

MEDICAID ELIGIBILITY  
STATE COVERAGE INSURANCE (SCI) (CATEGORY 062)

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**TITLE 8 SOCIAL SERVICES  
CHAPTER 262 MEDICAID ELIGIBILITY - STATE COVERAGE INSURANCE (SCI) (CATEGORY 062)  
PART 600 BENEFIT DESCRIPTION**

**8.262.600.1 ISSUING AGENCY:** New Mexico Human Services Department.  
[8.262.600.1 NMAC - N, 7-1-05]

**8.262.600.2 SCOPE:** The rule applies to the general public.  
[8.262.600.2 NMAC - N, 7-1-05]

**8.262.600.3 STATUTORY AUTHORITY:** New Mexico Statutes Annotated, 1978 Chapter 27, Articles 1 and 2 authorize the state to administer the medicaid program. The State Coverage Insurance (SCI) program is authorized under two federal Section 1115(a) demonstration waivers, both subject to special terms and conditions. The SCI program offers a basic benefit package to adults with countable income of less than 200 percent of the federal poverty level. There is no fee-for-service coverage under SCI. The benefits begin after enrollment with one of the contracted managed care organizations.  
[8.262.600.3 NMAC - N, 7-1-05; A, 6-1-10; A, 8-1-13]

**8.262.600.4 DURATION:** The SCI program is operated subject to continuation of the two federal Section 1115(a) demonstration waivers, and subject to availability of funds.  
[8.262.600.4 NMAC - N, 7-1-05; A, 6-1-10; A, 8-1-13]

**8.262.600.5 EFFECTIVE DATE:** July 1, 2005, unless a later date is cited at the end of a section.  
[8.262.600.5 NMAC - N, 7-1-05]

**8.262.600.6 OBJECTIVE:** The objective of the SCI program is to reduce the number of uninsured New Mexico residents by implementation of a basic coverage health insurance benefit provided by contracted managed care organizations (MCOs), with cost-sharing by beneficiaries, employers, and the state and federal governments.  
[8.262.600.6 NMAC - N, 7-1-05]

**8.262.600.7 DEFINITIONS:** See 8.262.400.7 NMAC.

**8.262.600.8** [RESERVED]

**8.262.600.9 BENEFIT DESCRIPTION:** The benefit package is described in 8.306.7. NMAC, *Benefit Package*, SCI benefits are administered by contracted managed care organizations. There is no fee-for-service coverage under the SCI program.

A. The level of cost-sharing (i.e., the premium and co-payment amounts as well as the cost-sharing maximum amounts) required in the SCI program is contingent upon the income grouping associated with the applicant's countable household income at the point of the application disposition. See also 8.262.500.9 NMAC.

B. The cost-sharing maximum is an amount calculated for the benefit year that represents an amount equal to five percent of the enrollee's countable household income at the time of the application disposition. It is the responsibility of each SCI-covered individual to track and total the amounts paid for the SCI employee portion of the premiums and SCI co-payments on SCI-covered services in a benefit year. Once the cost-sharing maximum amount has been paid by an SCI-covered individual, the individual must notify the MCO and provide verification of the paid amounts. Once the paid amounts have been verified as paid, the individual will not owe further employee premium or co-payment amounts for the remainder of that benefit year. The first month that cost sharing is not required by the SCI-covered individual is the month following the month in which it has been verified by the MCO that the cost-sharing maximum amount has been met. If the determination is made after the 24<sup>th</sup> of the month, the change is made effective the second month after the verification. No retroactive eligibility for the "met cost-sharing maximum" amount is allowed. The employer portion of the premium is not counted toward the cost-sharing maximum and must be paid by (or on behalf of) the individual enrollee each month regardless of income category or cost-sharing maximum status. Premium payments must be paid in full each month, even if the cost-sharing maximum has been reached and there is an overpayment. No partial payments of premiums or copayments will be allowed. No premiums or copayments will be refunded.

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C. Employer share payable by individual: An individual member (one who is enrolled outside of an employer group) may be responsible for payment of the premium share for the employee as determined by federal poverty level and the employer premium. The employer portion of the premiums will not be counted toward the cost-sharing maximum.

[8.262.600.9 NMAC - N, 7-1-05; A, 3-1-06; A, 4-16-07; A/E, 8-1-07; A, 7-1-09]

**8.262.600.10 BENEFIT DETERMINATION:** Benefits will begin when it is established that an individual has met all eligibility and enrollment criteria for a given month. Benefits will be issued only via the managed care contractor selected by the individual; there is no fee-for-service coverage. A member of an employer group who has met the cost sharing maximum amount will receive coverage without copayments or premiums for the employee share, for the remainder of the benefit year. The employer will retain responsibility for the employer portion of the premium, as required, for the remainder of the benefit year. An individual who is not part of an employer group and has met the cost-sharing maximum amounts will receive coverage without payment of premiums, if applicable, for the employee premium shares and co-payments for the remainder of that benefit year. The employer portion of the premium, if required, is not counted in the cost-sharing maximum calculations and must still be paid each month. If another entity has made cost-sharing payment on behalf of an individual, those “third party” paid amounts will not be counted toward the cost-sharing maximum.

[8.262.600.10 NMAC - N, 7-1-05; A, 3-1-06; A/E, 8-1-07]

**8.262.600.11 CONTINUOUS ELIGIBILITY:** Eligibility will continue for the 12-month certification period, pursuant to continuation of the federal waivers as described in 8.262.600.4 NMAC, regardless of changes in household income, as long as the individual retains New Mexico residency and continues to be ineligible for other medicaid or medicare coverage and is less than 65 years of age. Twelve-month continuous eligibility shall not be affected by the disposition of any other benefit(s) such as TANF, food stamps, etc. HSD will notify members, whether employees enrolled through an employer group or individuals, 45 days prior to the end of the recertification period. Members are responsible for recertifying eligibility within the 45 day period prior to expiration of the eligibility certification period and notifying the MCO or the employer of their interest in recertification. Failure of the member to follow up with his/her recertification responsibilities within the required timeframe, including the submission of updated income documents, may result in termination from the SCI program.

[8.262.600.11 NMAC - N, 7-1-05; A, 7-1-09; A, 8-1-13]

**8.262.600.12 RETROACTIVE BENEFIT COVERAGE:** There is no retroactive eligibility under the SCI program. Benefits begin only after eligibility and enrollment criteria have been established for a given month.

[8.262.600.12 NMAC - N, 7-1-05]

**8.262.600.13 APPEAL RIGHTS - BENEFITS AND ENROLLMENT ISSUES:** See 8.306.12 NMAC. The MCO grievance/appeal process will be the mandatory first venue for issues of MCO action, enrollment, and verification of cost-sharing maximum amounts paid by SCI program participants.

[8.262.600.13 NMAC - N, 7-1-05]

**8.262.600.14 APPEAL RIGHTS - ELIGIBILITY ISSUES:** To appeal a denial or termination of SCI eligibility, or determination of the income grouping, the individual may request an administrative hearing from the human services department (see 8.352.2 NMAC). If the individual is found to be eligible for SCI, the client can enroll with the MCO, but there will be no retroactive enrollment or benefit coverage under such circumstances.

[8.262.600.14 NMAC - N, 7-1-05; A, 4-16-07]

**8.262.600.15 APPEAL RIGHTS - LOSS OF ENROLLMENT DUE TO LATE PREMIUM PAYMENT OR FAILURE TO PAY THE PREMIUM:** To appeal a loss of enrollment due to late premium payment or failure to pay the premium, an individual must file a grievance/appeal with the MCO. If the issue is not resolved at that level, the individual may appeal to the state district court at their own expense (see 8.352.2 NMAC).

[8.262.600.15 NMAC - N, 7-1-05]

**HISTORY OF 8.262.600 NMAC:** [RESERVED]