



**WORKFORCE DEVELOPMENT LETTER NO: 04-07**

**DATE:** January 22, 2004

<b>EFFECT:</b>	<u><b>ACTION</b></u>	<u><b>INFO</b></u>	<u><b>ATTACHMENTS</b></u>
	<input type="checkbox"/>	<input checked="" type="checkbox"/> Commissioners	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> ES Directors	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> UI Directors	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Trade TAA Coordinators	<input checked="" type="checkbox"/>
	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/> Trade TRA Coordinators	<input checked="" type="checkbox"/>

**SUBJECT:** Health Coverage Tax Credit (HCTC) End-of-Month Audit for January

**1. Purpose:** To provide process information addressing the End-Of-Month auditing process that will occur for the HCTC Program this month.

**2. Background:** At the end of September, the HCTC Program Office noticed that a significant number of individuals were dropped from SWA eligibility lists. This prompted the HCTC Program Office to develop a process to enable the SWAs to review and provide feedback on their file transmissions for October, November, and December. This special eligibility quality assurance procedure is also going to occur in January. The HCTC Program Office is currently analyzing the results of prior audits to help determine the approach they will take in the future.

**3. Information:** On January 27, 2004 the HCTC Program Office will run an end-of-month eligibility query to identify individuals who are active in the HCTC Program (in registration process or receiving benefits), but their name has not yet been transmitted by the SWA for the month of January. Each state that has individuals losing eligibility will receive an email containing an encrypted list of names of individuals who will be declared ineligible for the HCTC Program for the month of January 2004. States with low numbers may receive a direct phone call instead of an email.

**4. Verification:** States will be expected to verify that each individual on that list has become ineligible. If an individual is found still eligible, the state is expected to resubmit that person's record with the correct eligibility code. The submission is to be done using standard ICON file transmission and should be transmitted by 5:30PM EST on January 30, 2004.

**5. Inquiries:** If you have questions regarding the process, please contact Timothy Theberge at (617) 788-0139 [theberge.timothy@dol.gov](mailto:theberge.timothy@dol.gov) or Kirk Shrum at (212) 337-2153 [shrum.kirk@dol.gov](mailto:shrum.kirk@dol.gov).

**6. Attachments:** Please find attached a memo from HCTC regarding the process.

Joseph F. Stoltz  
 Regional Administrator

Attachments

**State Partners Update – Eligibility Quality Assurance  
January 20, 2004**

This notice is directed to all State Workforce Agencies (SWA) to outline the end-of-month file transmission procedure for the month of January. The Health Coverage Tax Credit (HCTC) team is requesting your support in ensuring that all eligibility files are transmitted in a timely manner.

**Background:**

The HCTC Program requires states to submit eligibility files no later than the last day of the month. These records are then used to verify eligibility for the following month. At the end of September, the HCTC Program noticed that a significant number of individuals were dropped from SWA eligibility lists. This prompted the HCTC Program to develop a process to enable our state partners to review and provide feedback on their file transmissions for October, November, and December. This special eligibility quality assurance procedure is also going to occur in January.

The purpose of the end-of-month quality assurance exercise is to prevent individuals from being erroneously terminated from the HCTC program, and possibly losing their health care coverage. Since the HCTC Program is new, the HCTC Program Office wants to confirm terminations on a short-term basis until a baseline for normal termination volume is determined. Many of the HCTC Program participants have enrolled in qualified health plans they could not have otherwise afforded because of the 65% credit. If the SWA does not send their name on the file, they in turn may lose their health coverage.

**January Eligibility Audit Procedure:**

On January 27, 2004 the HCTC Program will run an end-of-month eligibility query to identify individuals who are active in the HCTC Program (in registration process or receiving benefits), but their name has not yet been transmitted by the SWA for the month of January.

Each state that has individuals losing eligibility will receive an email containing an encrypted list of names of individuals **who will be declared ineligible** for the HCTC Program for the month of January 2004 (if the numbers for a state are low, the state may be called directly). These states will be expected to verify that each individual on that list has become ineligible. If an individual is found still eligible, the state is expected to resubmit that person's record with the correct eligibility code. The submission is to be done using standard ICON file transmission. Detailed instructions (including how to open the encrypted list) will be provided in the email.

**Timeline:**

**January Audit**

Tue. Jan 27, Morning Tue. Jan 27, Afternoon	<ul style="list-style-type: none"><li>• HCTC Program runs Eligibility Query</li><li>• Impacted SWAs receive email with encrypted list (if volume is low, some states may be called)</li></ul>
Tue. Jan 27 – Fri. Jan 30	<ul style="list-style-type: none"><li>• SWA researches eligibility of names on list</li></ul>
Tue. Jan 27 – Fri. Jan 30, 5:30 PM EST	<ul style="list-style-type: none"><li>• SWA transmits by ICON remaining names for January</li></ul>
Mon. Feb 2	<ul style="list-style-type: none"><li>• HCTC terminates names no longer listed as eligible</li></ul>

If you receive an email from the HCTC Program on January 27, please take the appropriate action as soon as possible. If you have questions on this process, please contact Thomas Mastal, HCTC Operations Support Lead at 703-947-2174, or Jessica Clark, State Liaison Team at 703-947-3185.

Thank you for your assistance. The HCTC Program appreciates the support and cooperation received from our state partners.