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**MEDICAID/MEDICAL ASSISTANCE**

All children committed to the Department of Human Services (DHS) or placed with the department by a court, who are in out-of-home care, are categorically eligible for Medicaid as a department ward. Medicaid is also known as medical assistance (MA); see BEM 117 for additional information.

**Exception:** Children not eligible for MA include foster children who are not U. S. citizens or qualified aliens.

Medical assistance coverage for children who are not U.S. citizens or who do not meet the definition of a qualified alien is limited to emergency services only; see BEM 225. Refer to FOM 902, U.S. Citizenship/Qualified Alien Status for information on determining a child's status.

**Opening Medicaid**

The Medicaid program for all foster children is opened in Services Worker Support System - Foster Care, Adoption and Juvenile Justice (SWSS-FAJ), unless the child:

- Is placed with a parent (this includes placement with the non-custodial parent).
- Receives Medicaid through Supplement Security Income (SSI) through disability determination by the Social Security Administration.
- Is an out-of-state foster child placed with a relative in Michigan through the Interstate Compact.

Medicaid for SWSS-FAJ cases is opened, updated and closed through an interface with Bridges. All foster children with Medicaid opened in SWSS-FAJ receive either MA-FCDW (foster care departmental ward) or MA-ASDW (adoption subsidy departmental ward).

**Standard of Promptness**

MA-FCDW must be opened on SWSS-FAJ, for all eligible children, within 14 calendar days of case acceptance.

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**Note:** If a child with an active foster care case in SWSS-FAJ moves from his/her own home into an out-of-home placement, it is necessary to register and open an MA case in SWSS-FAJ.

### **Unlicensed Relative/Unrelated Placement**

Children placed with unlicensed relatives or unrelated caregivers must have an open Medicaid case in SWSS-FAJ. The child's MA must be opened in SWSS-FAJ (unless the child has MA-SSI or is an out-of-state, title IV-E ineligible foster child placed through the Interstate Compact) regardless of whether the relative/unrelated caregiver plans to apply for the Family Independence Program (FIP) as an ineligible grantee.

### **Children Receiving SSI**

Medicaid is not opened in SWSS-FAJ for children entering foster care who are already receiving SSI benefits with active MA-SSI. In this instance, eligibility has already been determined and children will continue to receive Medicaid benefits under the SSI case as long as the SSI case remains active. To maintain the child's MA-SSI, it is critical that the foster care worker:

- Complies with policy in FOM 902-10, SSI Benefits Eligibility.
- Completes and submits to DHS Reconciliation and Recoupment, all required DHS-3205, Foster Care/Delinquent Ward Benefit Eligibility Records.

### **Long Term Care**

Medicaid is the funding source for children placed in a long term care facility (for example, nursing facility, mental health facility). Foster children placed within a long term care facility must be referred to a DHS eligibility specialist (ES) for assistance in determining the begin and end dates for the level of care code.

### **Out-of-State Placements**

Medicaid must remain open in SWSS-FAJ for any child placed outside Michigan. In some instances, another state may open Medicaid for a child. Once it is verified that this has occurred, the child's Medicaid is closed in SWSS-FAJ.

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When a foster child is placed out of the state of Michigan, the child's title IV-E eligibility is used as the determining factor for medical assistance eligibility.

***Title IV-E Eligible***

If a title IV-E eligible child is placed in a licensed foster home or licensed private child caring institution outside Michigan, the child is eligible for medical assistance in the state where he/she is residing. However, the Medicaid is not closed in SWSS-FAJ until confirmation of active Medicaid coverage is received from the receiving state. Follow the interstate procedures to ensure proper processing of the interstate referral.

Title IV-E eligible children placed in a Michigan licensed family foster home or private child caring institution by an agency in another state are eligible for the Michigan medical assistance program. Follow the procedures outlined in this item.

**Note:** For title IV-E eligibility, the placement must be licensed.

***Title IV-E Ineligible***

The state with legal jurisdiction is responsible for the medical assistance case for a non-title IV-E eligible child who is either:

- The responsibility of the department and placed in a licensed family foster home or licensed child caring institution outside Michigan.
- Placed in Michigan by another state.

**Retroactive MA**

Retroactive MA may be available for children for all or part of the three calendar month period prior to the receipt of the court commitment or placement and care order. If there was an incurred medical expense for which MA coverage is needed, the foster care worker can assist by obtaining a DHS-3243, Retroactive Medicaid Application, (available on the DHS public Web site at [www.michigan.gov/dhs-forms](http://www.michigan.gov/dhs-forms)) for the family to complete and return to the local office reception for a date stamp and to initiate the MA application process. If the family is unavailable to complete the form, the foster care worker must complete the DHS-3243, to the best of their ability and return the form to the local office reception for initiation of the retroactive MA process.

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**Other Medical Resources**

The department must determine if there is a person, entity or program which is or may be liable to pay all or a part of a MA recipient's medical expenses. Therefore, if a child is included on a medical insurance policy, complete the Third Party Liability Health Insurance Information in the Medicaid section of SWSS-FAJ.

**Reporting Other Medical Resources to MDCH**

Other medical resources must be reported to the Michigan Department of Community Health (MDCH), Third Party Liability (TLP) division. The DCH-0078, Request to Add, Terminate or Change Other Insurance form is used to record additional health insurance information to the TPL division. Include copies of all identification cards for additional coverage (health, pharmacy, vision and dental) available to the child with the DHS-0078. The form may be accessed at:

[http://www.michigan.gov/documents/mdch/DCH-0078-Final\\_345987\\_7.pdf](http://www.michigan.gov/documents/mdch/DCH-0078-Final_345987_7.pdf)

**Termination of Medical Resource**

When local offices receive information on the termination of a medical resource, notify MDCH Third Party Liability Division by use of the DCH-0078, Request to Add, Terminate or Change Other Insurance form.

The Third Party Liability Division will investigate the reported change and notify the local office in writing of the status of its review. Terminations of other medical resources are verified with the resource. If the resource no longer exists, the TPL data bank (records on other medical resources) and Bridges are updated.

***Termination of Parental Rights Court Orders***

The TPL data bank process is not able to verify or update private insurance status in cases where parental rights have been terminated. In this type of situation the foster care worker must attach a copy of the court order terminating the parental rights to the DCH-0078 form and fill in the "Other" text field box (under Reason for Change).

Fax the form to: (517) 346-9817.

Or, forward the original DCH-0078 via interdepartment mail to:

Michigan Department of Community Health  
Third Party Liability Division  
Bureau of Financial Management  
P.O. Box 30479  
Lansing, Michigan 48909

A copy of the DCH-0078 is filed in the medical section of the case record and all pertinent information regarding other insurance available to the child is documented on the DHS-221, Medical Passport.

### **Medicaid- Detention, Jail or Training School Placements**

A youth remains Medicaid eligible while placed in a detention facility, jail or DHS training school (SWSS living arrangement code 11, 12 or 14). The Medicaid must remain open in SWSS-FAJ. Medicaid coverage is limited to off-site inpatient hospitalization only. The facility is responsible for all other medical services provided to youth.

#### ***Process***

The MDCH Medicaid exception unit will enter a level of care (LOC) code 32 to identify a youth who is incarcerated. The DHS foster care worker or monitor must enter the youth's placement in SWSS and transmit to Bridges for the Medicaid exception unit to complete the process. Once the youth is discharged, the worker enters the youth's new placement information into SWSS-FAJ and transmits to Bridges for the Medicaid exception unit to remove the level of care code 32. Failure to enter and transmit detention, jail or training school placements promptly may potentially create Medicaid payment problems.

### **DHS-1171, Assistance Application**

If a child is being placed in his own home (returning home), the parent should complete the DHS-1171 prior to the child's return. If the parent is unable to complete and return the form to the DHS office in their area, the foster care worker must facilitate this process by completing the essential known information on the DHS-1171,

returning it to the local DHS office for the date stamp and assignment process. Once the DHS-1171 is secured within the local DHS office the eligibility determination will be completed by an eligibility specialist. This will ensure MA can be redetermined without a lapse in medical coverage for the child.

### **Medicaid Closure/ Ex Parte Review**

Prior to closing the children's services MA in SWSS-FAJ, the foster care worker must update information in SWSS-FAJ. The SWSS-FAJ updates are required for the Medicaid ex parte review (see Glossary) process. A centralized Medicaid unit completes the ex parte review to determine if the child may be eligible for any other MA category, including disability related MA. Refer to Ex-parte Review Job Aid for children's services caseworker responsibilities.

## **MEDICAID TYPE**

MDCH uses two methods to pay Medicaid providers:

- The fee-for-service (FFS) method.
- The managed care plan method, Medicaid Health Plans (MHPs).

Children in foster care are Medicaid beneficiaries in one of these two types of Medicaid.

### **Fee-For-Service Medicaid**

Fee-For-Service (FFS) Medicaid is a method of paying an established rate for a unit of health care service. FFS Medicaid is also known as traditional, regular, or straight Medicaid. Children with FFS Medicaid are not enrolled in an MHP and may receive medical services and treatment from health care providers that accept FFS Medicaid.

### **Medicaid Health Plans (MHP)**

Public Act 131 of 2009, Sec. 1772 mandated the Michigan Department of Community Health (MDCH) to "establish and continue a program to enroll all children in foster care in Michigan into a Medicaid health maintenance organization." A health maintenance organization or managed care is responsible for both the financing and delivery of a broad range of health care services to the enrolled

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population. Children in an MHP must receive health care and services from a health care provider within the child's specific MHP network.

## Michigan Enrolls

Michigan Enrolls (MI Enrolls) is the state's contracted enrollment broker. MHP enrollment activity is facilitated through MI Enrolls.

For more information on the various functions within MI Enrolls, the MHP enrollment and disenrollment process and auto-assignment into an MHP, refer to the MHP Enrollment Job Aid.

## Enrollment Status

MDCH's enrollment statuses for Medicaid are mandatory, voluntary, and excluded. The three MDCH enrollment status definitions are as follows:

- **Mandatory.** Medicaid beneficiaries are required to enroll in a MHP. Approximately 85% of all Medicaid beneficiaries are mandatorily enrolled into an MHP. Examples of mandatory beneficiaries include SSI, infants, children, and pregnant women. The majority of children in foster care are mandatorily enrolled into an MHP. See the SWSS-FAJ Living Arrangement Code section for more information.
- **Voluntary.** Medicaid beneficiaries can, but are not required to, enroll in an MHP. Examples include American Indians/Alaska Natives and migrant workers. See below for more information on voluntary enrollment status for Indian children.
- **Excluded.** Medicaid beneficiaries are not allowed to enroll in a health plan. Examples include children with Children's Special Health Care Services (CSHCS), beneficiaries with other commercial HMO coverage, Medicare beneficiaries, and certain refugees.

### ***Voluntary Enrollment Status for Indian Children***

The Balanced Budget Act of 1997 included provisions specifically exempting American Indians/Alaska Natives who are members of federally recognized tribes from mandatory enrollment in Medicaid managed care. However, this is not to assume that American Indian children in foster care are never enrolled into an MHP. The decision to voluntarily enroll into an MHP or remain fee-for-service Medicaid eligible is made by the child's family and/or tribe, not by

the worker or through the Michigan Enrolls auto-enrollment process. Workers are required to discuss the Medicaid options with the family and/or tribe, obtain the preferred decision and ensure appropriate Medicaid coverage.

### ***SWSS-FAJ Entry***

Since the enrollment materials are based on enrollment status (and county) it is important that the race code in SWSS-FAJ for Indian children is accurately entered. If the child has membership within an American Indian or Alaskan Native federally recognized tribe, select race code 3, "American Indian/Alaskan Native as the primary race (documented membership in a federally recognized tribe is required).

## **Newborn Enrollments**

In foster care situations, newborns have the same Medicaid eligibility and enrollment status that their birth mother has during the birth month. This could be either Fee for Service (FFS) Medicaid or an MHP. While newborns have FFS Medicaid, they can see any provider that accepts FFS Medicaid.

However, if the birth mother is enrolled in an MHP during the birth month, the newborn should receive medical care with health plan providers in the mother's plan, even if the Medicaid eligibility is not yet established in Bridges. Medicaid providers know that newborns will be retro-enrolled in the mother's MHP for at least the birth month.

Newborns of mothers who were eligible and enrolled at the time of the child's birth will be automatically enrolled with the mother's MHP. The MHP will be responsible for all covered services for the newborn until notified otherwise by MDCH. This applies to in-or out-of-network services. Once the newborn receives Medicaid eligibility and is enrolled in the MHP, the standard rules apply that foster care parents will need to go to MHP network providers for the infant's health care.

See more information in the MHP Enrollment Job Aid.

## **SWSS-FAJ Living Arrangement Code**

Foster children with a SWSS Living Arrangement (LA) code of 2, 3, 4, 5, 7, 8 and 19 have a mandatory MHP enrollment status. For

youth placed in LA 11, 12 or 14, refer to the Medicaid-Detention, Jail or Training School Placements section. Children in all other LA codes within Michigan receive health care with fee for service (FFS) Medicaid.

### ***Living Arrangement Exceptions***

Disenrollments for children and youth placed in a child care institution (CCI), SWSS LA code 13, are retroactive to the first day of the current month. Therefore, the MHP does not remain responsible for the health care services and fee-for-service Medicaid is available from the onset of placement into a CCI.

### **MHP Participation and Primary Care Provider**

To support continuity of health care and the medical home model, the following procedures must be followed:

- Whenever possible, children entering foster care remain with their former primary care provider (PCP). Many of the children entering care will already be receiving health care through an MHP. Remaining with the same doctor provides assurances of current and complete medical information and guidance to care for the child.
- All children in an MHP must have a PCP. For any changes or moves in foster home placement, the child will remain with the same MHP as long as the new foster home is within the county served by the MHP. If the PCP is also located within the new county, the child will continue to receive medical care from the same physician.
- If the MHP is still available in the new county residence, but the PCP does not have an office in that county, a new PCP participating within the MHP must be selected. Contact the MHP.

### **Obtaining Needed Services & Prescriptions**

Foster children enrolled with an MHP must work with their PCP and use providers in the MHP's provider network.

Foster children with FFS Medicaid can see any provider who accepts Medicaid FFS.

For problems obtaining the needed health care services and prescriptions:

- Call the health plan's member services department for a foster child enrolled in an MHP.
- Call the Beneficiary Helpline at 1-800-642-3195 (Monday through Friday, 8am to 7pm) for children with FFS Medicaid.

**Note:** If a foster parent or private agency receives bills for medical services, the DHS foster care worker/monitor or HLO should call the Beneficiary Helpline (1-800-642-3195). The Helpline will advise how to resolve the billing problem, or indicate if the foster parent or private agency is actually responsible for payment.

### Health Identification Cards

Two health identification cards are issued to all foster children enrolled into an MHP.

- Mihealth card from the State of Michigan.
- MHP member ID card from the Medicaid health plan.

Children entering foster care who are covered by Medicaid will have a Mihealth card and if in a health plan, will have an MHP member ID card issued to their family. The cards are the child's permanent ID cards. Efforts must be made to obtain the cards from the family. If the card cannot be obtained, replacement cards can be requested through the respective provider.

- Both health care ID cards are required for all health services (doctor visits, pharmacy, hospital or any other medical provider).
- The provider requires the Mihealth card and MHP member ID card to verify Medicaid and MHP eligibility.
- The original cards are given to the caregiver. The foster care worker must ensure that the two ID cards are transferred to the

birth parent when reunification occurs or to the new caregiver (replacements/moves).

- Copies of the cards are to be made and filed in the child's case file.

The DHS-3762, Consent to Routine, Non-Surgical Medical Care and Emergency Medical/Surgical Treatment card is also required to show that the caregiver is authorized to secure routine, nonsurgical medical care and emergency medical and surgical treatment for the foster child. Refer to DHS-3762, Consent to Routine, Non-Surgical Medical Care and Emergency Medical/Surgical Treatment, in FOM 801 for more information.

### FOSTER CARE TRANSITIONAL MEDICAID (FCTMA)

Youth who age out of foster care are eligible for Foster Care Transitional Medicaid (FCTMA) once the foster care Medicaid case is closed. This applies to youth who are 18, 19 and 20 years of age. FCTMA is not available for active foster care cases.

#### Youth Eligibility Criteria

For FCTMA eligibility, the following criteria must be met. The youth:

- Is under 21 years of age.
- Is not currently incarcerated or in a locked facility.
- **At the time of the his/her 18th birthday, was:**
  - Under the responsibility of the Michigan Department of Human Services (DHS) or tribal court, and
  - In an out-of-home placement.

Additional information is available in Bridges Eligibility Manual (BEM) item 118, Foster Care Transitional Medicaid (FCTMA).

#### ***Absent Without Legal Permission (AWOLP)***

Absence from a foster care placement upon reaching his/her 18th birthday does not exclude a youth from meeting FCTMA eligibility requirements. AWOLP youth with an open foster case remain under DHS responsibility.

FCTMA will not be activated for an AWOLP youth at case closure due to his/her unknown location. If the youth contacts the former foster care worker or the DHS foster care office in the youth's current county of residence, a manual referral must be made for FCTMA provided the eligibility requirements are met. The youth must have a valid mailing address.

**Note:** Returning AWOLP youth that remain on an active foster care case will continue to receive the Medicaid established prior to their absence. FCTMA is not available for active foster care cases.

### ***Juvenile Justice Youth***

Juvenile Justice youth that are eligible for Youth in Transition funded services may also be eligible for FCTMA. Juvenile Justice youth must meet all FCTMA eligibility criteria and have been in an eligible foster care placement setting under the supervision of DHS any time from the age of 14. An abuse/neglect history is not required for Juvenile Justice youth to receive FCTMA; see FOM 950, Youth in Transition, eligibility criteria.

## **Ineligible Youth**

The following youth are not eligible for FCTMA:

- Juvenile Justice youth who have never been placed in a foster care setting supervised by DHS.
- Youth who were returned to the parental home prior to age 18.
- Youth who are in a locked facility or incarcerated at application.
- Out-of-Town Inquiry (OTI) youth; see Out-of-State Placements in this item.

## **Procedures for Enrollment**

Prior to enrollment in FCTMA, the following must be in place:

- The Medicaid related to the foster care case must be closed.
- The youth must have a valid mailing address.

### ***Automatic Referral***

An active foster care case that is being closed in SWSS-FAJ with the close code of 06 (age), in combination with a Medicaid closure

code of 097 (other) and living arrangement in table below, will generate an automatic referral from SWSS-FAJ to Bridges for FCTMA. Only use these codes when they accurately reflect the current status of the foster care case.

The following SWSS-FAJ close and living arrangement codes generate an automatic FCTMA referral to Bridges:

<b>Automatic Referral FCTMA Criteria</b>		
SWSS-FAJ Close Code	Medicaid Close Code	Living Arrangement Code
06	097	02 Licensed/Unlicensed Relatives
06	097	07 Independent Living

All other living arrangements will not generate an automatic referral to Bridges for FCTMA. The worker must make a manual referral, using the DHS-57 Foster Care Transitional Medicaid Referral form for FCTMA referrals for all other eligible youth (see below).

At case closure, update the SWSS-FAJ placement record to reflect the youth's current living arrangement. All information pertaining to FCTMA will be sent to the last address listed in SWSS-FAJ. This address is transferred to Bridges during the automatic referral process. If the youth is moving to another address after case closure, notify the FCTMA Unit by email or by phone; see below.

### ***Manual Referral***

The DHS-57, Foster Care Transitional Medicaid Referral form, must be completed for eligible youth with any one of the following situations:

- The SWSS-FAJ case is being closed and the close code is not 06 (age).
- The SWSS-FAJ case is being closed and the living arrangement is the parental home (youth returned to home after reaching age 18).

Do not make a manual referral for FCTMA, if any one of the following applies:

- Youth is absent without legal permission at case closure, and youth's location is unknown. (If the youth later contacts the former foster care worker or DHS foster care office in the youth's county of residence, a referral can be made at that time.)
- Youth chooses to remain in foster care after his/her 18th birthday and remains eligible for the current Medicaid plan (FCDW-MA).
- Youth is living in an out-of-state placement.
- Youth is incarcerated. (Youth can apply for FCTMA upon release.)
- A FCTMA referral through the automatic referral process was made.

The DHS-57 must be submitted when the Medicaid case is closing. Foster Care Transitional Medicaid is inaccessible while the Medicaid related to an active foster care case is open. Submission of the DHS-57 informs the FCTMA Unit to open FCTMA. Attempts to process the referral prior to the closure of the foster care Medicaid case will result in a denial of FCTMA and the referral process will need to be repeated.

Submit the DHS-57 to the FCTMA Unit:

- Electronically to *FCTMA@michigan.gov*.
- By fax to (517) 432-6079.

For any questions, contact the FCTMA Unit at (877) 268-3754.

### ***PAFC Worker Process***

To preclude duplication of referrals and ensure that FCTMA eligibility is accurately determined prior to submission to the FCTMA Unit, the DHS-57 must be completed by the DHS foster care worker or monitor only. PAFC workers must forward the FCTMA referral to the DHS PAFC monitor to verify eligibility and to submit eligible FCTMA referrals to the FCTMA unit.

### ***Notification Process***

After a referral has been submitted for FCTMA, the FCTMA Unit:

- Certifies the youth's eligibility in Bridges.

- Sends a Notice of Case Action letter to the youth. If the youth is eligible, the letter will indicate that the youth has been enrolled in FCTMA.

### **Required Information for Youth**

Prior to closing the foster care Medicaid (MA-FCDW) case, the foster care worker will provide the youth with the following information:

- Youth receiving FCTMA will continue to be Medicaid eligible through the month of their 21st birthday.
- A copy of the Michigan Department of Community Health (MDCH) publication, Guide to Michigan Medicaid Health Plans (updated annually). The foster care worker must review the guide with the youth. This publication is available online from the MDCH website at: <http://www.michigan.gov/mdch>. Click on MDCH Brochures Available for Download from the Quick Links on the right side. Select Medicaid and Health Care Brochures.
- MHP enrollment information as outlined below.

### **FCTMA and Medicaid Health Plans**

Upon enrollment into FCTMA, the Medicaid coverage is as follows:

- If the youth was enrolled in an MHP at the point of FCTMA referral and remains residing in the same county, the youth will remain enrolled with the current MHP.
- If the youth was receiving fee-for-service Medicaid or has moved outside of his/her MHP service area at the point of referral, Michigan Enrolls will mail an MHP enrollment packet to the youth at the address indicated on the referral.

Frequently Asked Questions and additional information regarding FCTMA is located on the Foster Youth in Transition (FYIT) website, [www.michigan.gov/fyit](http://www.michigan.gov/fyit), under Health and Wellness - Insurance - Foster Care Transitional Medicaid.

### **Documentation**

The foster care worker must:

- Place a copy of the DHS-57, Foster Care Transitional Medicaid Referral form, in the Medical/Psychological section of the case file, if applicable.
- Document discussion of FCTMA with the youth on the DHS-902, 90-Day Discharge Plan Report. Also indicate if a referral has been made for FCTMA.

## **MEDICAID - YOUNG ADULT VOLUNTARY FOSTER CARE**

Youth entering Young Adult Voluntary Foster Care (YAVFC) remain eligible for the federal medical assistance program, Medicaid. For more information on YAVFC, including eligibility and program requirements; see FOM 722-16, Foster Care-Young Adult Voluntary Foster Care.

### **Type of Medical Assistance**

YAVFC youth are categorically eligible for Medicaid. The youth's foster care case status or a physical or mental disability determines which type of medical assistance is provided. YAVFC youth will receive one of the following types of Medicaid:

- MA-FCDW (Foster Care Departmental Ward Medicaid).
- FCTMA (Foster Care Transitional Medicaid).
- MA-SSI (Supplemental Security Income Medicaid).

### **MA-FCDW**

Youth entering YAVFC by extending an open foster care case continue to receive MA-FCDW. Do not close MA-FCDW.

### **FCTMA**

Youth entering/re-entering YAVFC after case closure are eligible for and provided FCTMA. Youth entering or re-entering YAVFC with current FCTMA remain in FCTMA. Do not open MA-FCDW for youth with FCTMA.

Youth entering YAVFC without FCTMA or any other Medicaid benefit must be enrolled in FCTMA. The foster care worker must follow the FCTMA enrollment process as specified the FCTMA Procedures for Enrollment in this section. The FCTMA enrollment must be initiated immediately for any eligible youth requesting to

participate in YAVFC. The YAVFC Agreement **does not** need to be in effect in order for the eligible youth to receive FCTMA.

### **MA-SSI**

Youth currently receiving Supplemental Security Income (SSI) benefits are provided MA-SSI. Ongoing MA-SSI eligibility begins the first day of the month of SSI entitlement. Youth with MA-SSI who are either extending an open foster care case or entering/re-entering YAVFC after case closure retain MA-SSI, as long as the SSI is active.