

OPERATIONAL MEMO

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Title: Consideration of FAMLI Income for	Topic: Eligibility Process	
All Programs		
Audience: Eligibility Sites, County	Sub-Topic: Unearned Income	
Departments of Human/Social Service,		
Medical Assistance (MA) Sites, and		
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Eligibility Application Partners (EAP)		
Supersedes Number: HCPF OM 24-041	Division: Eligibility Division	
Effective Date: Dec. 14, 2025	Office: Medicaid Operations Office	
Expiration Date: Dec. 14, 2027	Program Area: Eligibility Policy	
Key Words: Family Medical Leave Insurance Program, FAMLI, Unearned Income,		
Medical Leave Benefits, Wage Replacement, CBMS		
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Legal Authority: 8.100.3.K, 8.100.4.C, and 8.100.5.F; 10 CCR 2505-3- 150		
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Approved By: Marivel Klueckman		

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Purpose and Audience:

The purpose for this Operational Memo is to communicate to Eligibility Sites (County Departments of Human/Social Services, Medical Assistance and Eligibility Application Partner sites) and sub-recipients how Family Medical Leave Insurance Program (FAMLI) income is considered in determining eligibility for Adult Financial (AF), Colorado Works (CW), Supplemental Nutrition Assistance Program (SNAP), Medical Assistance (MA), and Behavioral Health Administration (BHA) programs. This will replace the medical assistance process detailed in Operational Memo 24-041 Consideration of FAMLI Income for all programs, released by the Department on August 30, 2024.

Information:

On January 1, 2024, House Bill 18-1001 Family Medical Leave Insurance Program (FAMLI) was made effective to provide partial wage-replacement benefits to an eligible individual who takes leave from work to care for a new child or a family

member with a serious health condition or who is unable to work due to the individual's own serious health condition up to 12 weeks total annually. As a result, FAMLI income is treated as countable unearned income for AF, CW, SNAP, MA, and BHA programs.

Programs and Data Entry

Eligibility technicians should refer to the following information when determining eligibility for an applicant, client or member that has FAMLI income.

For AF, CW, SNAP, MA, and BHA eligibility technicians should data enter FAMLI income into Colorado Benefits Management System (CBMS) under the individual who is receiving the income as:

Income > Unearned Income > TYPE as FAMLI

Important:

The unearned income type of **Other Government Disability** should <u>no</u>longer be selected when entering FAMLI income.

Entering an unearned income record for FAMLI using type Other Government
Disability and FAMLI for the same time period on or after December 1, 2025
will result in CBMS double counting this income, leading to inaccurate income calculations.

For current or past unearned income records where FAMLI income was entered as type **Other Government Disability** and the case has Colorado Works, Adult Financial, or SNAP:

- The existing Other Government Disability record should remain on the case and changes to the amount of the benefit should be recorded within the existing record until the next RRR to preserve simplified/limited reporting logic.
- At RRR, the **Other Government Disability** record should be end-dated for the last day of the certification period.
- A new unearned income record with type **FAMLI** will need to be entered for the first day of the new certification period if the income continues.

For MA or BHA only cases with FAMLI income recorded as **Other Government Disability**, when changes need to be made effective on or after December 1, 2025:

• The unearned income record with type **Other Government Disability** will need to be effective end dated November 30, 2025.

• A new unearned income record with type **FAMLI** will need to be entered with an effective begin date of December 1, 2025 or later.

Adult Financial

FAMLI income is considered countable unearned income. Income must be verified through standard verification procedures outlined in 9 CCR 2503-5 § 3.520.4.D.

Colorado Works

FAMLI income is considered countable unearned income. Income must be verified through standard verification procedures outlined in 9 CCR 2503-6 § 3.604.3.

Medical Assistance Programs

For MAGI, CHP+, and BHA, FAMLI income is considered countable unearned income. Applicants or members can self-attest FAMLI income. If verification of FAMLI income cannot be obtained through an electronic source, a verification checklist will need to be generated requesting the required documentation. Eligibility technicians should follow the guidelines outlined in policies 8.100.3.K, 8.100.4.C and 10 CCR 2505-3-150.

For Long-Term Care and non-MAGI programs, FAMLI income is considered countable unearned income. Applicants or members shall provide verification of FAMLI income. If verification of FAMLI income cannot be obtained through an electronic source, a verification checklist will need to be generated requesting the required documentation. FAMLI income is countable as income in the month received and any unspent amount is a countable resource the following month. Eligibility technicians should follow the guidelines outlined in policies 8.100.3.K, 8.100.5.B and 8.100.5.F.

SNAP

FAMLI income is considered countable unearned income. Income must be verified through standard verification procedures outlined in 10 CCR 1506-1 § 4.506.

Action To Be Taken:

Eligibility sites should ensure that FAMLI income is applied in calculations to accurately determine eligibility. The unearned income type **FAMLI** should be used when creating an unearned income record for FAMLI for all programs that have an effective begin date of **December 1**, 2025 or later.

Definition(s):
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None

Attachment(s):

None

HCPF Contact:

Adult Financial or Colorado Works: For any questions, please contact the DEWS Policy Inbox with your policy questions at: cdhs_dews_policy_inbox@state.co.us

SNAP: For any questions, please contact the SNAP Team Inbox at: CDHS_SNAP_Team@state.co.us

Medical Assistance: For any questions, please contact the Medicaid Inbox with your

policy questions at: hcpf_medicaid.eligibility@state.co.us