

FAA5.K Transitional Medical Determination Authorization (TMDA)

01 TMDA - Purpose

[For MA after 2013](#)
[See the EPM](#)

TMDA summarizes information collected on the AZTECS eligibility screens. TMDA uses the information as follows:

- For initial TMA eligibility (T1), TMDA is used to display information only. The information displayed includes income and the T1 approval period.
- When a change is reported, TMDA displays any change in the income amount and determines whether the budgetary unit exceeds [185% of the Federal Poverty Level](#).
- At TMA renewal (T2), TMDA is used to key the following:
Earned income information, when applicable.
That the specified relative worked, or had good cause for no continued employment, in the T1 six-month eligibility period.

NOTE Use TMDI for inquiry only purposes.

02 Transitional Medical Assistance (TMA) - Overview

[For MA after 2013](#)
[See the EPM](#)

TMA provides continued AHCCCS coverage to 1931 ineligible participants. The 1931 ineligibility must be due to earned income of the [specified relative](#) that exceeds the 1931 income limit. TMA may be provided for up to 12 consecutive months. The 12 months are divided into two six-month periods, T1 and T2.

Policy and procedures regarding TMA are outlined as follows:

- [TMA Initial \(T1\) Requirements](#)
- [TMA Renewals \(T2\)](#)
- [TMA Changes](#)
- [TMA Closures](#)
- [TMA Reinstatement](#)

03 TMA - Initial (T1) Requirements

[For MA after 2013](#)
[See the EPM](#)

To be eligible for TMA, ALL of the following must be met:

- A participant CURRENTLY must be receiving MA in the 1931 category in Arizona.
- A participant must be eligible for full services MA. Participants who are eligible for [Federal Emergency Services](#) (FES) are not eligible for TMA.
- At least one participant must have received MA for three out of the six months in the specified relative's [1931 budgetary unit](#). This includes the month immediately preceding the month the budgetary unit became [prospectively ineligible for 1931 MA](#).
- The increased income that caused 1931 ineligibility must be the earned income of the specified relative who was in the home when 1931 MA was received.
- All participants, including stepparents, must have been eligible in the 1931 budgetary unit at the time the case was closed.

WARNING

When a specified relative receives 1931 MA and the only dependent child receives SSI, the specified relative is potentially TMA eligible.

04 TMA Renewal (T2) - Overview

[For MA after 2013](#)
[See the EPM](#)

Policy and procedures for TMA renewals are outlined as follows:

- [TMA Renewal Requirements](#)
- [TMA Renewal Procedures](#)
- [TMA Renewal Keying Procedures](#)
- [Continued Employment of the Specified Relative](#)
- [185% FPL Test](#)

A TMA Renewal (T2) - Requirements

[For MA after 2013](#)
[See the EPM](#)

The budgetary unit may continue to be eligible for the TMA extension period, T2, when all of the following conditions are met:

- The budgetary unit turns in an application and completes the TMA renewal requirements
- The budgetary unit continues to include a [dependent child](#)
- The specified relative whose earned income caused 1931 ineligibility has [continued employment](#) during the T1 period or has [good cause reasons for no continued employment](#)
- The budgetary unit's income meets the [185% FPL test](#)
- In a two parent TMA budgetary unit, the specified relative whose earned income caused 1931 to stop is the same specified relative when determining T2.

B TMA Renewal (T2) - Procedures

[REVISION 06](#)
(10/01/08 - 12/31/08)

[For MA after 2013](#)
[See the EPM](#)

AZTECS [automatically stops](#) TMA when the end of T1 has been reached and a renewal application is not registered.

The case is closed with the OR Denial or Closure Reason Code. The automatic closure action displays on [ACHI](#) as *AEX. AZTECS sends a [NOAA](#) on the tenth [workday\(g\)](#) of the last month of T1.

When a TMA renewal application is registered, the following apply:

- When the interview is completed by the tenth workday of the last month of T1, the auto close process does not occur. The EI MUST process the case to allow for NOAA, when applicable.

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- When the interview is scheduled prior to or on the tenth workday of the last month of T1, but NOT completed, the auto close process continues. AZTECS sends the PI the NOAA.

The EI has until the last day of T1 to complete the interview and eligibility determination. When eligible, send an approval notice to the PI. When not eligible, send the appropriate [MA closure notice](#). NOAA is not required.

- When an application is turned in prior to the tenth workday of the last month of T1, and the interview is scheduled after the tenth workday, the auto close process does not occur.

The EI MUST process the case to allow for NOAA, when applicable. When eligible, send an approval notice to the PI. When not eligible, send the appropriate MA closure notice.

- When an application is turned in after the tenth workday of the last month of T1, and the interview is scheduled prior to the 23rd calendar day, but NOT completed, the auto close process stops MA. NOAA was sent on the tenth workday.

- When any TMA renewal interview is scheduled after the 23rd calendar day of the last month of T1, the auto close process does not occur. Complete one of the following when a TMA renewal interview is completed:

When eligible, send an approval notice to the PI.

When not eligible, send the appropriate MA closure notice.

WARNING

When the T1 case auto closed and a renewal application is received prior to the effective date of closure, complete the following:

- Key the LRAC REPT Reason Code on **REPT**. Do NOT send a notice.
- Register the application on RERE.
- Schedule the appointment no later than the fifth workday of the following month.
- Complete the interview and the eligibility determination.
- When eligible, send the [M110 notice](#).
- When not eligible, send the appropriate denial or closure notice. NOAA is not required.

WARNING (continued)

- When the participant does not complete the interview, key N in the INTERVIEW COMPLETED field on INDA.

NOTE AZTECS completes both of the following:

- Denies the case the same night, effective the last day of the approval period, with the FR Denial or Closure Reason Code
- Issues the X078 notice

When the TMA renewal is not completed timely, receipt of participants' medical services is interrupted.

This can result in costly fees to AHCCCS during a period when the participant is eligible, but is not enrolled in a health plan.

(See [Late TMA Renewal Applications](#) when the application for renewal is received after the NOAA date, but prior to the effective date of closure)

C TMA Renewal (T2) - Keying Procedures

[REVISION 07](#)
(01/01/09 – 03/31/09)

[For MA after 2013](#)
[See the EPM](#)

TMA participants must complete a renewal application AND be interviewed prior to or during the sixth month of the T1 extension period for eligibility to be determined for the T2 extension period. (See [Establishing MA Renewal Dates](#) for policy regarding the renewal application process)

NOTE Treat applications turned in more than 60 calendar days prior to the end of the current TMA period as a change.

Complete the following when a renewal application is registered, and the interview is completed:

- On [APEM](#), [COPY DETAILS](#) into the month corresponding with the next TMA period.
- Verify each [mandatory factor](#) necessary to complete a [1931](#) determination.

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- Key all current information on the applicable screens.
- AZTECS performs the [185% FPL test](#) automatically.

NOTE SSI recipients are not counted in the current family size determination, and SSI income is not counted.

- When participants become 1931 MA eligible because the current income has decreased, authorize 1931 on [MADA](#). Send the [C705 notice](#).

When MADA displays ???? in the RESULT field, review the last six months of employment to determine whether the specified relative was continuously employed. When the participant was not continuously employed, determine whether the participant has good cause for no continued employment. (See [TMA Good Cause](#))

NOTE In a two parent TMA budgetary unit, the specified relative whose earned income caused the 1931 ineligibility must remain the same specified relative when determining eligibility for T2.

When continued employment or good cause reasons exist, key Y in the WAS THE CARETAKER RELATIVE EMPLOYED IN EACH MONTH OF THE PAST TMA PERIOD OR HAVE GOOD CAUSE FOR ANY MONTH(S) OF UNEMPLOYMENT? field on [TMDA](#).

Continued employment or good cause reasons may not exist. When this occurs, key N in the WAS THE CARETAKER RELATIVE EMPLOYED IN EACH MONTH OF THE PAST TMA PERIOD OR HAVE GOOD CAUSE FOR ANY MONTH(S) OF UNEMPLOYMENT? field on [TMDA](#). (See [No Continued Employment](#)) Complete the following:

- Press ENTER. AZTECS advances to MADA. Authorize approval or denial in individual MA categories, as applicable.
- Send the appropriate notice.

When the specified relative was continuously employed, or [TMA good cause](#) existed in the T1 period, key the additional information on TMDA, as follows:

- Key the earned income received during the income period used in the EMPLOYMENT INCOME OR SELF EMPLOYMENT INCOME field on TMDA.

NOTE The participant may meet good cause and has no current earnings, but anticipates returning to work. When this occurs, see [Projecting Income](#) for the income to key on TMDA.

- Key the verified dependent care expenses billed in the DEP CARE DEDUCTION field on TMDA. (See [Dependent Care Deductions](#))
- Press ENTER. AZTECS determines the allowable dependent care deduction and compares the NET earned income to [185% of the Federal Poverty Level](#).
- Press ENTER. When the result is PASS in the PASS/FAIL field on TMDA, authorize the T2 period on MADA. Send the [M110 notice](#).
- The result may be FAIL in the PASS/FAIL field on TMDA. When this occurs, see [TMA 185% FPL Test](#) for procedures to use to determine T2 eligibility:

(See [Stopping TMA T2](#) when an application is turned in at the end of the T2 period. See [Late TMA Renewal Applications](#) when the application for renewal is received after the [Notice of Adverse Action](#) date, but prior to the effective date of closure.)

D TMA Renewal (T2) - Continued Employment

[For MA after 2013](#)
[See the EPM](#)

The specified relative whose earned income caused 1931 ineligibility must remain employed during EACH month of the T1 period in order to be eligible for the T2 six-month period.

(See [No Continued Employment](#) when the specified relative did not work during each month of the T1 period)

.01 TMA Renewal (T2) - No Continued Employment

[For MA after 2013](#)
[See the EPM](#)

When continued employment does NOT exist, determine whether a good cause reason exists for loss of employment during the T1 period. (See [TMA Good Cause Reasons](#))

A good cause reason may exist and all other eligibility factors have been met. When this occurs, key Y in the WAS THE CARETAKER RELATIVE EMPLOYED IN EACH MONTH OF THE PAST TMA PERIOD OR HAVE GOOD CAUSE FOR ANY MONTH(S) OF UNEMPLOYMENT? field on TMDA. Authorize the case and send the [M110 notice](#) to advise the PI of the approval and continuing TMA requirements.

Good cause reasons may not exist. When this occurs, key N in the WAS THE CARETAKER RELATIVE EMPLOYED IN EACH MONTH OF THE PAST TMA PERIOD OR HAVE GOOD CAUSE FOR ANY MONTH(S) OF UNEMPLOYMENT? field on TMDA.

Press ENTER. AZTECS advances to MADA. Authorize the approval in individual MA categories, or deny MA, as applicable.

When not eligible, send the [M200 notice](#) to the PI.

.02 TMA Renewal (T2) - Good Cause Reasons for No Continued Employment

[For MA after 2013](#)
[See the EPM](#)

Good cause reasons for no continued employment for the specified relative include the following:

- Dependent care, or care for an incapacitated spouse who lives in the same home with a dependent child is not available. The care must be necessary for the specified relative to continue employment.
- Involuntary loss of employment such as layoff, strike, lockout, or dismissal.

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- Illness or temporary disability of the specified relative.

NOTE Obtain supervisory approval for other causes, and ensure that CADO or the CADO Extension Form (CEF) is clearly documented.

Good cause CANNOT exist for more than a total of 45 days throughout the T1 period.

E TMA Renewal (T2) - 185% FPL Test

REVISION 01
(07/01/07 - 09/30/07)

For MA after 2013
See the EPM

AZTECS performs the 185% of the Federal Poverty Level (FPL) test automatically, based on any of the following:

- The earned income, less dependent care, received prior to the renewal interview.
- The projected income, less dependent care, when the participant has not had earnings, but anticipates returning to work.
- The earned income, less dependent care, when adding a participant to TMA. (See Adding a Participant to TMA)

The budgetary unit remains TMA eligible when both of the following occur:

- The TOTAL NET EARNED INCOME is equal to or less than 185% of FPL.
- All other eligibility requirements have been met.

When the budgetary unit fails the 185% FPL test using the projected income, recalculate using the averaged earned income received over the prior T1 six month period.

To calculate the gross earned income over the T1 six month period, complete the following:

- Anticipate the gross countable earned income for the remainder of the sixth month of the T1 period.

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- Determine the known gross countable earned income received during the six month period.
- Add the anticipated gross countable earned income for the sixth month of the T1 period to the known gross countable earned income received during the T1 period.
- Average the income by dividing the total by six months to arrive at the six month average. Key the result in the EMPLOYMENT INCOME or SELF EMPLOYMENT INCOME field on TMDA.
- Document CADO or the CADO Extension Form (CEF) and the [case file\(g\)](#) with the six month earned income calculation.

Use the same process to determine the average dependent care expense. Key the averaged dependent care expense billed in the T1 period in the DEP CARE DEDUCTION field on TMDA, and press ENTER.

AZTECS completes the 185% test based on the average income, less the averaged dependent care expense.

When PASS displays in the PASS/FAIL field on TMDA, authorize the T2 period on MADA. Send the [M110 notice](#).

When FAIL displays in the PASS/FAIL field on TMDA, complete the following:

- Authorize participants on MADA in individual MA categories
- Deny the participants when eligibility does not exist
- Send the [appropriate notices](#).

05 TMA Changes - Overview

[For MA after 2013](#)
[See the EPM](#)

The TMA budgetary unit is required to report the following changes verbally or in writing within ten days of the date the change becomes known during the TMA period. The following changes MUST be reported:

- A move out of state.
- Someone moves into or out of the home. (See [Adding a Participant to TMA](#), and [Removing a Participant](#))
- A dependent child is no longer in the home.

TMA participants are not required to report earned income changes or loss of employment until renewal. Treat TMA budgetary unit changes as follows:

- When FAA becomes aware or a participant reports a change and the TMA budgetary unit ALSO receives CA or NA, see [Changes](#).
- When the budgetary unit voluntarily reports changes in earned income, AND is receiving TMA ONLY, the following apply:
When the report is an increase in income, DO NOT take action until the next renewal.
When the report is a decrease in income, redetermine potential 1931 eligibility.

NOTE Update the pregnancy indicator on MAST when becoming aware that a participant is pregnant. Add an UNBORN to the case.

A Adding a Participant to TMA

REVISION 27
(12/01/13 – 01/31/14)

[For MA after 2013](#)
[See the EPM](#)

The following [eligible TMA participants](#) may be added to TMA when they move into the home during the TMA eligible period:

- A natural, adoptive, or step parent who returns to the home during a TMA period.

NOTE When a child in common is born into an eligible TMA family, the birth does not qualify the stepparent who is in the home, but not 1931 eligible, to be added to TMA.

- A full, half, or step sibling when under 18 (or meets [MA student criteria](#), when 18).

EXCEPTION

Participants living in the home who were 1931 ineligible at the time the budgetary unit became T1 eligible may be added to TMA in either of the following situations:

- A participant who was noncompliant with DCSS and is now in compliance.
- A participant who was receiving MA based on SSI eligibility and is no longer SSI eligible.

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When it is reported someone moved in with the TMA budgetary unit, complete the following:

- Determine whether the participant would be included in the budgetary unit if they were applying for 1931 today.
- Verify all [eligibility factors](#) have been met when adding a participant to the case. (See [Verification Cooperation](#) and [Adding Participants](#))
- When it is determined that the participant cannot be added and does not qualify for any other category, code the participant OU on SEPA. Send the appropriate [MA denial notice](#).
- When the participant can be added, complete the following:
Add the participant, and process the application in AZTECS up to MADA. MADA displays the results of the eligibility determination.
Authorize the eligibility determination on MADA. Participants may remain eligible for the TMA period with the addition of the new participant.

NOTE When a participant is added to TMA, AZTECS adds their income (as keyed on EAIN or SEEI) to the total earned income on TMDA. Review TMDA to ensure that the correct amount of income is budgeted.

WARNING

When adding a participant whose income causes TMA ineligibility, DO NOT close the TMA case. The following apply:

- Earned income changes are not required to be reported until the end of the current TMA period.
- Participants whose income causes TMA ineligibility are not required to be added until the end of the current TMA period.
- Key the add-on participant OU on SEPA.
- Key the income of the participant who is being added as OA for CA or OF for NA to allow TMA to continue until the renewal.
- Add a participant with income at the next renewal.

06 TMA Closures - Overview

[For MA after 2013](#)
[See the EPM](#)

Policy and procedures regarding TMA closures are outlined as follows:

- [Stopping TMA](#)
- [Stopping TMA T2](#)
- [TMA Reinstatement](#)

A TMA Closures - Stopping TMA

[For MA after 2013](#)
[See the EPM](#)

Stop TMA for a participant using adequate notice anytime during the 12 month period when one of the following occurs:

- The participant voluntarily withdraws (VB or VW)
- The participant becomes a resident of an institution (RI or RJ)
- The participant is deceased (DH) (See [MA Emergency Representative](#))
- Loss of contact has been established (LC)

When ALL participants in the budgetary unit meet any of the previously listed situations, stop the TMA case.

Stop TMA for ONLY the specific participant, allowing for [NOAA](#), when any of the following occurs:

- A participant refuses to cooperate with DCSS Medical Support requirements, unless the participant is exempt. (See [MA Cooperation Exemptions](#))
- A participant living in the home was never 1931 eligible.
- A participant moves out of state.

NOTE Allow adequate notice when the participant is receiving benefits in another state.

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When ALL participants in the budgetary unit meet any of the previously listed situations, stop TMA.

Stop TMA eligibility, allowing for NOAA, when the TMA budgetary unit no longer includes a dependent child.

Key DC in the DEN/CL REASON field on MADA.

NOTE Specified relatives remain eligible when living with an SSI or foster care dependent child, and no other dependent child remains in the TMA case.

WARNING

Deny T2 when earned income exceeds [185% of the Federal Poverty Level](#) at the renewal application. Key EI in the DEN/CL REASON field on MADA.

(See [Cascading](#) for additional policy and procedures)

FAA may find that a participant who received 1931 in the six months prior to authorizing TMA was not eligible for 1931 MA. When this occurs, complete the CA/MA Income Maximum and Needs Test (FA-200A) and CA/MA Budget Record (FA-200B).

This determines whether the participant's ineligibility would have prevented the remaining participants from being 1931 eligible. Take appropriate action to stop TMA for the participant or the budgetary unit. Key the appropriate Denial or Closure Reason Code on MADA.

WARNING

When the PI voluntarily withdraws, request the reason. Stop TMA with the appropriate Denial or Closure Reason Code. Stop for voluntary withdrawal ONLY when the PI does not give a reason. (See [MA Voluntary Withdrawals](#))

(See [MADA Ineligible Dates](#) for policy regarding ineligible dates)

B TMA Closures - Stopping TMA T2

[For MA after 2013](#)
[See the EPM](#)

[Auto exparte](#) occurs during the last month of T2. At least ten days plus four [workdays\(g\)](#) before the AHCCCS roster date, AZTECS completes the following:

- Sends the [X403 notice](#) to the PI. The notice advises the PI of TMA closure.
- Stops TMA when no MA renewal application is registered.

The following must occur when the budgetary unit wants to continue receiving MA:

- An application must be turned in
- An interview must be complete
- The participants must be determined eligible

In the last month of T2, complete the following after a new application is registered:

- Determine whether the participants are eligible in another [MA category](#).
- Send the [appropriate notice](#) to inform the PI of the determination.

C Reinstating TMA after TMA Closure

[For MA after 2013](#)
[See the EPM](#)

AZTECS tracks the 12 consecutive months of TMA beginning with the first eligible TMA month. When TMA is stopped, benefits may be reinstated for the remaining months of the TMA period. All TMA eligibility factors must be met for the budgetary unit to receive any remaining months.

NOTE To receive any remaining balance of the original TMA period, the specified relative must be the same specified relative in the original TMA case.

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The budgetary unit may receive the remaining months of TMA ONLY when TMA was stopped due to one of the following:

- Loss of Arizona residency, using the RS Denial or Closure Reason Code. The specified relative must verify [continued employment](#) for the period of absence at new application.
- 1931 eligibility. AZTECS stops TMA using the TE Denial or Closure Reason code. When earned income increases in the future, AZTECS stops 1931 using TE and allows the remaining months of TMA.

When the budgetary unit remains 1931 eligible for three or more months, the budgetary unit may be eligible for a new period of TMA. The budgetary unit must meet the original [T1 Requirements](#).

The following are examples of TMA reinstatement:

- Example [TMA Reinstatement 1](#)
- Example [TMA Reinstatement 2](#)
- Example [TMA Reinstatement 3](#)
- Example [TMA Reinstatement 4](#)