

3555.15.05 — EXCEPTIONS TO THE SIX-MONTH PENALTY PERIOD

When a member is subject to a penalty period (refer to Section 3555.15.00), the person may have that penalty period lifted under the following circumstances. The following exceptions are applicable¹:

- The member is confirmed to be Frail.
- The member obtained and subsequently lost private insurance coverage.
- The member had a loss of income after disqualification due to increased income.
- The member took up residence in another state and later returned to Indiana.
- The member was a victim of domestic violence.
- The member was residing in a county subject to a disaster declaration made at any time during the sixty (60) calendar days prior to or including the date such member was terminated from the plan.
- Other allowable reason approved by Medicaid Policy

Note: ~~Members must submit a new application.~~ Being exempt from the Lockout does not make a person exempt from closing due to non-payment of their HIP Power Account Contribution. Upon reapplication, a 2032 Request for Verification and a lockout exemption form will be mailed by DFR. All Exemption request Forms received by DFR will the exemption reason of “other” must be reviewed and approved by OMPP.

Additionally, if member indicates they are Medically Frail, OMPP will forward request to MCE for final approval. If MCE determines Member is not Medically Frail, OMPP will notify DFR. Member can file an Appeal with their MCE for these denials.

The following members who reapply after a closure are exempt from lockout of coverage for any reason. If such a member is closed and reapplies, the system should not show a lockout and no lockout exemption form is required from them to be reselected for coverage and processed as a normal application.

- Have a current Medically Frail confirmation
- Pregnant or in the postpartum period
- Low Income Parent/Caretakers
- Verified Native Americans
- Ryan White program members

Note: Lockouts for non-payment of HIP Power Account Contributions were suspended effective 3/20/20 and removed from the HIP program effective 7/1/21.

