



## State of New Jersey

DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712  
Trenton, NJ 08625-0712

CHRIS CHRISTIE  
*Governor*

ELIZABETH CONNOLLY  
*Acting Commissioner*

KIM GUADAGNO  
*Lt. Governor*

MEGHAN DAVEY  
*Director*

**MEDICAID COMMUNICATION NO. 16-10**

**DATE: November 17, 2016**

**TO:** County Welfare Agency (CWA) Directors  
Statewide Eligibility Determination Agencies (EDAs)  
Division of Medical Assistance and Health Services (DMAHS)  
Division of Disability Services (DDS)

**SUBJECT:** NJ WorkAbility Premium Collection

The purpose of the NJ WorkAbility program is to provide an opportunity for individuals ages 16 to 64 with disabilities and who are working to obtain Medicaid coverage when their earnings would otherwise disqualify them from other programs. For the purposes of determining eligibility for the NJ Workability program, employment shall be defined as:

"working in a paid occupation, whether in cash or in kind, including, but not limited to, full time employment; part time employment; the practice of a profession; self-employment; farm work; home-based employment; or other gainful work. **An individual who identifies themselves as self-employed must have net earnings of at least \$400.00 annually in accordance with requirements of the Internal Revenue Services under Title 26 of the United States Code (U.S.C. 26) and file taxes accordingly.**

Employment shall be verified by the Eligibility Determining Agencies (EDAs) as outlined below:

Employed in a paid occupation in accordance with N.J.A.C. 10:140-1.1 (i)

- i. A consumer shall be employed and provide supporting documentation upon request of the program. Documentation of employment activities must be provided in writing by an independent third party, on company/organization letterhead and/or approved/signed by an official of the company/organization

attesting to the hours worked. A W-2, pay stub or other federally recognized tax forms are acceptable forms of proof. **For those who are unconventionally self-employed, the above documentation shall include a job description indicating the specific tasks performed under the assignment for clarification purposes.**

As of January 1, 2017, DDS will manage a premium collection program for NJ WorkAbility recipients per N.J.A.C. 10:72-9.6:

An eligible individual with countable income in excess of 150 percent of the Federal poverty level (FPL) shall pay a premium of \$25.00 per month to the Division of Disability Services.

Recipients who qualify in Program Status Codes 292, 293, 294, 592, 593, and 594 will be assessed a premium according to the above regulation. Recipients who qualify in Program Status Codes 291 and 591 (countable income under 150% FPL) will not incur a premium.

EDAs across the state shall designate a liaison to work directly with the Division of Disability Services (DDS). There shall be a secure email account used to communicate information between DDS and the EDA liaisons. The information submitted to DDS by the EDAs shall include the individual's name, address, phone number, NJ FamilyCare ID number and program status code (PSC). All NJ WorkAbility recipients will receive a handbook and checklist outlining the NJ WorkAbility program and their responsibilities as a participant from DDS. As with all programs, recipients who have a change in employment status are required to notify the EDA so that they can be reassessed for an appropriate program.

Participants shall be billed in advance of the coverage month. Failure to submit the full contribution on time shall result in termination of coverage for the month following the coverage month where the premium has not been received by DDS. Recipients will be sent a notice from DDS when their coverage will be terminated due to non-payment along with Fair Hearing rights.

DDS will send a list of those recipients who are to be terminated due to non-payment of premiums to the appropriate EDA through the secure email account and will also copy the Managed Care Coordinator's Office. On the Medicaid Eligibility System (MES), a Term Code 11 will be used to designate those terminated for non-payment of premium. The beneficiary can be reinstated for the next available month of enrollment once their owed premium is paid in full. Normal retroactive re-enrollment will be allowed. In addition, the EDA shall notify DDS on a monthly basis of those cases that are terminating for other reasons.

As a reminder, EDAs should use the following PSCs for the NJ WorkAbility program (all unearned income must be less than 100% FPL):

- 291 & 591: countable income 100-150% FPL
- 292 & 592: countable income 151-185% FPL
- 293 & 593: countable income 186-200% FPL
- 294 & 594: countable income 201-250% FPL

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Eligibility Field Staff representative for your agency at 609-588-2556.

MD:km

c: Elizabeth Connolly, Acting Commissioner  
Department of Human Services

Dawn Apgar, Deputy Commissioner  
Department of Human Services

Valerie Harr, Deputy Commissioner  
Department of Human Services

Valerie L. Mielke, Assistant Commissioner  
Division of Mental Health and Addiction Services

Liz Shea, Assistant Commissioner  
Division of Developmental Disabilities

Joseph Amoroso, Director  
Division of Disability Services

Nancy Day, Director  
Division of Aging Services

Natasha Johnson, Director  
Division of Family Development

Cathleen D. Bennett, Commissioner  
Department of Health

Allison Blake, Commissioner  
Department of Children and Families