

**TO:** Local Commissioners, Medicaid Directors

**FROM:** Betty Rice, Director  
Division of Consumer and Local District Support Unit

**SUBJECT:** Family Health Plus Resource Test

**EFFECTIVE DATE:** Immediately

**CONTACT PERSON:** Medicaid - Local District Support Unit  
Upstate (518) 474-8216 NYC (212) 417-4500

WMS coordinator letter 07-05-05 and MBL transmittal 05-04 informed local districts of the upcoming MBL system change, which will support the implementation of a resource test for Family Health Plus applicants/recipients effective July 18, 2005. This GIS message is to clarify that local districts should not implement the resource test until further notice. The necessary approval of this initiative has not yet been received from the Federal Centers for Medicare and Medicaid (CMS).

At this time, no Family Health Plus cases may be denied or closed solely due to excess resources. In Upstate counties, if a Family Health Plus case is ineligible solely due to excess resources, local districts should continue processing the case. In New York City, the excess resource amount must first be removed from the budget to allow the case to be processed. Districts are reminded that MBL Resource Code '91' (Resources above the Medicaid Level/Determination FHP) will no longer be a valid code for MBL budget From Dates of 7/1/05 or later.

In addition, the CNS notices available on July 18, 2005 for Family Health Plus excess resources must not be used until further notice. Upstate, CNS messages regarding the prohibition of public employees from enrolling in Family Health Plus must also not be used.

An Administrative Directive explaining these changes will be forthcoming once Federal approval is obtained.