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Medicaid for Children & Medicaid Changes 6/1/14

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Medicaid for Children Targeted for the Medicaid Waiver

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Medicaid for Children

- When a child is targeted for the waiver, it is necessary to establish Medicaid if the child is not currently enrolled.
- The application for Medicaid is in addition to the work that was done with the BDDS office to obtain the Medicaid Waiver.
- Since Medicaid is needed to help pay for Medicaid Waiver services, the child will have Medicaid as a health insurance once eligible.
- If there is private insurance in place, Medicaid will serve as a secondary health insurance.





Medicaid Aid Categories

- A child may already be receiving Medicaid services when targeted for the Medicaid Waiver.
- Not all types of Medicaid are compatible with the Medicaid Waiver
- If the type of Medicaid already in place is not compatible with the waiver, a category change will be required.
- If the child is receiving Medicaid services through a Managed Care program, the child will be automatically dis-enrolled from managed care.





Financial Eligibility

- If the family is within the income guidelines for Medicaid, the child will most likely be enrolled in Hoosier Healthwise.
- The Medicaid caseworker will review the income guidelines with the family.
- Documentation of parental income is needed to determine eligibility for the program.
- Application processing time is typically 30-45 days.





Financial Eligibility

- If the family is over the income guidelines for Medicaid, the child will most likely be enrolled in Medicaid for Disabled (MA-D)
- Documentation of parental income is not needed to determine eligibility for the program beginning with the month that the child's waiver budget was approved.
- Application processing time is typically 60-90 days.





Prior Quarter Coverage

- When an application is filed, Medicaid assumes that the applicant is interested in Prior Quarter Coverage.
- Documentation of income and resources will be requested for the three months prior to the application date.
- If the documentation submitted meets the eligibility guidelines, Medicaid start date will be three months prior to the application date.





Prior Quarter Coverage Example

- Medicaid application was submitted 5/16/14.
- Waiver participant's budget was approved 4/24/14.
- Prior Quarter Coverage months would be February, March, April.
- If the family is within the income guidelines for Medicaid, health coverage will be effective 2/1/14.
- If the family is over income guidelines, health coverage will be effective 4/1/14, the month of the waiver approval.





Financial Guidelines

Medicaid for the Disabled:

- Child's income needs to be under \$2163/month
- Child's resources need to be under \$2000 total
- Resources include checking, savings, owner of a life insurance policy, CDs, stocks, bonds, etc.



Application

- Application can be filed online at www.ifcem.com, at a local Division of Family Resource office, or by calling 1-800-403-0864.
- The application is long and asks a lot of questions.
- If the application is overwhelming, only the yellow asterisk questions have to be answered to submit the application.
- Need to mark that the child has a disability and approved for the waiver so that the application is processed properly.





Interview

- Once the application is completed, Division of Family Resources (DFR) will contact parent by phone or mail to schedule an interview.
- Interview typically happens within 2-3 weeks of the application being submitted.
- Interview can be done in person at the local DFR office or over the phone.
- Interview may take up to an hour to complete.
- Want to have income, resource, and disability related information available.





Interview: Finances

- If the parents are over income for Medicaid without the Waiver, parental income needs to be verbally reported so that the caseworker can determine that Hoosier Healthwise is not appropriate and process the application for Medicaid for the Disabled.
- If the parent requests Medicaid for the Disabled to coincide with the Waiver start date, they are not required to provide any information regarding their income and resources.





Interview: Disability

- Medicaid for the Disabled requires documentation to be in place to show that the child meets the disability eligibility criteria for the program.
- Essentially, the child's disability needs to be significant enough that he would qualify for Social Security Disability benefits.
- DFR case worker completes a social summary that asks for the diagnosis, impact of the disability, medications, treatment, and doctors.





Interview: Disability (Cont.)

- Need to provide names, addresses, and phone numbers of the doctors and providers so that medical releases can be obtained.
- DFR case worker will request the medical records directly.
- Medicaid requests records from the past 12 months.
- Parents should submit disability-related documents such as Confirmation of Diagnosis, BDDS Level of Care screening, IEP, and school psychological evaluation.



Interview: Medicaid Waiver

- The Medicaid system relies on an electronic transmission of the child's Medicaid Waiver budget approval to show that the child has been approved for the waiver.
- Sometimes, the transmission does not happen until after the interview.
- If the DFR case worker is not able to see the waiver approval at the interview, the parent should let them know that the child has been approved for the waiver, provide the approval date or copy of approval letter, and make sure that the disability related questions are asked if the family is over income.
- The parent would want to follow up with Medicaid 2-3 days after the interview to assure that the waiver approval is visible.
- If the DFR case worker requested parental income and resources because the waiver was not visible, the parent would want to review the documents that really need to be turned in.



Documentation

- Following the interview, the parent will receive a list of documents that need to be submitted to the Division of Family Resources.
- Deadline needs to be met. Typically allows 10-12 days from the date of the interview.
- Documents typically requested are:
 - Child's birth certificate
 - Front and back of private insurance card
 - Picture ID or affidavit that child is a minor
 - Income and resources in the child's name
 - Signed medical releases



Disability Determination

- DFR Case worker will request records from the doctors and other providers.
- Once all records are received, the file is given to the Medical Review Team (MRT).
- MRT reviews the file to assure that there is adequate documentation in place that the child's disability meets the state's guidelines.
- If MRT does not find sufficient records, they may request additional records and/or testing.
- MRT is essentially the last step in the process.





Medicaid Notification

- Once eligibility is determined, the parent will receive written notice from the Division of Family Resources.
- If denied, a new application will need to be submitted or the decision appealed.
- If approved, the effective dates will be provided along with the type of Medicaid.
- If approved, the Medicaid card should be received within about 2 weeks of the eligibility notice.



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Medicaid for Disabled Changes effective 6/1/14

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1634 Transition

- Beginning 6/1/14, Indiana is transitioning from a state determination of eligibility (209b) to a federal determination using Social Security Administration (SSA) standards (1634) for disability.
- Medicaid will begin relying on SSA to determine disability for adults.



Medicaid Eligibility

- If someone receives Social Security Disability benefits (SSI and/or SSDI), then they meet the disability criteria for Medicaid for the Disabled.
- Medicaid previously used their Medical Review Team (MRT) to determine disability.
- Medicaid will now rely on SSA to determine disability for adults.
- MRT will still be used for minors.





SSI

- Supplemental Security Income (SSI) is a disability payment for low income individuals.
- Full amount is \$721/month
- May be less if individual is working or does not have many expenses.





SSDI

- Social Security Disability Insurance (SSDI) is a disability payment based on a person's work history.
- Individuals with a disability can draw on a parent's work history if the parent is deceased, disabled, or retired.
- Amount is typically higher than SSI.
- May receive both SSI and SSDI
- Eligible for Medicare after receiving SSDI benefits for 24 months.
- Payment for Medicare Premiums is taken out of their SSDI check monthly if not eligible for Medicare Savings Program through Medicaid.





SSDI versus SSI

Some individuals/parents do not know if waiver participant receives SSI or SSDI. Questions to ask to help them determine:

- How much is the SSA benefit?

Answer: Around \$720—likely SSI

Over \$721—likely SSDI

- Does the individual have a parent who is deceased, disabled, or retired?

Yes: Likely SSDI

- Does the individual receive one check or two from SSA?

Two: Likely receives SSI and SSDI

- Does the individual have Medicare?

Yes: Likely SSDI





Medicaid and SSI

- If a person receives SSI, he will automatically be eligible for Medicaid for the Disabled (MA-D).
- This will eliminate the annual Medicaid recertification process for individuals receiving SSI.
- MA-D resource limit is increasing from \$1500 to \$2000 starting 6/1/14 so that it is in line with SSD resource limit.





Medicaid and SSDI

- A person with SSDI will meet the disability requirement for MA-D, but will need to verify finances through recertification process.
- Since the SSDI amount is often more than SSI, the MA-D recipient will need to verify that his income and resources are within the eligibility guidelines with Medicaid to retain benefits.
- Resource limit will be \$2000 beginning 6/1/14.





Income Guidelines

- The Waiver allows a person to have a larger income and still be eligible for Medicaid for the Disabled (MA-D).
- Income guidelines for MA-D for individuals on the FSW or CIH waiver is \$2,163/month (2014).
- Income guidelines for MA-D for individuals who are **not** on the waiver is \$973/month (2014).
- Individuals who are not on the waiver/institution and have income of over \$973/month and who do not have Medicare will be referred to the Marketplace for insurance.





Spend Down Ending

- The Spend Down program is being eliminated 6/1/14.
- In the past, if an individual left the waiver, he was able to retain his Medicaid. Depending on income, he may have been assigned a spend down (“Deductible” that needed to be met monthly before Medicaid benefits became effective. Amount depended on the person’s income.)
- Beginning 6/1/14, if an adult with income of over \$973 decides to leave the waiver, he will lose his Medicaid.
- We need to make sure that we are talking with individuals about the potential of losing Medicaid when they elect to leave the waiver or no longer meet LOC.





Income over \$2163

- If a person has income (likely unearned income) of over \$2163/month, the excess income will need to be placed in a Qualified Income Trust (Miller Trust) by 6/1/14 to maintain Medicaid for the Disabled (MA-D)
- If a person has earned income (wages) and works close to full time, then he is likely on MedWorks (MA-DW) which follows a different set of rules than MA-D. Even though total income may be over \$2163/month, Miller Trust would not be required.



Trusts--Resources

Special Needs Trust will allow the individual to have more than the allowable assets to retain government benefits.

- Two types of Special Needs Trusts: Grantor or Third Party Trust
- Can be set up using a variety of resources including:
 - Bank
 - Lawyer
 - The ARC Master Trust (www.thearctrust.org)
- Must provide for payment to the state at death for all that Medicaid paid using remaining balance.

Burial Trust is purchased through the funeral home of choice. Additional funds can be used to purchase or make payments on a recipient's funeral, burial plot, headstone, and other related expenses.





Trusts--Income

- **Qualified Income Trust (Miller Trust)** will allow the individual to have more than the allowable income to retain Medicaid benefits.
- Income over \$2163/month (amount changes annually) needs to be placed in the trust.
- Can only be used for income, cannot be used for resources
- If a recipient's income increases or decreases, this will affect the amount that needs to be deposited in the Miller Trust.
Individual/auth rep responsible is for determining the amount.
- Individuals may apply certain deductions to these funds and the remaining amount will be used to pay for cost of care.
- Due to the nature of the trust, almost all funds deposited into the trust will be depleted by the end of the month.
- Upon the recipient's death, any and all funds remaining in the Miller Trust, up to the total cost of care, would be paid to Medicaid.

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Miller Trust

- A Miller Trust is a special legal arrangement for holding the excess income
- If a Miller Trust is needed in order to stay eligible for Medicaid, an attorney can be contacted for advice on how to establish a Miller Trust.
- A Trust Account must be set up with a financial institution to receive the funds directed into it each month.
- Division of Family Resources has sent letters to the individuals and authorized representatives who were determined to need a Miller Trust.
- Detailed instructions for establishing a Miller Trust can be found at <http://www.in.gov/fssa/ddrs/4860.htm>



Impact on Children

- Medical Review Team (MRT) will continue to determine eligibility for minors who need Medicaid for the Disabled (MA-D) for the waiver if they do not receive SSI or SSDI.
- Special Waiver Rules will still apply for MA-D (i.e., parental income not counted)
- If a child has been on Medicaid based on parental income (Hoosier HealthWise such as MA-2, MA-9) or other reason (adoption/foster child), he will need to transition to MA-D as an adult. He will need to apply for SSI as he approaches his 18th birthday or age when his Medicaid category ends. MRT will likely complete conditional eligibility for MA-D. Once SSA makes a decision, MA-D eligibility will be based on SSA decision.





Impact on Adults

Current MA-D recipients:

- If they have been approved for MA-D by the Medical Review Team (MRT) and the condition has been determined to be "lifelong," then they will still be eligible for MA-D even if they don't have SSI or SSDI benefits.
(Based on information available at this time)
- If they have been approved for MA-D by the Medical Review Team (MRT) and the condition has been determined to be short term or something that could show improvement and progress reports are required about the condition, then the person will need to apply for SSI at the time that the next progress report is due.





Impact on Adults

New MA-D Referrals:

- Any new application made to Medicaid for an adult for Medicaid for the Disabled will need to apply for Social Security Disability benefits (SSI, SSDI)
- Medicaid is allowed 90 days to process a new MA-D application. SSA decision may take greater than 90 days.
- Medicaid will have the MRT review for disability. If eligible, will be given conditional eligibility until SSA makes a decision.
- Once SSA makes a decision, Medicaid will go along with the SSA decision.

Eligible for SSI = Eligible for MA-D

Not eligible for SSI = Not eligible for MA-D





MedWorks (MA-DW, MA-DI)

- There will be no changes to the Premium structure for Medworks.
- If a person has been approved for MA-DW by the Medical Review Team (MRT) and the condition has been determined to be "lifelong," then he will still be eligible for MA-DW even if he doesn't have SSI or SSDI benefits. *(Based on information available at this time)*
- If a person on MA-DW loses eligibility for SSD, then MRT would review to see if he would still be eligible for MA-DI (Disabled with Improved Condition).





Resources

FSSA has posted detailed information about the changes on their website at:

<http://www.in.gov/fssa/ddrs/4859.htm>

Includes:

- Copy of notice sent to recipients and authorized representatives about the changes
- Comprehensive Q/A
- Eligibility Screening Guides
- Stakeholder Presentation 1/30/14



Questions

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