



New Mexico Human Services Department

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INTERDEPARTMENTAL MEMORANDUM

MAD-GI: 07-02

DATE: June 5, 2007

TO: ISD AND MAD STAFF

FROM: CAROLYN INGRAM, DIRECTOR, MEDICAL ASSISTANCE DIVISION
FREDRICK SANDOVAL, DIRECTOR, INCOME SUPPORT DIVISION

THROUGH: ROBERT D. BEARDSLEY, BUREAU CHIEF, CSB

BY: REBECCA SCHWARZ, ADM/OPS II

SUBJECT: SCHIP CASES SHOWING OTHER INSURANCE

In the past few years, the Department has implemented several Medical Assistance programs containing provisions that do not allow the applicant/recipient to have other health insurance. With that in mind, we are making systems changes in order to ensure that we have the most up-to-date insurance information on both the ISD2 system and the Omnicaid system.

ISD2 is being programmed to capture and maintain the Third Party Liability information (screen) so that it is readily accessible to the ISD worker. This screen will drive automatic denials for those programs or categories of eligibility that do not allow other insurance. It will be critical for the worker to accurately enter and maintain up-to-date information about an applicant/recipient's other insurance.

Until the required ISD2 programming is accomplished, we are asking the ISD workers to take action on those cases in the SCHIP category that are showing other insurance. This should be done at the next re-certification or on an "as reported" basis. Some cases reported increased earnings/income and automatically moved into the SCHIP program from non-SCHIP Medicaid. Currently, ISD2 programming is not able to look at the existence of TPL information and alert the worker.

To be determined ineligible because of other health insurance, the applicant/recipient must have "creditable" health insurance coverage. The New Mexico Department of Insurance defines "creditable" insurance as a policy that covers basic services including: ER, Inpatient, Outpatient, Laboratory, and X-Ray services. If a child is covered under a Vision services only policy, the child is not disqualified from any Medicaid category of eligibility that prohibits other insurance. The insurance type codes found on the valid values screens behind the TPL screen are inclusive and should be used by the worker. If the client does not know what is covered by their insurance, the worker will make a copy of the insurance card(s) for the case record, complete the MAD 009, and submit it to the MAD – TPL Unit.

Until an accurate description of the health insurance policy can be obtained, the ISD worker should not enter a "7" under the AMS Indicator on the FMM2 screen. This will trigger a denial or closure.

Attached is a listing by county of Category 32 SCHIP cases that have other insurance information on file. Individual county offices can use this report as a guide to identify those cases needing up-dated information upon re-certification and possible case action.

Family Planning: Effective June 1, 2007 the same prohibition against having other insurance will apply to Category 35 (Z), Family Planning Medicaid. When a woman on Category 35 (Pregnancy Related) automatically converts to Family Planning Medicaid, her case should be reviewed for other health insurance coverage. If the woman has other creditable health insurance, her case should be screened for other programs for which she may be eligible. Otherwise, she is no longer eligible for Category 035.

If you have questions, please contact Rebecca Schwarz at (505) 476-6818.

Attachment (emailed to ISD staff only)