

Department of Public Health  
and Human Services

Section:  
MEDICALLY NEEDY

FAMILY RELATED MEDICAID

Subject:  
Applications

**Supersedes:** FMA 701-1; 11/01/01

► **References:** 42 CFR 431.210, .211, .213; 42 CFR 435.320, .322, .324; ARM 37.82.101, .201, .1101 - .1111

GENERAL RULE--A medically needy application encompasses the following:

1. Prospectively, for twelve months (i.e., the month of application plus eleven future months, whether or not the recipient is eligible for each month); and

**NOTE:** If there is no reasonable expectation that a medically needy household will meet an incurment in the near future (i.e., within six months of application), the application should be denied. It is not necessary, nor recommended, for these cases to be held open until six months have passed with no incurment met.

2. Retroactively, for a maximum of three months immediately preceding the month of application.

**NOTE:** If a recipient is not authorized for medically needy benefits for six consecutive months, send a timely notice of adverse action and close the case effective the last day of the sixth month. The individual must reapply for future benefits.

### EXAMPLES

Family applies in January and January benefits are authorized. However, February, March, April, May, June and July benefits are not authorized because the family neither paid the cash-option nor incurred adequate medical expenses, although adequate medical expenses were expected in two of those months. Send timely closure notice with a July 31 effective date and inform the family they must reapply for future benefits.

Family applies in July, and meets July incurment with medical bills. Family does not expect to meet the incurment for August, September or October, but anticipates that the combined bills for those months will meet the incurment for November. The Medicaid case will remain open during that period unless the family later reports that they do not expect to have adequate bills to meet the incurment, or until six months have passed without an authorized Medicaid eligibility period.

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