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**Rules of**  
**Department of Social Services**  
**Division 40—Family Support Division**  
**Chapter 7—Family Healthcare**

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**Title 13—DEPARTMENT OF  
SOCIAL SERVICES**

**Division 40—Family Support Division  
Chapter 7—Family Healthcare**

**13 CSR 40-7.010 Scope and Definitions**

*PURPOSE: The purpose of this rule is to define terms that are used in determining eligibility for Family MO HealthNet programs and the Children's Health Insurance Program (CHIP).*

(1) For purposes of this chapter, the following definitions shall apply:

(A) "Applicant" is the adult who completes and submits an application for a Family MO HealthNet Program or CHIP program, whether for themselves or on behalf of someone else;

(B) "Child" or "Children" means a person or persons who are under nineteen (19) years of age;

(C) "Children's Health Insurance Program" or "CHIP" means the health assistance provided to uninsured, low income children under Title XXI of the Social Security Act and established in sections 208.631 through 208.658, RSMo;

(D) "Division" means the Family Support Division, Department of Social Services;

(E) "Electronic data hub" means any electronic service established by the Secretary of the United States Department of Health and Human Services, through which the division may verify certain information with, or obtain such information from, federal agencies and other data sources;

(F) "Family Mo HealthNet programs" means MO HealthNet benefits provided to participants under the MO HealthNet for Families (MHF) program, MO HealthNet for Kids (MHK) program, MO HealthNet for Pregnant Women (MPW) program, and Uninsured Woman's Health Services (UWHS) program. Family MO HealthNet programs also include presumptive eligibility for any of the above programs;

(G) "Non-custodial parent" means the parent who does not have physical custody of the child.

1. If physical custody is questioned, a court order, judgment, decree, or any legally enforceable separation, divorce, or custody agreement establishing which party has physical custody shall control who is the custodial parent;

2. If there is no such order or agreement, or the order or agreement is silent, or in the event of joint custody, the custodial parent is the parent with whom the child expects to spend more than fifty percent

(50%) of his or her overnight visits in the year for which eligibility is being determined; or

3. In the case of true joint physical custody where the child spends an equal amount of overnight visits with both parents, the non-custodial parent is the parent who does not claim the child as part of their tax household;

(H) "Parent" means a natural or biological, adopted, or stepparent;

(I) "Participant" means any individual who has applied for, is receiving, or has been denied Family MO HealthNet benefits or CHIP benefits;

(J) "Sibling" means a natural or biological, adopted, half, or step sibling;

(K) "Reasonable Compatibility" means the information received by the division, is not in conflict with other information known by the division. Income information is "reasonably compatible" if the sources of information are above or both are at or below the applicable income standard or other relevant income threshold limit, or the difference between the sources of the income information is ten percent (10%) or less and the sources of income are similar;

(L) "Tax Dependent" means an individual for whom another individual claims a deduction for a personal exemption under *Internal Revenue Code*, section 151 for a taxable year; and

(M) "Taxpayer" means an individual who expects to file a tax return for the taxable year in which an initial determination or renewal of eligibility is being made and who does not expect to be claimed as a tax dependent by another individual.

*AUTHORITY: section 207.020, RSMo 2000, and section 208.991, RSMo Supp. 2013.\* Original rule filed July 31, 2013, effective Feb. 28, 2014.*

*\*Original authority: 207.020, RSMo 1945, amended 1961, 1965, 1977, 1981, 1982, 1986, 1993 and 208.991, RSMo 2013.*

**13 CSR 40-7.015 Application Procedure for Family MO HealthNet Programs and the Children's Health Insurance Program (CHIP)**

*PURPOSE: This rule defines the application procedures for Family MO HealthNet programs or the Children's Health Insurance Program (CHIP).*

(1) General application procedures for programs administered by the Family Support Division are found at 13 CSR 40-2.010. For anything in this section conflicting with the general application procedures, this regula-

tion controls for the application procedures for Family MO HealthNet programs or the Children's Health Insurance Program (CHIP).

(2) An application for Family MO HealthNet programs or the Children's Health Insurance Program (CHIP) may be obtained by contacting one (1) of the following sources:

(A) An insurance exchange, whether federally facilitated, state based, or operated on a partnership basis;

(B) The Family Support Division Contact Center;

(C) A Family Support Division office; or

(D) Accessing the Department of Social Services website [www.dss.mo.gov](http://www.dss.mo.gov).

(3) An application for Family MO HealthNet program or the Children's Health Insurance Program (CHIP) shall be accepted by mail, telephone, or in person at any Family Support office, or via the department's Internet website found at [www.dss.mo.gov](http://www.dss.mo.gov). The division shall also accept applications through providers who the division contracts with in order to facilitate eligibility decisions.

(4) The following individuals may apply for Family MO HealthNet or the Children's Health Insurance Program (CHIP) on behalf of a participant:

(A) The participant;

(B) An adult who is in the participant's household;

(C) A member of the participant's family, as defined in the *Internal Revenue Code* section 36B(d)(1);

(D) An authorized representative of the participant;

(E) If the participant is a minor or incapacitated person—

1. A parent;

2. An authorized representative; or

3. A guardian or conservator; or

(F) An individual with a valid power of attorney to act on behalf of the participant.

(5) The applicant shall provide and attest to the following information when making an application for Family MO HealthNet benefits or CHIP benefits:

(A) The name of each individual who resides with the participant;

(B) The name of each individual who the participant claims or intends to claim on his or her federal income tax returns;

(C) The name of any person who claims or intends to claim the participant as a dependent on his or her federal tax forms; and

(D) For the participant, and each person listed in subsections (5)(A), (5)(B), or (5)(C), the applicant shall provide the following information:



- 1. Relationship to the applicant;
- 2. Physical Address;
- 3. Mailing address, if different from physical address;
- 4. Date of Birth;
- 5. Gender;
- 6. Social Security Number, in accordance with section (6) of this rule;
- 7. Intent to file taxes or be claimed as a tax dependent on someone else's taxes;
- 8. Whether the participant is pregnant;
- 9. Any physical, mental, or emotional health condition that causes limitations in activities of daily living;
- 10. Residence in a medical facility or nursing home;
- 11. Citizenship or immigration status;
- 12. Race (optional);
- 13. Employment status, employer name and address, hours employed, and rate of pay;
- 14. Any and all sources of income and amounts;
- 15. Any federal tax deductions entitled for alimony paid or student loan interest;
- 16. Enrollment in any health care coverage, name of insurer, policy number, and any limitations on the coverage;
- 17. If he or she or anyone in their family is American Indian or Alaska Native. If any person is, information about tribe affiliation, services, and income received from benefits must be disclosed;
- 18. Details concerning any health coverage which is available to him or her through a job. This includes coverage that is offered through someone else's job, such as a parent or spouse; and
- 19. If a participant is a child, the name and address of any parent living outside the home.

(6) Social Security numbers are requested of every person who is required to be on the application pursuant to subsections (5)(A), (5)(B), or (5)(C).

(A) If the person is a participant in MO HealthNet, the person's Social Security number shall be included.

(B) If the person is not a participant in MO HealthNet, the inclusion of the Social Security number is voluntary.

(C) Social Security numbers are to be used only for the purpose of determining a participant's eligibility for MO HealthNet or for a purpose directly connected to the administration of MO HealthNet.

(7) The applicant shall sign an assignment of rights to the MO HealthNet Division to pursue and recover money owed for medical expenses from any applicable insurance policies, legal settlements or judgments, or other liable or potentially liable third parties.

(8) The applicant shall sign an assignment of rights to pursue and obtain medical support from a parent or spouse who owes such a duty.

(9) The participant and applicant shall disclose all information which may impact eligibility for any MO HealthNet program. The participant and applicant have a continuing obligation to notify the division if any information specified in the application changes within ten (10) days of the change. The continuing duty includes, but is not limited to disclosing any changes in income of the participant or household member, changes in residence or mailing address, and the addition or removal of any individual from the household whose information is or was required to be submitted.

(10) The applications shall be signed under penalty of perjury, attesting to the information provided as true, accurate, and complete.

*AUTHORITY: section 207.020, RSMo 2000, and section 208.991, RSMo Supp. 2013.\* Original rule filed July 31, 2013, effective Feb. 28, 2014.*

*\*Original authority: 207.020, RSMo 1945, amended 1961, 1965, 1977, 1981, 1982, 1986, 1993 and 208.991, RSMo 2013.*

**13 CSR 40-7.020 Household Composition**

*PURPOSE: The purpose of this rule is to explain the Household Composition Standard for Family MO HealthNet programs and the Children's Health Insurance Program (CHIP).*

(1) A household shall include the taxpayer, or in the case of a joint return, taxpayers, and all tax dependents.

(A) In the case of a married couple living together, each spouse shall be included in the household of the other spouse regardless of whether they expect to file jointly or whether one (1) spouse is expected to be declared as a tax dependent of the other spouse.

(B) In determining the household size of a pregnant woman, the division shall count the pregnant woman plus the number of unborn children she is expecting to deliver. In determining the household size of other individuals who have a pregnant woman in the household the pregnant woman is considered as one (1) person.

(C) If a taxpayer cannot reasonably establish that another individual is a tax dependent for the tax year for which eligibility is sought, the inclusion of such individual in the

household shall be determined in accordance with section (3) of this rule.

(2) In the case of a participant who expects to be claimed as a tax dependent by another taxpayer for the taxable year in which an initial determination or renewal of eligibility is being made, the participant's household is the household of the taxpayer claiming such individual as a tax dependent with the following exceptions:

(A) Family members and unrelated individuals claimed as a tax dependent by a taxpayer other than a parent or spouse;

(B) Children claimed as a tax dependent by the non-custodial parent; or

(C) Children who expect to be claimed by one (1) parent as a tax dependent and are living with both parents but whose parents do not expect to file a joint tax return.

(3) For participants who do not expect to file a tax return, who do not intend to be claimed as a tax dependent, or tax dependents that fall into an exception under subsections (2)(A), (2)(B), or (2)(C) of this rule, the household shall consist of—

(A) The participant;

(B) The spouse of the participant if living with the participant;

(C) Children of the participant if living with the participant; and

(D) For participants who are children—

1. The participant's parents who live with the participant;

2. Any siblings, who are also dependent children, who live with the participant.

(4) This rule shall be effective for all eligibility decisions made on January 1, 2014, and any date after.

*AUTHORITY: section 207.020, RSMo 2000, and section 208.991, RSMo Supp. 2013.\* Original rule filed July 31, 2013, effective Feb. 28, 2014.*

*\*Original authority: 207.020, RSMo 1945, amended 1961, 1965, 1977, 1981, 1982, 1986, 1993 and 208.991, RSMo 2013.*

**13 CSR 40-7.030 Calculation of Modified Adjusted Gross Income (MAGI)**

*PURPOSE: The purpose of this rule is to explain how Modified Adjusted Gross Income (MAGI) is calculated for the Family MO HealthNet programs and the Children's Health Insurance Program (CHIP).*

(1) Modified Adjusted Gross Income (MAGI) based income means income calculated using



the same financial methodologies used to determine modified adjusted gross income as defined in section 36B(d)(2)(B) of the *Internal Revenue Code*, with the exceptions listed below.

(A) Any lump sum gift or income is included as income only in the month in which it is received.

(B) Scholarships and grants which are used for educational purposes, and not for living expenses are excluded from income.

(C) The following Alaskan Native and American Indian benefits and distributions are excluded from income:

1. Distributions from Alaska Native Corporations and Settlement Trusts;

2. Distributions from any property held in trust, subject to federal restrictions, located within the most recent boundaries of a prior federal reservation, or otherwise under the supervision of the Secretary of the Interior;

3. Distributions and payments from rents, leases, rights of way, royalties, usage rights, or natural resources extraction and harvest from—

A. Rights of ownership or possession in any lands described in paragraph (1)(C)2. of this rule; or

B. Federally protected rights regarding off-reservation hunting, fishing, gathering, or usage of natural resources;

4. Distributions resulting from real property ownership interests related to natural resources and improvements:

A. Located on or near a reservation or within the most recent boundaries of a prior federal reservation; or

B. Resulting from the exercise of federally-protected rights relating to such real property ownership interests;

5. Payments resulting from ownership interests in or usage rights to items that have unique religious, spiritual, traditional, or cultural significance or rights that support subsistence or a traditional lifestyle according to applicable Tribal Law or custom; and

6. Student financial assistance provided under the Bureau of Indian Affairs education programs.

(2) Eligibility determinations for participants for Family MO HealthNet programs and CHIP shall be based on a household's current monthly income and household size. A household's income is the sum of the Modified Adjusted Gross Income (MAGI) based income as defined above of every individual included in the participant's household.

(A) The division shall take into consideration reasonable anticipated changes in income that exist at initial determination such as sea-

sonal or time based employment sources and periods, or the known ending period of employment or an income source.

(B) Income of a child shall not be included in the household if the child is not required to file a tax return under the *Internal Revenue Code*, section 6012(a)(1) for the taxable year in which eligibility is being determined, regardless if the child expects to or actually filed a tax return.

(3) This rule shall be effective for all eligibility decisions made on January 1, 2014, or any date after.

*AUTHORITY: section 207.020, RSMo 2000, and section 208.991, RSMo Supp. 2013.\* Original rule filed July 31, 2013, effective Feb. 28, 2014.*

*\*Original authority: 207.020, RSMo 1945, amended 1961, 1965, 1977, 1981, 1982, 1986, 1993 and 208.991, RSMo 2013.*

### 13 CSR 40-7.035 Participant Verification

*PURPOSE: This rule outlines how the Department of Social Services will verify participant information in order to administer the Family MO HealthNet programs and Children's Health Insurance Program (CHIP).*

(1) Scope: This regulation specifies how the Department of Social Services shall verify participant information in order to administer the Family MO HealthNet programs and CHIP to prevent fraud and insure the integrity of the Family MO HealthNet programs and CHIP.

(2) The "Federally Facilitated Marketplace" is created under section 1321(c)(1) of the Patient Protection and Affordable Care Act of 2010 (Public Law No. 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law No. 111-152).

(3) The Department of Social Services shall access the electronic data hub, as defined in 13 CSR 40-7.010, to verify information provided by the participant as part of the application process for Family MO HealthNet programs and CHIP. The department shall only verify the following:

(A) Citizenship;

(B) Immigration status;

(C) Income using Internal Revenue Service information;

(D) Income from Title II benefits information from the Social Security Administration;

(E) The number of work quarters from Social Security Administration;

(F) Employment information; and

(G) Confirm current enrollment in a MO HealthNet program.

(4) The Department of Social Services shall also use the electronic data hub to send information on participants who are not eligible for Family MO HealthNet programs and CHIP to the Federal Facilitated Marketplace to verify if the participants qualify for advance payment of premium tax credit; cost-sharing reductions or qualified health plans. The Federally Facilitated Marketplace will use the electronic data hub to send information to the Department of Social Services to verify if participants qualify for Family MO HealthNet programs or CHIP or to verify if a participant is already enrolled in Family MO HealthNet programs or CHIP.

(5) The Department of Social Services will not use, duplicate, or disclose any information used or obtained under this rule to any individual, organization, state or federal agency for any purpose not related to the public assistance benefits administered in whole or in part by the Department of Social Services as that phrase is defined in section 205.967.1(1), RSMo. All applicable state and federal laws and regulations governing the confidentiality of public assistance programs, health information, and taxpayer information shall govern the use or disclosure of information shared with or obtained from the electronic data hub.

(6) All information used or obtained under this rule, unless otherwise prohibited by this rule, shall be destroyed in accordance with section 208.125, RSMo, unless otherwise required by law.

*AUTHORITY: section 208.990, RSMo Supp. 2013.\* Original rule filed April 8, 2014, effective Oct. 30, 2014.*

*\*Original authority: 208.990, RSMo 2013.*

### 13 CSR 40-7.040 Verification Procedures

*PURPOSE: The purpose of this rule is to explain what Verification Procedures the Family Support Division will use when determining eligibility for Family MO HealthNet programs and the Children's Health Insurance Program (CHIP).*

(1) The division shall verify all eligibility factors, through available means, including information obtained through the electronic data hub, a participant's statements, or other



information the division has obtained. Verification shall occur upon application and recertification, and at any other time necessary to verify continued eligibility.

(A) The division shall verify eligibility information of a participant through the electronic data hub.

(B) If the information obtained through the electronic data hub is reasonably compatible with information provided by or on behalf of the participant, the division shall use the participant's information as verification for eligibility.

(C) If reasonably compatible standards are not met, secondary verification is required. Secondary verification may include the following:

1. Other electronic data sources available;
2. Other information, including paper documentation; or
3. A written statement which reasonably explains the discrepancy.

(2) If verification cannot be obtained by the division through the electronic data hub, or if the information is not reasonably compatible with other information provided, the division shall ask for any additional information from or on behalf of the participant needed in order to verify the information.

(A) The participant shall provide the required verification within ten (10) days from the date that the division requests the information in writing.

(B) A participant may request additional time to provide the information. The additional time shall be granted if the participant is making a reasonable effort to obtain the information.

(C) If a participant fails to provide the requested verification within ten (10) days from the date of the written request or fails to obtain additional time to provide the information, the division shall issue an adverse action notice to the participant notifying them that their coverage is denied or their coverage shall terminate ten (10) days from the date of the adverse action notice.

(D) The participant shall be given the right to request a hearing on the issue pursuant to section 208.080, RSMo. Failure on the part of the participant to request a hearing shall result in termination of coverage upon expiration of the adverse action notice.

(3) This rule shall be effective for all eligibility decisions made on January 1, 2014, and any date after.

*AUTHORITY: section 207.020, RSMo 2000, and section 208.991, RSMo Supp. 2013.\* Original rule filed July 31, 2013, effective Feb. 28, 2014.*

*\*Original authority: 207.020, RSMo 1945, amended 1961, 1965, 1977, 1981, 1982, 1986, 1993 and 208.991, RSMo 2013.*