B-270 Adult Expansion Group (Arkansas Works Program)

MS Manual 01/01/17

The Health Care Independence Program was amended to become the Arkansas Works Program starting January 1, 2017. Throughout this policy manual the Arkansas Works Program will be referred to as the Adult Expansion Group.

This group consists of adults who are 19 through 64 years of age with household income equal to or below 95% (100% with 5% disregard applied) of the applicable federal poverty level (MS E-110) and are not eligible in either the Parents/Caretaker Relatives group (MS B-230) or Former Foster Care group (MS B-260). Adults who are blind or who have a disability may be covered in this group unless they are determined eligible for coverage in another group on the basis of the need for long term care services (facility or waiver) or other disability related services.

A woman who is pregnant at the time of application cannot be included in this group until after the postpartum period. She must be enrolled in one of the pregnant women groups or in the parents/caretaker relatives group if eligible. However, a woman who becomes pregnant after enrolling in this adult group may remain in the adult group throughout her pregnancy.

Individuals eligible in this group will participate in the Arkansas Works Program authorized by the Arkansas Works Act of 2016 and its amendment in 2017. The Arkansas Works Program provides Medicaid funding in the form of premium assistance to enable individuals to enroll in private health insurance plans.

EXCEPTION: Individuals eligible for the Adult Expansion Group, who have health care needs that make coverage through the Health Insurance Marketplace impractical, overly complex, or would undermine continuity or effectiveness of care, will not enroll in a private Qualified Health Plan (QHP) but will remain in Medicaid (Re. MS A-100).

NOTE: If an individual in this group has a child(ren) under age 18 living in the home, the child(ren) must be covered in Medicaid or have other health insurance coverage.

Unless exempt, all Arkansas Works enrollees between the ages of 19 through 49 will be required to comply with the work requirement for the Arkansas Works Program (Re. MS F-200 and F-201). All Arkansas Works Program recipients will be referred to the Arkansas Division of Workforce Services for free job assistance services to assist them in complying with the Work Requirement.

NOTE: Arkansas Works recipients subject to the work requirement must have a valid email address in order to report work activities, exemptions or changes on the Arkansas Works portal.

E-110 Income and Resource Limits for MAGI and Non-MAGI Groups

MS Manual 01/01/18

Below are the income and resource limits for all Medicaid groups. When the income limit is based on a percentage of the federal poverty level (FPL), the countable household income will be compared to the FPL for the applicable household size. Refer to Appendices F and S for the specific income level amounts.

Category	Income Limit	Resource Limit
ARKids A	142% of FPL *	No Resource Test
ARKids B	211% of FPL *	No Resource Test
Newborns	No Income Test Eligibility is based on mother's Medicaid eligibility at child's birth	No Resource Test
Pregnant Women: Full Medicaid Pregnant Woman	1 person: $124.00 2 person: $220.00 3 person: $276.00 4 person: $334.00 5 person: $388.00 See Appendix F for household sizes over 5.	No Resource Test
Limited Medicaid Pregnant Woman	209% of FPL *	
Unborn Child	209% of FPL *	
Parents and Caretaker Relatives	1 person: $124.00 2 person: $220.00 3 person: $276.00 4 person: $334.00 5 person: $388.00 See Appendix F for household sizes over 5.	No Resource Test
Adult Expansion Group	95% of FPL *	No Resource Test
Medically Needy: Exceptional (EC) Spend Down (SD)	EC – may not exceed the monthly income limit SD – may exceed the quarterly income limit See MS O-710 for the monthly and	1 person: $2,000 2 person: $3,000 3 person: $3,100

	quarterly income limit	
TEFRA	3 times the SSI Payment Standard Appendix S	$2000
Autism	3 times the SSI Payment Standard Appendix S	$2000
Long-Term Services & Supports: Nursing Facility, DDS, ARChoices, Assisted Living and PACE	3 times the SSI Payment Standard Appendix S	Individual $2000 Couple $3000
Medicare Savings: ARSeniors QMB SMB QI-1 QDWI	Equal to or below 80% FPL 100% FPL Between 100% & 120% FPL 120% but less than 135% FPL 200% FPL Appendix F	ARSeniors, QMB, SMB & QI-1: Individual $7,390 Couple $11,090 QDWI: Individual $4000 Couple $6000
Workers with Disabilities	Unearned income may not exceed SSI individual benefit plus $20	No resource test
PICKLE	Under the current SSI/SPA level Appendix S	Individual $2000
Widows & Widowers with a Disability (COBRA and OBRA '87)	Under the current SSI/SPA level Appendix S	Individual $2000
Widows & Widowers with a Disability and Surviving Divorced Spouses with a Disability (OBRA '90)	Under the current SSI/SPA level Appendix S	Individual $2000
Disabled Adult Child (DAC)	Under the current SSI/SPA level Appendix S	Individual $2000
***May be eligible for an additional 5% disregard, MS E-268.**		

E-268 The 5% Gross Income Disregard

MS Manual 01/01/18

Each individual will be allowed a general gross income disregard in the amount of 5% of the Federal Poverty Level for the household size.

The five percent (5%) disregard will be applied only to the Families and Individuals category that has the highest income level in which an individual could be eligible. For example, if an individual is not income eligible in the lowest income level group (e.g., Parents/Caretaker Relatives), the five (5%) disregard will be applied to the higher income group (e.g., Adult Expansion Group). However, if the individual is eligible in the higher income group without applying the five percent (5%) disregard, the disregard will not be applied.

When applied, the 5% disregard effectively raises the income limits for the applicable eligibility group by five (5) percentage points. For example, the income limit for the Adult Expansion Group is 95% (MS E-110). To apply the 5% disregard, add 5 to 95 to raise the income limit to 100% of FPL. The eligibility groups with dollar amounts for income limits are not the highest income limit groups for the individuals that fall into them. Therefore, the 5% disregard will never be applied to the dollar amount income limits.

Application of the 5% Disregard in the ARKids First groups

The 5% disregard is applied to the ARKids A income limit only if the child who would otherwise be ineligible without the disregard is covered by a health insurance plan. Since eligibility in ARKids B is not available to a child with health insurance, ARKids A is the eligibility group with the highest income limit available to an insured child and therefore, the 5% disregard can be allowed.

The 5% disregard is not applied to the ARKids A income limit if the child is uninsured and ineligible for ARKids A without application of the disregard. ARKids B is the eligibility group with the highest income limit for uninsured children and therefore, the 5% disregard is applied only if needed to achieve ARKids B eligibility.

Refer to MS F-180 for exceptions to health insurance coverage for ARKids B eligibles.

E-269 Who Is Eligible-Example Scenario

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Continuing the example of Bertha, Audrey and Chloe to show whose income will be counted and who is eligible for Medicaid.

Bertha and Audrey's household are the same which includes Bertha, Audrey & Chloe.

- Bertha earns $8,000.00 per month, which equals $96,000 annually.
- Audrey earns $314.22 per month, which equals $3,770.64 annually.
- Audrey is the child and tax dependent of Bertha. Audrey is not required to file taxes; therefore, her income does not count. Bertha's income is counted.
- Bertha's household size is 3.
- Compare the $8,000.00 monthly income to the 95% + 5% = 100% standard for a household size of 3, $1,701.67.
- Bertha and Audrey are not eligible for Medicaid; therefore, the agency will electronically transfer their account to the FFM for possible eligibility for Advanced Premium Tax Credits and cost sharing reductions.

Chloe's household includes Chloe and her mother, Audrey.

- Audrey earns $314.22 per month, which equals $3,770.64 annually.
- Audrey's income will be counted because neither her mother, nor father is included in this household. Chloe's child support income is disregarded.
- Chloe's household size is 2.
- Compare the $314.22 monthly income to the ARKids A standard of 142% for 2, $1,835.35. **Note:** The 5% disregard was not needed for ARKids A eligibility and therefore was not applied.
- Chloe is eligible for ARKids A.

F-200 Work Requirement for the Adult Expansion Group

MS Manual 01/01/18

The Arkansas Works Program requires certain recipients of the Adult Expansion Group to meet the requirement of working 80 hours or more per month. Unless exempt, Adult Expansion Group recipients are ineligible to receive Medicaid benefits if, during any 3 months of the calendar year, they failed to meet the work requirement. Adult Expansion Group recipients will fall in one of four categories for the work requirement:

1. Enrollees age 50 or older – Work requirement does not apply for this age group;
2. Enrollees age 19-49 that are employed at least 80 hours per month – Complying with the work requirement;
3. Enrollees age 19-49 that are not employed at least 80 hours per month but meet an exemption to the work requirement. Exemptions are:
    a. Currently receiving an exemption to the SNAP Requirement to Work;
    b. Receiving TEA Cash assistance;
    c. Receiving unemployment benefits;
    d. Has been determined medically frail;
    e. Caring for an incapacitated person;
    f. Living in home with a dependent minor;
    g. Being pregnant;
    h. Experiencing a short-term incapacitation;
    i. Participating in an alcohol or drug treatment program;
    j. Enrolled in full-time education, job training or vocational training; or
    k. Membership in a recognized American Indian/Alaska Native tribe.
4. Enrollees age 19-49 that are not employed at least 80 hours per month but participate in any one or a combination of work activities for at least 80 hours per month to meet the work requirement. (See MS G-190) Work activities include:
    a. Currently meeting SNAP Requirement to Work;
    b. Enrolled in education (less than full time);
    c. Participating in job training (less than full time);
    d. Participating in vocational training (less than full time);
    e. Participating in a health education class;
    f. Volunteering; or
    g. Conducting an independent job search and/or participating in job search training.

NOTE: A combination of employment hours and work activities may be used to meet the work requirement.

Enrollees age 19-49 that are not employed at least 80 hours per month and do not meet an exemption or comply with work activities will lose Medicaid coverage for the remainder of the year after 3 consecutive or non-consecutive months of non-compliance with the work requirement within the calendar year. Those Adult Expansion Group recipients who lose coverage for non-compliance with the work requirement but meet an exemption later in the calendar year will not be allowed to regain coverage in Arkansas Works until the following calendar year. However, those Adult Expansion Group recipients who have lost coverage for non-compliance and turn 50 years old within the same calendar year will be allowed to apply to regain coverage the month the recipient's turns 50. Those individuals who have lost Arkansas Works coverage due to non-compliance may be determined eligible for coverage in other Medicaid categories during the period of Arkansas Works ineligibility.

NOTE: Months of non-compliance with the work requirement will not carry over into the next calendar year.

F-201 Work Requirement Participants

MS Manual 01/01/18

When the Adult Expansion Group work requirement starts on January 1, 2018, the requirement will apply to all new Adult Expansion Group recipients who are age 30 to 49. Those Adult Expansion Group recipients age 30 to 49 who were enrolled in the Adult Expansion Group prior to January 1, 2018 will be phased in from January to June 2018. In 2019, the work requirement will apply to all Adult Expansion Group recipients age 19-49.

Those Adult Expansion Group recipients who turn 30 in 2018 will be subject to the work requirement the month after their 30th birthday.

G-190 Verification of the Adult Expansion Group Work Requirement

MS Manual 01/01/18

Those Individuals in the Adult Expansion Group that must meet the work requirement can do so by:

1. being employed at least 80 hours per month; or
2. qualifying for an exemption to the work requirement; or,
3. completing a combination of sufficient work and work activities.

Employment: In order to meet the Adult Expansion Group work requirement, the recipient must be employed at least 80 hours per month. This employment information will be verified by using the individual's reported income at application/renewal/change report to determine if the individual's reported earnings are equal to 20 hours weekly times the current minimum wage. For 2017, these numbers are 20 X $8.50=$170; $170 x 4.334=$736.78 monthly. If the individual's reported income is at or above this amount, the individual will be considered to be meeting the work requirement.

Exemptions: Exemptions are determined at application/renewal/change report. Initial exemptions will be determined at application based on information the applicant provides in the application. All other exemptions will be reported and validated by the individual through an online portal. Clients who log in to the portal and report an exemption after the initial determination will receive a notice informing them when the exemption will be revalidated. If it is determined that a recipient no longer meets the exemption, the individual must complete a combination of sufficient work and work activities in order to meet the work requirement.

The following table lists exemptions and their validation schedule.

Criteria:	**Validation Approach:**
Currently receiving a SNAP Requirement To Work exemption	Validated against state data every 30 days.
Receiving TEA Cash Assistance	Validated against state data every 30 days.
Caring for Incapacitated Person	Electronic demonstration of compliance required every two months and at renewal.
Short-term Incapacitation	Electronic demonstration of compliance required every two months and at renewal.
Participation in alcohol or drug treatment program	Electronic demonstration of compliance required every two months and at renewal.

Receiving Unemployment Benefits	Electronic demonstration of compliance required every 6 months and at renewal.
Full-time Education, Job Training, or Vocational Training	Electronic demonstration of compliance required every 6 months and at renewal.
Pregnancy	Electronic demonstration of compliance valid until end of post-partum period.
Living in home with dependent minor	Electronic demonstration of compliance valid until change of circumstance.
Medically Frail	Electronic demonstration of compliance valid until change of circumstance.
American Indian/Alaska Native	Electronic demonstration of compliance valid until change of circumstance.

Work Activities: Work activities can be performed alone or in combination to comply with the Work Requirement. Total monthly Work Activity hours must equal 80 at a minimum. A combination of employment hours and work activities may be used to meet the work requirement. If the individual uses a combination of sufficient employment hours and work activities to meet the required 80 hours, monthly demonstration of compliance is required for each.

The following table lists approved work activities and their validation schedule.

Criteria:	Validation Approach:
Currently meeting SNAP work requirement	Electronic demonstration of compliance required monthly.
Employed	Electronic demonstration of compliance required monthly.
Education (less than full time)	Electronic demonstration of compliance required monthly.
Job Training (less than full time)	Electronic demonstration of compliance required monthly.
Vocational training less than full time	Electronic demonstration of compliance required monthly.
Volunteer	Electronic demonstration of compliance required monthly including agency name, address, and phone number.
Independent Job Search/Job Search Training	Electronic demonstration of compliance required monthly. Must be less than 50% of the required 80 hours.
Health Education Class	Electronic demonstration of compliance required monthly. Cannot account for more than 20 hours per year.

Recipients who are required to report employment hours, exemptions, or work activity, must report no later than the 5th of each month for the previous month's work activities or

exemptions. If the recipient does not report by the deadline, a notice will be sent informing the recipient that a month of non-compliance has accrued. If the recipient accrues a second month of non-compliance, a notice will be sent informing the recipient of the second month of non-compliance and that their case will be closed at the end of the third month of non-compliance. This notice will serve as the notice of adverse action. If the recipient satisfactorily complies with reporting work activities by the 5th of the month following the third month of non-compliance, their case will be reinstated.

- Recipients cannot provide electronic demonstration of compliance retroactively after the 5th of the following month. For example, a recipient cannot provide electronic demonstration of compliance on April 7th for meeting the work requirement in March.
- Recipients cannot provide electronic demonstration of compliance proactively for future months. For example, a recipient cannot provide electronic demonstration of compliance on April 25 for meeting the work requirement in May.
- Demonstration of an exemption or work activity must be done electronically, except when information regarding a work activity or exemption is provided on an application.

I-600 Changes

MS Manual 01/01/18

When a change occurs that will affect eligibility, the client is required to report the change within 10 days. The agency will be required to act on changes that may affect eligibility within 10 days from receipt of the change. Changes can be reported:

- In person,
- By telephone,
- By mail, or
- Through the citizen portal.

Dependent upon the eligibility group of which the individual is a member, changes which could affect eligibility and therefore must be reported include the following:

- A change in income that causes ineligibility or causes a change in vendor payment,
- Changes in household members,
- Death,
- End of pregnancy,
- Admission to or discharge from an institution, including a nursing facility,
- Approval or discontinued disability,
- Resource changes, including the receipt of a lump sum payment or settlement,
- Shelter and expense changes for Long Term Care Individuals who have a Community Spouse,
- Medical Cost for Long Term Care individuals, or
- Changes in work requirement exemptions or activities.

Although an address change does not usually affect eligibility, caseworkers should encourage individuals to report any address changes immediately to ensure renewal notices or other correspondence is sent to the individual's current address and not returned as Undeliverable. Any mail returned as Undeliverable could result in immediate case closure.

When a change is reported by the client, the caseworker will:

- Review the information.

- Verify through electronic sources, if applicable. Request additional verification if required.
- Enter the changed information to the system so that eligibility can be redetermined.
- Ensure appropriate notice is sent to the individual if a change in eligibility results.

NOTE: A new application is not required to add a member, but the caseworker will need to obtain tax filing status of the added member.

I-610 Loss of Eligibility

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Loss of eligibility occurs when the eligible individual:

- Moves from Arkansas,
- Requests closure,
- Dies,
- Is found to be over the income limit,
- Is found to be over the resource limit if applicable,
- Reaches the age limit for the eligibility,
- Leaves the nursing facility, or
- Has three (3) months of non-compliance with the Adult Expansion Group work requirement within a calendar year.

Depending upon the change, the individual may be eligible in another eligibility group. For example, if a child ages out of ARKids, he or she may be eligible in an adult group such as the Adult Expansion Group. When possible, eligibility in another group should be determined at the time ineligibility for the current group is established.

EXCEPTION: Once eligibility is established for a pregnant woman in any Medicaid category, there will be "No Look Back" at later income increases throughout the pregnancy and the postpartum period. The PW will remain Medicaid eligible through the end of the postpartum period regardless of increases in income. Refer to MS C-205 and MS I-690.

MEDICAL SERVICES – APPENDIX F, FEDERAL POVERTY LEVELS

Monthly Levels (2017 through 2018)

01/01/2018

Families and Individuals Medicaid Categories

Family Size	Adult Expansion Group 95%	Adult Expansion Group 100%	ARKids A 142%	ARKids A with 5% Disregard 147%	ARKids B 211%	ARKids B with 5% Disregard 216%	Full Pregnant Women & Parents/ Caretaker Relatives	Transitional Medicaid 185%	Limited PW/Unborn Child 209%	Limited PW/Unborn Child with 5% Disregard 214%
1	954.75	1005.00	1427.10	1477.35	2120.55	2170.80	124.00	1859.25	2100.45	2150.70
2	1285.66	1353.33	1921.73	1989.40	2855.53	2923.19	220.00	2503.66	2828.46	2896.13
3	1616.59	1701.67	2416.37	2501.45	3590.52	3675.61	276.00	3148.09	3556.49	3641.57
4	1947.50	2050.00	2911.00	3013.50	4325.50	4428.00	334.00	3792.50	4284.50	4387.00
5	2278.41	2398.33	3405.63	3525.55	5060.48	5180.39	388.00	4436.91	5012.51	5132.43
6	2609.34	2746.67	3900.27	4037.60	5795.47	5932.81	448.00	5081.34	5740.54	5877.87
7	2940.25	3095.00	4394.90	4549.65	6530.45	6685.20	505.00	5725.75	6468.55	6623.30
8	3271.16	3443.33	4889.53	5061.70	7265.43	7437.59	561.00	6370.16	7196.56	7368.73
9	3602.09	3791.67	5384.17	5573.75	8000.42	8190.01	618.00	7014.59	7924.59	8114.17
10	3933.00	4140.00	5878.80	6085.80	8735.40	8942.40	618.00	7659.00	8652.60	8859.60
Each additional member add:	330.91	348.33	494.63	512.05	734.98	752.39	9 and greater 618.00	644.41	728.01	745.43

AABD Medicaid Categories

	ARSeniors Equal to or Below 80%	QMB Equal To or Below 100%	SMB Between 100% & 120%	QI-1 At least 120% but Less Than 135%	QDWI Equal To or Below 200%
Individual	804.00	1005.00	1206.00	1356.75	2010.00
Couple	1082.66	1353.33	1624.00	1827.00	2706.66