

# MISSISSIPPI DIVISION OF MEDICAID

## Eligibility Policy and Procedures Manual

### **REINSTATEMENTS (Continued)**

#### **Agency Error**

When the agency has denied or terminated eligibility in error or reduced benefits in error for reasons such as failure to act on information present in the record or provided during the advance notice period, misapplication of policy, miscalculation of income or resources, untimely processing, etc., benefits must be reinstated retroactive to the month the error occurred, when this is possible. If CHIP is involved, the reinstatement must be effective for the next possible month. If the child incurred medical services in any lost CHIP months, this would be handled through the CHIP agency error process.

The discovery source for the error may be:

- Case reviews;
- Applicant or recipient complaints;
- Recognition by the specialist;
- Other sources having knowledge of the error.

#### **101.14.01 CORRECTIVE ACTION**

At the time the agency becomes aware of an error which affects eligibility or level of benefits, action must be initiated to correct the error. Immediate corrective action is required to prevent further error. In some instances, it may also be necessary to correct an error retroactively into prior months.

When corrective action into prior months adversely affects the recipient, meaning the error caused the client to be totally ineligible or eligible for fewer benefits, DOM-354, Improper Payment Report, or DOM FCC-354, Improper Payment Report Families, Children and CHIP, is prepared.

When corrective action into prior months favorably affects the client, meaning the client was eligible or eligible for more benefits, the corrective action is handled through reinstatement.