



MEPD and TW Bulletin 21-07

Date: April 8, 2021

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

From: Access and Eligibility Services Program Policy
State Office 2115

Subject: **1. COVID-19 Update: Processing Denial Actions for Medicaid Programs**
2. COVID-19 Update: Additional Emergency Allotment (EA) Supplement

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 \(TWH\)](http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins) at <http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins>.

Background

On January 27, 2020, the Secretary of the U.S. Department of Health and Human Services declared that a public health emergency exists nationwide due to the novel coronavirus (COVID-19) outbreak. Additionally, on March 13, 2020, Governor Greg Abbott also declared a state of disaster for all counties in Texas due to the COVID-19 outbreak. HHSC is providing the following temporary guidance regarding policies and procedures for processing case actions during the COVID-19 public health emergency.

1. COVID-19 Update: Processing Denial Actions for Medicaid Programs

COVID-19 Policy

Medical Programs

Guidance previously issued in the following MEPD and Texas Works Bulletins provided staff with policy and processes for case actions that would result in a denial of active Medicaid EDGs.

- MEPD and Texas Works Bulletin 20-4, Item #6 Processing Case Actions for Medical Programs, released on March 23, 2020;
- MEPD and Texas Works Bulletin 20-06, Item #3 Maintaining Medicaid Coverage, released on April 7, 2020;
- MEPD and Texas Works Bulletin 20-10, Item #4 Update: Processing Case Actions for Medicaid Programs, released on April 28, 2020; and
- MEPD and Texas Works Bulletin 20-13, Item #1 Update: Processing Case Actions for Medicaid Programs, released on May 12, 2020.

This update replaces the previous guidance for allowable Medicaid denials during the COVID-19 public health emergency.

H.R. 6201 (Families First Coronavirus Response Act), requires states to maintain Medicaid coverage until the end of the month in which the COVID-19 public health emergency ends for certain recipients who were active or certified for Medicaid as of or after March 18, 2020, unless the person:

- voluntarily withdraws;
- dies; or
- moves out of state.

Based on revised guidance provided by the Centers for Medicare and Medicaid Services (CMS), states are not required to maintain Medicaid for persons who are not validly enrolled.

The following Medicaid recipients are not considered validly enrolled:

- a person certified in error; or
- a person who the Office of Inspector General (OIG) has determined fraudulently received Medicaid and coverage should be denied.

Staff must deny Medicaid during the COVID-19 public health emergency when it is discovered an initial determination of eligibility was incorrect at the time it was made due to agency error or when notified by OIG that a Medicaid recipient was convicted of fraud.

This policy does not apply to redeterminations processed on or after March 18, 2020.

Staff must follow advance notice of adverse action procedures prior to terminating benefits for persons not considered validly enrolled ([TWH A-2343.1](#), How to Take Adverse Action if Advance Notice is Required, and [MEPDH B-8420](#), Notification of Changes as a Result of Redetermination). To ensure appropriate termination of Medicaid benefits, staff must follow the override instructions listed in the "**Staff Procedures for Denying Medicaid**" section below.

Staff Procedures for Denying Medicaid

Follow the instructions below to override a Medicaid EDG to process a denial because the recipient was certified in error or a fraud determination was received:

- Click on the EDG Override Summary tab;
- Click  for the correct Medicaid EDG month (for multiple Medicaid months, start with the earliest month and work forward);
- The EDG Override Details page is displayed. From the EDG Status drop-down menu, select Deny. Enter the following in the Override Reason box: "Using instructions provided in MEPD and Texas Works Bulletin 21-07 to deny Medicaid";
- Select the appropriate reason *No eligible members* from the Disposition Reason drop-down menu;
- Click  and then click . Follow current Second Level Review (SLR) processes; and
- Document in Case Comments "Using instructions provided in MEPD and Texas Works Bulletin 21-07 to deny Medicaid for <enter actual denial reason

here, "Certified in Error" or "Fraud Determination">. Ensure each subsequent disposition maintains the use of these instructions".

Automation

Automation changes are not required.

Correspondence

Correspondence changes are not required.

Handbook

Handbook updates are not required.

Training

Training is not required.

Effective Date

This policy is effective with the release of this bulletin. Staff will be notified when the COVID-19 policy and clarifications no longer apply.

2. COVID-19 Update: Additional Emergency Allotment (EA) Supplement

COVID-19 Policy

[Supplemental Nutrition Assistance Program \(SNAP\)](#)

HHSC has been granted approval from the Food and Nutrition Service (FNS) to issue April 2021 EA supplements to participating SNAP households. Households who are approved for SNAP in April 2021 will automatically be issued supplements that will bring the household up to the maximum monthly allotment for the household's size.

Additionally, FNS released new guidance on April 1, 2021, requiring states to ensure EA supplements are issued to all SNAP households and are at least \$95, effective April 2021 and ongoing.

- Households with a calculated EA amount of \$95 or less will receive an EA supplement of \$95. This includes households who are already receiving the maximum allotment for their household size.
- Households with a calculated EA amount of more than \$95 will continue to receive the actual difference between their regular monthly issuance and the maximum allotment for their household size.

All EA supplements will be automatically issued on the SNAP household's existing EBT card. SNAP households do not need to take any action to receive EA supplements.

HHSC will issue EA supplements for April, on a randomized staggered schedule starting April 19, 2021. The expected completion of April EA supplement issuance for active SNAP households is April 23, 2021. Households who are determined eligible for SNAP after April 23, 2021 will be issued their supplement within approximately 60 days from disposition. Staff should call in a ticket when the SNAP household reports not receiving the supplement by that timeframe.

TIERS will add the following case comment "COVID-19 SNAP supplements issued" for a case where the EA supplement was issued. HHSC will not be sending a notice to households regarding the EA supplement.

Additionally, during the pandemic, Quality Control and other case reading reviews will continue to ensure accuracy. Although SNAP households will receive a minimum of \$95 in EA supplements, staff must still ensure regular monthly benefits are calculated correctly when processing any case actions.

Automation

April EA supplements for active SNAP households are expected to be issued between April 19, 2021, and April 23, 2021. Households who are determined eligible for SNAP after April 23, 2021, will be issued their April EA supplement within approximately 60 days from disposition.

Correspondence

Correspondence changes are not required.

Handbook

Handbook updates are not required.

Training

Training is not required.

Effective Date

This policy is effective with the release of this bulletin. Staff will be notified when the COVID-19 policy and clarifications no longer apply.