Statement from clergy;
- Court child support order;
- Juvenile court records;
- Child welfare records;
- Marriage license or certificate; or
- Juvenile Medicaid Tracker (only for those placed or released by the Texas Juvenile Justice Department or Juvenile Probation Department). ([TWH A-251](#), Verification Sources)

## New Policy

### SNAP

The following people must be certified in the same SNAP household if they live together:

- Natural, adoptive or stepparents and children 21 or younger.
- A child under age 18 and any nonparent adult household member with parental control over the child.
- Spouses.

If questionable, verify the household size and composition.

If the required household members claim to live at separate physical addresses and the information in the case record indicates otherwise, including electronic data sources, request additional verification to clear the discrepancy between the household's attestation and the information in the case record using the [Form H1020](#), Request for Information or Action.

If the required household members claim to live in separate dwelling units at the same physical address, attempt to clear the discrepancy using the county appraisal district (CAD). Document the information from the CAD in the case record. If the information from the CAD does not clear the discrepancy or indicates there is only one dwelling unit at the physical address, request additional verification using the Form H1020.

To be considered as living separately, required household members must provide verification that they live in separate dwelling units. If unable to clear the discrepancy, consider the required household members as living together.

A dwelling unit is a home, mobile home, duplex unit, apartment unit, condominium unit, or any unit in a multiunit residential structure. A multiunit residential structure is two or more dwelling units in one or more buildings that are:

- under common ownership;
- managed by the same owner, agent, or management company; and
- located on the same lot or tract of adjacent lots or tracts of land.

Required household members who live at the same physical address are included in the SNAP household regardless of the design of their unit.

The following **additional** household composition verification sources are acceptable:

- Building permits;
- County records;
- Court documents;
- Lease agreements;
- Mortgage statements;
- Property deeds.
- Tax records; or
- Titles.

**Note:** When a household's statement contradicts information found in the CAD, use prudent person principle to ensure statements from a non-relative landlord, non-relative neighbor, or clergy adequately explain the discrepancy.

**Automation**

Automation changes are not required.

**Correspondence**

Correspondence changes are not required.

**Handbook**

Updates to the MEPDH are not required.

The TWH is currently scheduled to be updated in the July 2024 revision.

**Training**

Training is not required.

**Effective Date**

This policy is effective for applications, redeterminations, and changes received on or after March 1, 2024.

## 2. Mileage Rate Increase

### Background

On Dec. 14, 2023, the Internal Revenue Service (IRS) issued Notice 2024-08 adjusting the standard mileage reimbursement rate for 2024. The mileage rate is revised for state travel based on the current IRS rate.

### Current Policy

#### [All Programs](#)

Households may claim deductions for transportation costs related to self-employment. The mileage rate for 2023 is 65.5 cents per mile. ([MEPDH E-6210](#), Self-Employment Expenses; and [TWH A-1323.4.5](#), Allowable Costs of Producing Income)

#### [SNAP](#)

Households may claim deductions for transportation costs related to medical expenses. The mileage rate for 2023 is 65.5 cents per mile. ([TWH A-1428.1](#), Allowable Medical Expenses)

### New Policy

#### [All Programs](#)

The mileage rate for transportation costs related to self-employment in 2024 is 67 cents per mile.

#### [SNAP](#)

The mileage rate for transportation costs related to medical expenses in 2024 is 67 cents per mile.

### Automation

Automation changes are not required.

### Correspondence

Correspondence changes are not required.

### Handbook

The MEPDH is currently scheduled to be updated in the June 2024 revision.

The TWH is currently scheduled to be updated in the April 2024 revision.

### Training

Training is not required.

**Effective Date**

This policy is effective for all case actions disposed on or after March 1, 2024.

### 3. Notice of Excessive Card Replacements

#### Background

Based on findings from the SNAP Recipient Integrity Review Management Evaluation conducted by the Food and Nutrition Service in October of 2020, modifications to the excessive card replacement notification process are required. These modifications include updates to the notice language and documentation of the notice in the case record.

#### Current Policy

##### [SNAP](#)

To reduce electronic benefit transfer (EBT) trafficking, the EBT vendor tracks the number of replacement cards issued in a 12-month period. The EBT vendor produces a monthly report for the print vendor if a household requests four replacement cards within 12 months after the initial card issuance to a primary or secondary cardholder. The print vendor also sends the household an excessive replacement card notice. ([TWH B-235](#), Lone Star Card Replacements)

#### New Policy

##### [SNAP](#)

To reduce EBT trafficking, the EBT vendor tracks the number of replacement cards issued in a 12-month period. The EBT vendor sends a monthly report through an electronic interface to HHSC if a household requests four replacement cards within 12 months after the initial card issuance to a primary or secondary cardholder. The interface triggers TIERS to send the household a Notice TF0610, Notice of Excessive Card Replacements, and maintains the correspondence in the case record.

#### Automation

Changes to TIERS were implemented with TIERS Release 116 on Nov. 18, 2023, and TIERS Release 116.1 on Dec. 23, 2023.

#### Correspondence

TIERS automatically generates and mails Notice TF0610 based on data contained in the monthly replacement file. No staff action is needed.

#### Handbook

Updates to the MEPDH are not required.

The TWH is currently scheduled to be updated in the July 2024 revision.

**Training**

Training is not required.

**Effective Date**

This policy is effective Feb. 1, 2024.



## 4. Extending Postpartum Coverage in Medicaid and CHIP

### Background

House Bill (H.B.) 12, passed by the 88th Texas Legislature, Regular Session, 2023, requires Texas Health and Human Services Commission (HHSC) to provide 12 months of postpartum Medicaid coverage to women receiving Medicaid at the time their pregnancy ends, regardless of how the pregnancy ended. Federal guidance also requires states to provide the same 12-month postpartum coverage to pregnant children on the Children's Health Insurance Program (CHIP).

HHSC will also reinstate coverage for women who were pregnant, and are no longer enrolled in Medicaid or CHIP, but still within their 12-month postpartum period. They will receive Medicaid or CHIP coverage for the remainder of their postpartum period. Additionally, HHSC will transition women enrolled in Healthy Texas Women (HTW) who are within their 12-month postpartum period to Medicaid for Pregnant Women or CHIP for the remainder of their postpartum period.

### Current Policy

#### [Medicaid for Pregnant Women \(TP 40\)](#)

Medicaid eligibility for a pregnant woman ends on the last day of the second month following the month her pregnancy terminates. Continuous Medicaid coverage is provided through the second month after the pregnancy terminates regardless of any change in income. Sixty days before her TP 40 coverage ends, a woman is automatically tested for other types of assistance without requiring a new application. If eligible, the woman receives a new certification period beginning after the TP 40 EDG ends. ([TWH A-825](#), Medicaid Termination; and [TWH A-832](#), Continuous Medicaid Coverage)

#### [Medically Needy with Spend Down \(TP 56\)](#)

A woman certified or retroactively certified for TP 56 on the day her pregnancy ends is eligible to receive TP 56 in the two-month postpartum period if the woman meets additional eligibility requirements for this type program. The original budget used to certify Medicaid coverage on the day the woman's pregnancy ends is the same budget used in the two-month postpartum period. (TWH A-825)

#### *Current Process*

- Pregnant women certified for TP 56 are required to submit unpaid medical bills and meet spend down each month to receive coverage.
- These individuals receive an "open and close" certification period.
- There is no renewal process for this program.

[Medically Needy with Spend Down – Emergency \(TP 32\)](#)

A woman certified or retroactively certified for TP 32 on the day her pregnancy ends is eligible to receive TP 32 in the two-month postpartum if she meets the additional eligibility requirements for this type program. The original budget used to certify the Medicaid coverage on the day the woman’s pregnancy ends is the same budget used in the two-month postpartum period.

*Current Process*

- Pregnant women certified for TP 32 are required to submit unpaid medical bills and meet spend down each month to receive coverage.
- These individuals receive an “open and close” certification period.
- There is no renewal process for this program.

[Emergency Medicaid for Pregnant Women \(TP 36\)](#)

A woman certified or retroactively certified for TP 36 on the day her pregnancy ends is only eligible to receive TP 36 in the two-month postpartum period if she has another medical emergency. Eligibility ends the date the woman’s medical condition is stabilized as verified by the attending practitioner. Verification is provided through [Form H3038](#), Emergency Medical Services Certification, or [Form H3038-P](#), CHIP Perinatal – Emergency Medical Services Certification. The original budget used to certify Medicaid coverage on the day the woman’s pregnancy ends is the same budget used in the two-month postpartum period. (TWH A-825)

*Current Process*

- A new application and Form H3038/H3038-P must be submitted for all subsequent emergency events during the two-month postpartum eligibility period to receive TP 36 coverage.
- These individuals are provided an “open and close” certification period for dates of service, including labor and delivery.
- There is no renewal process for this program.

[Former Foster Care Children \(FFCC\) \[TA 82\] and Medicaid for Transitioning Foster Care Youth \(MTFCY\) \[TP 70\]](#)

FFCC or MTFCY recipients remain in FFCC or MTFCY after a report of pregnancy.

[Department of Family and Protective Services \(DFPS\), Supplemental Security Income \(SSI\), and Medicaid for the Elderly and People with Disabilities \(MEPD\)](#)

Women who receive a DFPS (Adoption Assistance, Permanency Care Assistance, Foster Care), SSI or MEPD type of assistance during their pregnancy do not receive a two-month postpartum period.

### CHIP (TA 84)

When a household reports a pregnancy for a child receiving CHIP, the pregnant child is tested for TP 40. If the pregnant child is determined ineligible for TP 40, the pregnant child remains certified for CHIP up to two months beyond the original certification end date unless the pregnant child reports:

- pregnancy termination;
- other insurance;
- a move out of state; or
- turning 19.

Coverage is extended one month if the pregnancy due date is in the 11th month of the CHIP certification period or two months if the pregnancy due is in the 12th month of the CHIP certification period. If the household does not report a child's pregnancy until she gives birth or later, the child remains in CHIP. A pregnant child who ages out of CHIP before her expected due date and is determined eligible for CHIP Perinatal (CHIP-P) is enrolled in CHIP-P beginning the first day of the month following her CHIP end date. ([TWH D-1435](#), Pregnancy Reports; and [TWH D-1732](#), Pregnant Members Aging Out of CHIP)

Children certified for CHIP receive continuous coverage until the end of their 12-month certification period unless the child meets one of the continuous enrollment exceptions. ([TWH D-1731](#), Exceptions to the Continuous Enrollment Period)

### **New Policy**

#### Medical Programs

Medicaid eligibility for pregnant women and pregnant children ends on the last day of the 12th month following the month their pregnancy terminates. Continuous Medicaid and CHIP coverage is provided through the pregnancy and the 12-month postpartum period regardless of any change in circumstance unless the woman:

- voluntarily withdraws;
- moves out of state;
- dies; or
- is ineligible due to agency error, fraud, abuse or perjury attributed to the person.

#### Renewals

A full redetermination of eligibility must be conducted at the end of the 12-month postpartum period for Medicaid and CHIP.

### Medically Needy with Spend Down (TP 56)

Pregnant women certified for TP 56 receive continuous eligibility from the first day spend down is met through the 12-month postpartum period. Do not require the pregnant woman to meet the spend down amount again during her pregnancy and 12-month postpartum certification period.

#### *New Process*

- Women certified for TP 56 are not required to submit a new application or unpaid medical bills during the postpartum period.
- Do not process the certification period as an "open and close" segment; TIERS automatically provides pregnant TP 56 recipients eligibility during the pregnancy and the 12-month postpartum certification period.

### Medically Needy with Spend Down – Emergency (TP 32)

Once the spend down amount is met, pregnant women certified for TP 32 receive coverage from the first day spend down is met through the 12-month postpartum period. Do not require the pregnant woman to meet the spend down amount again during her pregnancy and 12-month postpartum period.

#### *New Process*

- Women certified for TP 32 are not required to submit a new application or unpaid medical bills during the postpartum period.
- Do not process the certification period as an "open and close" segment; TIERS automatically provides pregnant TP 32 recipients eligibility during the pregnancy and the 12-month postpartum certification period.

### Emergency Medicaid for Pregnant Women (TP 36)

Pregnant women certified for TP 36, including those who receive coverage for labor and delivery services, receive a 12-month postpartum period.

#### *New Process*

- Women certified for TP 36 are not required to submit a new application or Form H3038/H3038-P for any subsequent emergency events during the postpartum period.
- Do not process the certification period as an "open and close" segment; TIERS automatically provides TP 36 recipients a 12-month certification period.

### FFCC (TA 82) and MTFY (TP 70)

If a pregnant or postpartum woman's FFCC or MTFY eligibility is denied, including if she aged out, TIERS automatically transitions the woman to TP 40 for the remainder of her pregnancy and 12-month postpartum period.

### DFPS, SSI and MEPD

If a pregnant or postpartum woman's DFPS, SSI or MEPD type of assistance is terminated, TIERS automatically transitions the woman to TP 40 for the remainder of her pregnancy and 12-month postpartum period. These women will receive a full renewal when their TP 40 certification ends.

If the case exceptions out of the Mass Update, new Alert 915, PCA/AA/FC MU Exceptions for Pregnancy Medicaid, and new Alert 916, MEPD-SSI MU Exceptions for Pregnancy Medicaid, will generate for staff to manually process.

Alert 728, TW EDG Has Not Been Disposed, will generate when there is a partial disposition of a TP 40 EDG.

### CHIP (TA 84)

When a household reports a pregnancy for a child receiving CHIP, test the pregnant child for TP 40. If eligible for TP 40, transition the pregnant child to Medicaid. If the pregnant child is determined ineligible for Medicaid, provide continuous CHIP coverage through the child's pregnancy and 12-month postpartum period regardless of any change in circumstance, including if she turns 19, unless she:

- voluntarily withdraws;
- moves out of state;
- dies; or
- is ineligible due to agency error, fraud, abuse, or perjury attributed to the person.

During the postpartum period, if the CHIP household reports a change that results in Medicaid eligibility, do not move the CHIP child to Medicaid. The CHIP postpartum child's coverage must be maintained on CHIP until the end of her 12-month postpartum period. During the postpartum period, if the child receiving CHIP voluntarily chooses to end their CHIP coverage, the CHIP child will not be eligible to receive the remainder of their continuous postpartum coverage in Medicaid.

**Exception:** If the child receiving CHIP becomes eligible for Nursing Facility Medicaid during her postpartum period, transition the child to Nursing Facility Medicaid once the child meets all eligibility requirements for Nursing Facility Medicaid. Deny the continuous CHIP eligibility for the remainder of the child's 12-month postpartum period.

**Note:** Policy for CHIP-P does not change. The 12-month postpartum period does not apply to CHIP-P.

### **Automation**

Changes to TIERS are currently scheduled to be implemented with TIERS Release 116.3 on Feb. 24, 2024.

In addition to the implementing the new policy, automation changes will also automatically reinstate coverage for women who were pregnant, and are no longer enrolled in Medicaid or CHIP, but still within their 12-month postpartum period. They will receive Medicaid or CHIP coverage for the remainder of their postpartum period. Additionally, women enrolled in Healthy Texas Women (HTW) who are within their 12-month postpartum period will automatically transition to Medicaid for Pregnant Women or CHIP for the remainder of their postpartum period.

Until complete automation changes are implemented for CHIP, a manual solution has been established between TIERS Interfaces and Enrollment Broker. Eligibility determination processes for CHIP are not changing and no additional action is needed from eligibility staff to ensure appropriate postpartum coverage.

The Change and Alert Guide will be updated to include new alert processes.

### **Correspondence**

The TIERS version of the following forms has been updated to reflect the changes in policy:

- Form H1118, What is The Medically Needy Program?;
- [Form H1120](#), Medical Bills Transmittal/Insurance Information; and
- Form 3087S, HHSC Medicaid Identification.

Recipients whose coverage is reinstated for the remainder of their postpartum period effective March 1, 2024, will receive a TF0001, Notice of Case Action, informing them of their reinstatement.

### **Handbook**

The MEPDH is currently scheduled to be updated in the September 2024 revision.

The TWH is currently scheduled to be updated in the July 2024 revision.

### **Training**

A web-based training (WBT) titled Release 116.3 General Information will be made available in the Program Area Learning Management System (PALMS) on Feb. 16, 2024. A training broadcast will be sent with further details.

**Effective Date**

This policy is effective for applications, redeterminations, and changes received on or after March 1, 2024.