

## 04 Deemed Newborn Categorical Coverage - Overview

[REVISION 09](#)  
(07/01/09 – 09/30/09)

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

Deemed Newborn Categorical Medical Coverage is provided to a child reported as a live birth to a mother who was eligible for [Title XIX](#) MA in any category on the date of the child's birth.

When a miscarriage, stillbirth, or abortion is reported, see [Removing a Participant Due to Stillbirth, Miscarriage, or Abortion](#) to allow the S.O.B.R.A. Woman's [postpartum](#) coverage.

This section includes the following Deemed Newborn policy:

- [Deemed Newborn Eligibility Requirements](#)
- [Deemed Newborn Automated Process](#)
- [CR600 \(AHCCCS Other Deemed Newborn Report\)](#)
- [X113 \(M113\) Deemed Newborn Update](#)
- [Deemed Newborn Reported From Other Than AHCCCS](#)
- [Deemed Newborn Born to SSI Mother](#)
- [Continuing Deemed Newborn Categorical Coverage](#)
- [Transferring Deemed Newborn Categorical Coverage](#)
- [Deemed Newborn Turning One](#)

### A Deemed Newborn Eligibility Requirements

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(07/01/09 – 09/30/09)

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A child born to a Title XIX eligible mother meets the Deemed Newborn Categorical Coverage eligibility requirements. The mother must meet both of the following requirements:

- She must have applied for MA for herself on or before the date of the child's birth.

- She must have been determined eligible for a Title XIX MA category for the month of the child's birth. This includes a child born to an FES eligible mother as long as the child was born in the United States.

**NOTE** — A child born to a mother whose Title XIX MA case was closed but who continued to receive AHCCCS benefits based on their guaranteed enrollment, is eligible.

The mother's eligibility determination may be completed before or after the child's birth.

- The child remains continuously eligible for Deemed Newborn Categorical Coverage through the month of the child's first birthday.

The child must remain an Arizona resident.

## B Deemed Newborn Automated Process

**REVISION 19**  
(01/01/12 –12/31/11)

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

AHCCCS interfaces with AZTECS to update information about the children born to participants. AHCCCS receives this information from the medical providers.

When the AHCCCS information matches the information in AZTECS, AZTECS initiates the following:

- Updates the unborn information to that of the child. The child's Relationship Code (CH) replaces the unborn Relationship Code (UB) on SEPA when the PI is the mother. A Relationship Code of NE (not established) replaces the unborn Relationship Code on SEPA when the PI of the case is NOT the mother of the child.

### **WARNING**

Change the Relationship Code from NE to the appropriate code to establish the child's relationship to the PI of the case.

- Blanks the PREG Y/N indicator and EXP DEL DATE field on MAST.
- Updates the PG TERM DATE to the child's date of birth, and the [pregnancy lock in date\(g\)](#) to the child's date of birth plus 59 days to allow for the postpartum period.
- For FES mothers, resets the date in the CL REN DATE field on MADA to the actual date of delivery plus 59 days.
- Establishes the Deemed Newborn's renewal date as the month of the child's first birthday.
- Authorizes the child in the NB (Deemed Newborn) category using the name reported to AHCCCS by the Provider.

When the child's name is unknown the child's name usually displays as the mother's last name, and first name is baby boy or baby girl.

- Sends the [X113 notice](#) to the PI using the current address on ADDR.

NOTE The X113 advises the PI to contact the local office within 20 calendar days following the date it was mailed. The purpose of this contact is to establish that the child resides in Arizona and to obtain the newborn's name.

- Reports the mother and child on the [CR600](#). The CR600 lists all children who have been automatically processed and authorized for MA.

When a match is not found, the Automated Process cannot be completed and the child is not listed on the CR600. The reasons why a match cannot be made may include the following:

- The mother is not known to AZTECS.
- The mother is receiving SSI AND her participation in AZTECS ended more than one year ago. (See [Deemed Newborn Born to SSI Mother](#))
- The mother is in her six month guarantee period and her participation is not known to AZTECS.

The AHCCCS Deemed Newborn (Error Report) (CR605) lists the names of children whose mothers are not known to AZTECS. This report is worked by [Research and Analysis](#).

The Local Offices receive specific written instructions when an action is required to be taken by local office staff.

### C Deemed Newborn Report (CR600)

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

The local office must access the CR600, AHCCCS Deemed Newborn Report, through the [SAR System](#) every [workday\(g\)](#). (See [SAR- CR Reports](#) for SAR Job name)

The CR600 indicates the following:

- The child was authorized as a Deemed Newborn for MA.
- The [X113 notice](#) was sent.

When the CR600 is received, Local Office Management monitors the CR600 through [ACTS](#) to ensure the requested information concerning Deemed Newborn eligibility is received timely.

(See [X113 \(M113\) Deemed Newborn Update](#) for additional policy and procedures)

When the mother is receiving CA, NA, or is eligible in the 1931 MA category, see [Adding a Deemed Newborn](#) for additional policy.

### D Deemed Newborn Update (X113, M113)

[REVISION 09](#)  
(07/01/09 – 09/30/09)

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

Allow the mother 20 calendar days from the date the [X113 notice](#) was mailed to provide the requested information. The [M113 notice](#) may be sent by the local office when necessary. The PI may provide the information by telephone, in person, or by mail.

Procedures for completing the X113 (M113) process are outlined as follows:

- [Information requested on the X113 is Received.](#)
- [Information requested on the X113 is Not Received.](#)

**WARNING**

The X113 (M113) Deemed Newborn Update process applies to the Deemed Newborn MA category ONLY. The Deemed Newborn Update process is not a condition of eligibility.

**.01 Information Requested on the X113 is Received**

**REVISION 09**  
(07/01/09 – 09/30/09)

For MA after 2013  
See the EPM

When information requested on the X113 (or M113) IS provided, complete the following:

- Review the information to ensure the child resides in Arizona.
- Document GADO or the GADO Extension Form (GEF) to indicate whether or not the child continues to reside in Arizona.
- Update AZTECS with the child's name on CLIM.

**NOTE** Social Security Number (SSN) enumeration is not an eligibility requirement. When an SSN is provided, replace the pseudo SSN on SSDO with the valid SSN.

- When the child continues to reside in Arizona, authorize MA eligibility on MADA. Send the [M500 notice](#).

**NOTE** AZTECS sets the date in the Deemed Newborn's CL REN DATE field and CASE RENEWAL DATE field. Do not change these dates.

- Document the [case file\(g\)](#) with the action taken.
- Information may be provided and it is determined that eligibility for the Deemed Newborn does not or never has existed. When this occurs, see [Continuing Deemed Newborn Categorical Coverage](#) for policy regarding changes in Deemed Newborn coverage. Send an [adequate notice](#).

**.02 Information Requested on the X113 is NOT Received**

**REVISION 09**  
(07/01/09 – 09/30/09)

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

When the X113 (or M113) is returned by the Post Office as undeliverable and there has been no change of address reported, complete the following:

- Stop the NB coverage using the LC Denial or Closure Reason Code on MADA. (See [Continuing Deemed Newborn Categorical Coverage](#) for policy regarding changes in Deemed Newborn coverage)
- Send the [M200 notice](#) on NORE, allowing for [NOAA](#), informing the PI that NB coverage is being stopped.
- Document the actions taken on the [case file\(g\)](#).

When the information requested on the X113 (or M113) is NOT provided by the close of business on the 20th calendar day or the mother does NOT RESPOND, do not stop NB coverage. Document the actions taken on the [case file\(g\)](#).

**E Deemed Newborn Reported From Other Than AHCCCS**

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

A source other than AHCCCS may notify FAA of the child's birth. When the mother is receiving MA benefits, determine eligibility for the child. (When a miscarriage, stillbirth or abortion is reported, see [Removing a Participant Due to Miscarriage, Stillbirth, or Abortion](#))

Follow these procedures ONLY when the child's eligibility has not been updated by the Deemed Newborn Automated Process. (See [Mother's Application is Pending](#) when the case is pending)

**EXCEPTION**

When there is an active 1931, CA, or NA program, take action to update the child's eligibility when [mandatory verification](#) is received.

Change the Unborn information to indicate this is now a child. Take

the following steps on CLIM:

- Key 1, Inquire on Person, in the SELECT FUNCTION (BY NUMBER) field. Inquire, using the Unborn information or pseudo SSN listed on CAP2. Press ENTER.
- On CLIS, key the Unborn sequence number. Ensure that the correct Unborn is selected. Press ENTER.
- On CLPR, key a Y to select the Unborn for maintenance when all information, including the case number, is correct. Press ENTER.
- CLIM displays the Unborn information.
- Key 6, Change Participant Identifying Data, in the SELECT FUNCTION (BY NUMBER) field. Press ENTER.
- CLMA displays. Key the Given Name of the child. Press the ERASE EOF key to completely erase UNBORN. Replace the Surname in the same manner when it is different from the original Surname. Key the Middle Initial when there is one. Replace the U Sex Code with F or M.

Key the SSN or AHCCCS ID number, when known, at this time. When the child does not have an SSN or AHCCCS ID number, leave the AZTECS pseudo SSN. Press ENTER.

- The information keyed on CLMA replaces the Unborn information.

Updating the Unborn information on CLIM updates information on MAST. The PREG Y/N indicator and EXP DEL DATE field is blanked. The child's date of birth displays in the PG TERM DATE field. Internally, AZTECS sets the mother's [pregnancy lock in date\(g\)](#), which determines the postpartum period of eligibility.

To continue the process of changing the Unborn to a child, key the following information in the application entry sequence screens. Start with the most current system month, and work to the earliest month (the birth month).

Updating the following screens for the earliest month updates the screens for all months. It is required, however, that each mandatory eligibility screen be passed through to authorize.

- SEPA - Change the relationship from UB to CH and the MA Participation Code from OU to IN for the most current month.

In the START DAY field, key the date of birth. This is necessary ONLY in the earliest benefit month in which the child is being added, the birth month.

### WARNING

Completing SEPA only, back through the earliest month (the month of birth), and then authorizing each month from the earliest to the most current month is critical to establish the correct MA start date for the Deemed Newborn.

- MAST – No keying is required.
- SSDO – Leave the AZTECS pseudo SSN for the Deemed Newborn unless an AHCCCS ID number is available.

Key the Verification Code for date of birth.

Key the date of birth in the SS5 DATE field.

Complete MAGH and MADA. These are mandatory eligibility screens when the Participation Code is changed for any participant in the case.

SPRD may not have been completed. When the information is now known, key the Deprivation Code for the child on SPRD and complete the Absent Parent screens.

Authorize benefits for all months from the earliest benefit month to the most current month.

Send the [M113 notice](#) to the participant.

(See [X113](#) for procedures to follow once the information requested on the M113 is received)

When the child's birth and all required verification is provided by the participant, add the newborn and send the M500 notice.



## .01 Mother's Application is Pending

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

The birth of the child may be reported while the mother's MA application is pending. AZTECS only allows the child's MA category to be determined as Deemed Newborn when the mother is eligible.

The mother's eligibility determination must be completed at LEAST ONE [workday\(g\)](#) BEFORE changing the unborn information to the child's identifying information. When this occurs, complete a Deemed Newborn eligibility determination.

The following procedures will ensure that the child's Deemed Newborn Categorical Coverage is determined correctly:

- On MAST, when the mother's EXP DEL DATE has passed, change the EDD to a future date.
- Complete the mother's MA eligibility determination for the month of application. Complete and authorize any months since the application, including the month of the child's birth.

When the mother is determined eligible, send the [M100 notice](#), advising of her eligibility.

### WARNING

The following day, change the Unborn identifying information to the child's information.

AZTECS will then allow the child's eligibility to be authorized in the Deemed Newborn (NB) category.

Send the [M113 notice](#). Allow the mother 20 days from the mail date to provide the requested information. (See [X113](#) for procedures whether the M113 is returned or not returned)

When the mother is determined ineligible, deny on MADA. Send the appropriate [denial notice](#) on NORE.

Determine the child's MA eligibility as follows:

- On CLIM, Inquire (Function 1) on the Unborn.
- Select Change Client Identifying Data (Function 6). Change

the Unborn information to that of the child.

- Key all required eligibility screens.
- AZTECS determines eligibility for the child in one of the following MA categories:

[S.O.B.R.A. Child](#)

[1931](#)

- Send a decision notice on NORE informing the PI of the results of the child's eligibility determination.

**F Deemed Newborn Born to an SSI Mother**

[REVISION 11](#)  
(01/01/10 -03/31/10)

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

When a child is born to an SSI mother, the child might not be included in the Deemed Newborn Automated Process. Complete the procedures listed for the following scenarios:

- [SSI Mother-Open MA Exists in AZTECS](#)
- [SSI Mother-Not Known to AZTECS](#)

**.01 Newborn Born to an SSI Mother - Others in the Case Have Open MA**

[REVISION 11](#)  
(01/01/10 -03/31/10)

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

When the SSI mother is listed in another MA case in AZTECS, the Deemed Newborn is listed on the [CR600](#).

**EXCEPTION**

When the current system month of the MA case is prior to the Deemed Newborn's date of birth, the Deemed Newborn is listed on the CR605 and is not added to the MA case. For example, the MA case is in the month of January and the Deemed Newborn is born in February.

**.02 Newborn Born to an SSI Mother - Not Known to AZTECS**

**REVISION 11**  
(01/01/10 -03/31/10)

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

When the SSI mother is not known to AZTECS, or her information in AZTECS is more than one year old, the following apply:

- The Deemed Newborn is listed on the AHCCGS Deemed Newborn (Error Report) CR605 report received by the Research and Analysis Unit (R & A).
- R & A informs the local office via e-mail of the following:

Mother's name  
Mother's address  
Mother's telephone number  
Mother's date of birth  
Mother's Social Security Number  
Child's date of birth  
Child's AHCCGS ID  
Child's gender

- The local office uses the e-mail information to register an MA application for the Deemed Newborn. Use the Deemed Newborn's date of birth as the application date.
- The EI completes the following:

Key the ~~OU~~ Participation Code in MA PT field on SEPA for the SSI mother.

Key the ~~IN~~ Participation Code in MA PT field on SEPA for the Deemed Newborn.

Telephone the SSI mother to obtain the Deemed Newborn's name and to verify that the Deemed Newborn is residing in Arizona. (See [Deemed Newborn Eligibility Requirements](#))

Contact [FAA Systems Help Desk](#) for assistance, when needed, with the following:

- Mailing the [M113 notice](#)
- Approval of MA for the child

Key the user PCN in the AUTH ALL field on [MADA](#) to authorize benefits for the child.

**NOTE** When the mother has no telephone or fails to respond to the call, send the [M113 notice](#) to the mother. Give her 20 calendar days from the day the notice was mailed to respond.

When the mother responds and verifies that the Deemed Newborn is residing in Arizona, approve the Deemed Newborn's MA. Send the [M500 notice](#).

When the mother fails to respond, contact the mother by telephone or home visit to verify that the Deemed Newborn is residing in Arizona. Document all contact attempts in the [case file\(g\)](#). Do not stop NB eligibility when unable to contact the PI.

**NOTE** A home visit is optional.

When the Deemed Newborn is not residing in Arizona, deny MA for the Deemed Newborn allowing for [NOAA](#). Key the NR Denial or Closure Reason Code in the DEN/CL REASON field on MADA. Send the [M200 notice](#).

(See [Continuing Deemed Newborn Categorical Coverage](#) for policy regarding changes in Deemed Newborn coverage)

## **G Deemed Newborn Renewal Requirements**

[REVISION 04](#)  
(04/01/08 - 06/30/08)

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

Deemed Newborn renewal requirements depend on whether the Deemed Newborn participant is a mandatory participant in an active MA case. Policy and procedures are outlined as follows:

- [Deemed Newborn is the Only Active Participant](#)
- [Deemed Newborn is in an Active MA Case](#)

## .01 Deemed Newborn is the Only Active Participant

[REVISION 09](#)  
(07/01/09 – 09/30/09)

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

Deemed Newborn Categorical Coverage automatically stops at the end of the month of the child's first birthday.

NOTE — Eligibility for the Deemed Newborn category does not require an application for SSN enumeration.

### WARNING

Changes in the parent's income have no effect on Deemed Newborn eligibility.

Cases including a Deemed Newborn participant turning one year of age appear on the Reviews Due or Overdue (CR110) report. (See [Deemed Newborn Turning One](#) for determining active eligibility)

## .02 Deemed Newborn in an Active MA Case

[REVISION 23](#)  
(01/01/13 - 03/31/13)

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

When the MA case is closed for not completing a renewal, AZTEGS stops the Deemed Newborn's coverage.

The Deemed Newborn may still meet eligibility requirements for Deemed Newborn Categorical Coverage through the month of the Deemed Newborn's first birthday.

When the budgetary unit fails to turn in a renewal application by the tenth day of the renewal month, AZTEGS sends the [X051 notice](#) to the PI. (See [Auto Close](#)) When the PI fails to respond to the X051, the case automatically closes on the 23rd day of the renewal month.

When the PI contacts the local office prior to the 23rd day, and requests that MA continue for the Deemed Newborn participant only, complete the following:

- Approve MA for the Deemed Newborn participant.

- Stop MA for the other MA participants on MADA using the FR Denial or Closure Reason Code.
- Send the [M111 notice](#) to the PI informing the PI of the Deemed Newborn participant's continued coverage.

The PI may contact the local office after the 23rd day, but before the end of the month after the MA case is closed. When this occurs, and the PI wants MA to continue for the Deemed Newborn participant only, complete the following:

- Reopen the MA case.
- Key the other MA participants OU in the PT field on SEPA.
- Key the FR Denial or Closure Reason Code in the INELG RSN field on SEPA for the other MA participants.
- Approve the Deemed Newborn participant under the age of one in the Deemed Newborn category on MADA.
- Send the M111 notice to the PI informing the PI of the Deemed Newborn participant's continued coverage.

## H Continuing Deemed Newborn Categorical Coverage

[REVISION 09](#)  
(07/01/09 – 09/30/09)

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

A Deemed Newborn is categorically eligible through the month of their first birthday when the newborn continues to live in Arizona. Changes may occur that will stop Deemed Newborn Categorical Coverage before the Deemed Newborn's first birthday.

### WARNING

When Deemed Newborn Categorical Coverage must be stopped in one case but continued in a different case, see [Transferring Deemed Newborn Categorical Coverage](#).

When Deemed Newborn coverage has stopped, the mother may request that Deemed Newborn coverage continue. When this occurs, review the reason for the initial closure and determine whether the request meets the time frames for continuing coverage.

When the Deemed Newborn's coverage has stopped, it may be continued when the request meets one of the following time frames:

- **Prior to the effective date of closure**

The PI contacts FAA prior to the effective date of closure, and the original reason for the closure no longer exists.

- **The month after the closure**

The PI contacts FAA the month after the Deemed Newborn coverage was stopped with the following Denial or Closure Reason Codes:

- **OC** - The Deemed Newborn is currently receiving MA benefits in another case.
- **FR** - The PI failed to complete an MA renewal.
- **LC** - Mail sent to the participant has been returned from the post office. (See Returned Mail)
- **MB** - The Deemed Newborn moved out of the home but continues to reside in Arizona.
- **VB** - The mother requests to voluntarily withdraw from MA. MA stops at the end of the month.
- **VR** - The child moved and the location is unknown.
- **VW** - The mother requests to voluntarily withdraw from MA immediately.

### **EXCEPTION**

Certain Denial or Closure reasons DO NOT allow Deemed Newborn Coverage to continue. Those reasons, along with the applicable Denial or Closure Reason Codes, are as follows:

- **DH** - The Deemed Newborn died.
- **AG** - The Deemed Newborn turned one year of age.
- **RS** - The Deemed Newborn moved out of state.

**NOTE** This does not apply when the case was closed in error.

- Any time before the child's first birthday

The PI contacts FAA at any time before the child's first birthday and the newborn was closed with one of the following Denial or Closure Reason Codes:

- AL - The Deemed Newborn is currently receiving ALTCS.
- SI - The Deemed Newborn is currently receiving SSI.

- The case was closed in error

The Deemed Newborn eligibility may resume at any time.

When continuing Deemed Newborn coverage, send the [C502 notice](#) to the PI.

When Deemed Newborn eligibility cannot be continued, the child may be eligible as a S.O.B.R.A. child, when the following steps are taken:

- An application is turned in.
- The application process is completed.

## I Transferring Deemed Newborn Categorical Coverage

[REVISION 09](#)  
(07/01/09 – 09/30/09)

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

Deemed Newborn Categorical Coverage may be transferred from one case to another for the remainder of the 12 month period, when any of the following occur:

- The Deemed Newborn was added in error (AE) to a case and eligibility was approved on the case. Complete the following when this occurs:

Contact [FAA Systems Help Desk](#) to remove the Deemed Newborn from the case.

Add the Deemed Newborn to the correct case on CLIM, effective the first day of the month following the month of removal from the incorrect case.

- The Deemed Newborn is [currently receiving](#) (OC) MA benefits in another case. (See [Currently Receiving\(lr\)](#))



- The [Deemed Newborn moves](#) (MB) out of the home and continues to reside in Arizona.
- The PI requests to [voluntarily withdraw](#) (VB) from MA. (See [Voluntary Withdrawal\(lr\)](#))

NOTE When transferring Deemed Newborn eligibility, an application is not required.

## .01 Deemed Newborn Moves

[REVISION 09](#)  
(07/01/09 – 09/30/09)

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

When the Deemed Newborn moves out of the home of the PI, but continues to reside in Arizona, complete one of the following:

- When their address is known, complete the following:

Remove the Deemed Newborn from the original case by keying the following on SEPA:

- OU in the PT field.
- MB in the INELIG RSN field for the newborn.
- The first day of the month after the change occurred in the INELIG DATE field.

Register a new case on CLIR for the Deemed Newborn. The application date is the first day of the month following the month of removal from the original case.

- When their address is not known, complete the following:

Contact the PI of the original case by phone or send the [C011 notice](#) requesting the mother and Deemed Newborn's new address.

When the PI provides an address in Arizona, complete the previously listed procedures for when the address is known.

When the PI does not know or is unable to provide the address, complete the following, allowing for [NOAA](#):

- Remove the Deemed Newborn using the MB Denial or Closure Reason Code on MADA.
- Send the [M200 notice](#).

When the Deemed Newborn moves into a budgetary unit not currently receiving MA, add the MA program on APMA.

**NOTE** — The date of application is the first day of the month following the month the change occurred.

When the Deemed Newborn moves into a budgetary unit currently receiving MA, add the Deemed Newborn to the MA program without an application. The date of the add-on is the first day of the month following the month the change occurred. (See [Adding a Participant](#))

## J Deemed Newborn Turning One

**REVISION 33**  
(12/01/14 - 01/31/15)

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

Due to processing requirements in AZTECS, an application **MUST** be filed and a [customer contact](#) completed (when needed) for a Deemed Newborn turning one. AZTECS generates and sends the [X407 notice](#) to the PI the month the Deemed Newborn turns one. The X407 informs the PI that MA will stop for the child unless an application is completed and turned in to redetermine eligibility.

When an application is turned in for other programs within the month the Deemed Newborn turns one, use the same application to redetermine the child's MA eligibility.

### **EXCEPTION**

An application is **NOT** required for a Deemed Newborn turning one when **ALL** of the following occur:

- Both parents of the child are in the home and are active in the MA program.
- A review has been completed for MA eligibility no more than 90 days prior to the child turning one.
- [SSN enumeration](#) requirements have been met for the child.

AZTECS redetermines eligibility in the correct MA category for the Deemed Newborn turning one when **ALL** of the above conditions occur.