

## **Medicaid for Low Income Adults Questions and Answers for Eligibility Staff**

This Question and Answer document is divided into the following sections:

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### ***Section 1 - Overview and Basic Information***

#### **Q1. Why did the State-Administered General Assistance (SAGA) medical program change to Medicaid for Low-Income Adults (LIA)?**

A1. Actually, Medicaid LIA is a new Medicaid coverage group made available by the federal Affordable Care Act (the health care reform law). **DSS received federal approval to implement Medicaid LIA effective 4/1/2010.** While many of the Medicaid LIA eligibility rules are the same as the rules that we've used for SAGA medical, Medicaid LIA is a different program from SAGA medical.

The SAGA medical program was funded by the State of Connecticut. Since we receive partial federal reimbursement in the Medicaid program, Connecticut is increasing its revenues by transitioning our SAGA medical clients into Medicaid LIA. At the same time, clients now receive an increased level of health care coverage under Medicaid LIA.

#### **Q2. Are the Medicaid LIA eligibility requirements different from SAGA medical?**

A2. Yes. While Medicaid LIA uses many of the same eligibility rules as SAGA medical, there are certain federal requirements that we must comply with.

#### **Q3. What eligibility rules are the same in Medicaid LIA and SAGA medical?**

A3. We have made the Medicaid LIA eligibility rules the same as the SAGA medical eligibility rules wherever we could. This includes:

- o Use of income limits approximately equal to the Medically Needy Income Limits;
- o Use of income spenddowns;
- o The 3-month extension resulting from increased earnings;
- o No unearned income disregards; and
- o \$150 earned income disregard.

**Q4. The press release announcing federal approval of this group mentions an income limit of 133% of FPL. Is this the income limit for Medicaid LIA?**

A4. No. The Affordable Care Act allows states to offer this coverage to households with incomes *up to* 133% of FPL. Connecticut, however, received federal approval to use 56% of FPL for Regions B&C and 68% of FPL for Region A, which approximates our current Medically Needy Income Limits. All states, including Connecticut, will not be required to implement the 133% of FPL income limit until 2014 under the Affordable Care Act.

**Q5. How are the eligibility rules for the Medicaid LIA coverage group *different* from SAGA medical?**

A5. Unlike SAGA medical, under Medicaid LIA

- o There is no asset test;
- o There is no digital imaging requirement; and
- o There is no recovery from liens on home property.

Also, since Medicaid LIA is a Medicaid coverage group, individuals will need to comply with federal Medicaid requirements such as Citizenship & Identity verification, non-citizen deeming from sponsors and designation of authorized representatives.

Hospitals and medical facilities providing drug or alcohol treatment may act as authorized representatives only when designated to do so by the client, unless the client is incompetent or incapacitated when the application is submitted. SAGA medical regulations allowed these facilities to apply for SAGA medical, even when the client refused or failed to apply or designate the facility to act as an authorized representative. Federal Medicaid regulations do not allow this, however individuals can continue to designate employees of these facilities and others to act as their authorized representatives. Medicaid regulations also allow individuals to submit applications on behalf of incapacitated or incompetent individuals in certain situations (see UPM 1505.15C.1.c).

**Q6. Since Medicaid LIA is similar to SAGA medical, but a different program, what regulations do we use?**

A6. Medicaid LIA eligibility uses the same eligibility rules as SAGA medical whenever possible. Until we can issue new UPM regulations, please continue to use the SAGA regs in UPM 8080 as the basis for adverse actions, unless superseded by a Medicaid requirement, in which case you would use the appropriate UPM Medicaid regulation. In addition, section 24 of Public Act 10-1, June Special Session, provides the authority to administer Medicaid for Low Income program using the current SAGA medical regulations, to the extent allowed under federal law.

[http://dssweb/dscgi/ds.py/Get/File-7848/Public\\_Act\\_10-1.doc](http://dssweb/dscgi/ds.py/Get/File-7848/Public_Act_10-1.doc)

## *Section 2 – EMS Considerations*

### **Q1. Will there be new EMS coverage groups for Medicaid LIA?**

A1. No. Since we transitioned our SAGA medical clients to Medicaid LIA, we transitioned the SAGA medical coverage groups (G02, G03, G07, G99, N01 and N99) to Medicaid LIA. As Medicaid LIA coverage groups, DSS will be able to present the medical claims that we paid for these groups to the federal government for partial reimbursement.

### **Q2. What changed in EMS for the Medicaid LIA coverage groups?**

A2. Under Medicaid LIA, EMS:

- Does not have an asset limit;
- Does not require digital imaging;
- Requires the entry of Citizenship & Identity information; and
- Provides 12-month redetermination periods (except for G03 & G99 AUs).

EMS modifications have been made to support these changes. EMS notices for these coverage groups have also been changed to refer to Medicaid LIA.

**Please note - with the removal of the digital imaging requirement for Medicaid LIA, DSS no longer requires digital imaging for SAGA cash or TFA clients as well.**

Also, as discussed in Q&A3a in Section 4 below, EMS does not support sponsor deeming to non-citizens. The workaround described there should work in most cases.

## *Section 3 - Transition of Active SAGA Medical Clients to Medicaid LIA*

### **Q1. How did DSS convert active SAGA medical clients to Medicaid LIA?**

A1. SAGA medical clients automatically converted to Medicaid LIA effective 4/1/2010. Since we retained the use of the G- and N- track coverage groups in EMS, this “conversion” was not readily apparent, occurring mostly in claims processing and financial reporting.

SAGA medical recipients received a special notice ([http://dssweb/dscgi/ds.py/Get/File-7853/SAGA\\_MLIA\\_Notice\\_English\\_June\\_25\\_\(2\).doc](http://dssweb/dscgi/ds.py/Get/File-7853/SAGA_MLIA_Notice_English_June_25_(2).doc)) in the Worker Toolkit in early July telling them that they will receive Medicaid LIA in place of SAGA medical.

### **Q2. What about Medicaid Citizenship & Identity (C/I) verification requirements for our current SAGA medical clients?**

A2. Please see the Q&As in Section 4 below.

**Section 4 – Medicaid Citizenship & Identity Verification Requirements;  
Non-citizen Eligibility**

**Q1. How will DSS comply with Medicaid Citizenship and Identity (C/I) verification requirements for SAGA medical clients who transitioned to Medicaid LIA?**

A1. In the first week of August, clients in G- and N-track coverage groups (including applicants and “M” status G99 clients) had their Social Security numbers automatically matched with Social Security records. **This was an automatic, one-time batch match.** Central Office ITS automatically updated the C/I fields on the DEM2 screen for clients with successful matches. This successfully addressed C/I verification requirements for 95.6% of these clients.

EMS did not update the DEM2 C/I fields for Medicaid LIA clients who failed the SSA match. For those Medicaid LIA clients who failed the SSA match, Central Office sent a report of these clients to the regions for follow-up. Workers will use the same process to follow-up with these failed SSA matches as they currently use for other Medicaid cases (please see Program Information Bulletin 10-1 and Forms Transmittal F-10-2 for procedural details). If workers cannot successfully resolve the reason why the match failed and cannot conduct a successful, subsequent match, they will need to start the 90-day Reasonable Opportunity Period (ROP).

**Q2. Will we use the existing Medicaid C/I process for new Medicaid LIA applicants?**

A2. Yes. You should follow the existing Medicaid C/I process for new Medicaid LIA clients (please see Program Information Bulletin 10-1 and Forms Transmittal F-10-2 for procedural details).

**Q3a. Do we deem the income from sponsors of non-citizens applying for Medicaid LIA?**

A3a. Yes. Since Medicaid LIA is a Medicaid program, we must follow Medicaid sponsor deeming rules, which are different than the ones we used in SAGA medical.

EMS does not currently support sponsor deeming in Medicaid LIA (there’s a pending work request to change this). Until EMS supports sponsor deeming in Medicaid LIA, you must calculate the amount of the deemed income from the sponsor using the Medicaid rules in UPM 5020.60. Entering this income using the “OG” type code on the non-citizen’s UINC screen should work as a workaround in most situations.

**Q3b. Aside from deeming sponsor income, do workers need to do anything different for non-citizens in Medicaid LIA from what they did in SAGA medical?**

A3b. No. As is currently true for all Medicaid clients, individuals applying for Medicaid LIA who do not meet the federal Medicaid non-citizenship requirements may qualify for the State Medical Assistance for Non-Citizens (SMANC). SMANC looks identical to federal Medicaid in EMS as it uses the same coverage groups. EMS simply indicates a state-funded code for clients who do not qualify under federal Medicaid rules (MA FUND TYPE = 'S' on the ALAS screen), which keeps us from claiming federal match for these clients.

EMS will automatically determine if non-citizens are eligible for federal Medicaid or state-funded SMANC based on the codes on the ALAS screen. Workers will code the ALAS screen as they normally would and EMS will do the rest.

**Q4. Can individuals who are ineligible for Medicaid LIA solely due to their non-citizen status receive Emergency Medicaid?**

A4. Yes. Medicaid rules require that we provide coverage for medical emergencies to individuals who are solely ineligible for federal Medicaid due to their non-citizen status.

**Q5. Do we need Colonial Cooperative Care to determine disability for individuals solely ineligible for Medicaid LIA due to their non-citizen status with medical emergencies?**

A5. No. Since disability is not a Medicaid LIA requirement, Colonial does not need to determine disability. Workers will, however, need to refer cases to the MRT to approval of the medical emergency.

***Section 5 - Changes in Medical Services***

**Q1. Have there been any changes to the medical services?**

A1. Yes. Since Medicaid provides more medical benefits than SAGA medical, we are providing clients with additional services under Medicaid LIA. Clients now have access to long-term care services, such as skilled nursing facility services. Also, medical necessity restrictions limiting access to home health care and non-emergency medical transportation have been relaxed so that they are now the same as "traditional" Medicaid.

**Q2. Community Health Network (CHN) managed the care of our SAGA medical clients. Will CHN continue to do so under Medicaid LIA?**

A2. No. CHN will not manage the care of Medicaid LIA clients. Medical services under Medicaid LIA are provided to clients on a fee-for-service basis, the same as Medicaid for aged, blind and disabled individuals.

**Q3. If CHN is not part of Medicaid LIA, did clients need to find new medical providers?**

A3. Maybe. Many CHN providers also participate in the Connecticut Medical Assistance Program (CTMAP). CTMAP is our Medicaid fee-for-service provider network. These providers will simply bill Medicaid rather than CHN. Special outreach will be done by DSS to CHN providers who do not participate in the CTMAP fee-for-service network to encourage them to enroll.

If a client was seeing a CHN provider who does not participate in CTMAP, the provider will need to enroll in CTMAP if he or she wishes to continue to see the client. **Hewlett Packard (HP), our CTMAP contractor, can help clients find new providers that participate in CTMAP if clients' CHN providers do not want to participate in CTMAP. Clients can call HP Client Assistance Monday through Friday, 8:00am to 5:00pm, at:**

**1-866-409-8430 (in-state toll free)**

**1-860-269-2031 (local to Farmington, CT)**

Clients can also search for providers using the following website [www.ctdssmap.com](http://www.ctdssmap.com) → click on Provider Search

**Q4. Can clients still go to Federally Qualified Health Centers (FQHCs)?**

A4. Yes. All of the FQHCs participate in the Medicaid program, so Medicaid LIA client can go there for medical services.

**Q5. Did we inform SAGA medical clients of these changes?**

A5. We sent a special notice to active SAGA clients ([http://dssweb/dscgi/ds.py/Get/File-7853/SAGA\\_MLIA\\_Notice\\_English\\_June\\_25\\_\(2\).doc](http://dssweb/dscgi/ds.py/Get/File-7853/SAGA_MLIA_Notice_English_June_25_(2).doc)) in the Worker Toolkit informing them about the change to Medicaid LIA and additional Medicaid-covered services.

**Q6. SAGA medical mental health and substance abuse services are different from those provided to Medicaid clients. Did this change for Medicaid LIA clients?**

A6. Yes. All Medicaid-covered mental health and substance abuse services will be provided by Medicaid-enrolled providers. These services will no longer be subject to management by Advanced Behavioral Health and they will be paid for by DSS.

The Dept. of Mental Health and Addition Services (DMHAS) and Advanced Behavioral Health (DMHAS' Managed Care Organization) will continue to provide coverage for non-Medicaid eligible mental health and substance abuse services to Medicaid LIA clients, such as residential treatment.

Medicaid LIA clients can call **1-800-606-3677** if they need any of the following services:

- Residential substance abuse treatment, and
- Recovery Supports Program.

**Q7. How do we process nursing home payments under Medicaid LIA?**

A7. In SAGA medical, EMS supported the N01 and N99 coverage groups for clients in Chronic Disease Hospitals such as the Hospital for Special Care and Gaylord Hospital. Under Medicaid LIA, the INST screen supports admissions to long term care facilities. The Living Arrangement code on DEM1 accepts the 'IC' and 'SN' codes as well. Please use the N-track for Medicaid LIA long term care cases, similar to the way we use the L-track for Medicaid aged, blind and disabled cases. The N-track will provide allow the personal needs allowance and other applied income deductions.

Please note that since Medicaid LIA does not have an asset test, individuals who transfer assets can qualify for Medicaid payment of long term care services without penalty. If a Medicaid LIA client, however, becomes ineligible under the Medicaid LIA coverage group due to receipt of Medicare, SSI or upon turning 65 (see below), any improper asset transfers could affect eligibility for Medicaid payment of long term care services under the "traditional" Medicaid coverage groups that serve the elderly and individuals who receive SSI and Medicare.

**Q8. Will Medicaid LIA include Medicaid waiver services?**

A8. No. Waiver services are not available to Medicaid LIA clients. Clients who require waiver services such as those provided under the DDS, PCA and ABI waivers, will need to establish eligibility for the waiver and be eligible for State Supplement or the W01 or S05 coverage groups.

**Q9. How do Medicaid LIA clients access medical transportation?**

A9. Medicaid LIA clients who need a ride to a Medicaid-covered appointment, should call our transportation vendor,  
**Coordinated Transportation Solutions (CTS) at 1-877-423-6794.**

Clients must schedule a ride to their Medicaid-covered service 48 hours before their appointment.

***Section 6 - Medicaid LIA and Other Medicaid Coverage Groups***

**Q1. Does Medicaid LIA affect our other existing Medicaid coverage groups?**

A1. Yes. The Affordable Care Act describes Medicaid LIA as not including:

- Individuals age 65 and older;
- SSI recipients (including individuals with 1619(a) or (b) or 1905(q) status);
- Medicare recipients;
- Pregnant women; and
- Children under 19.

This means that while the majority of Medicaid LIA clients will be those who were eligible under SAGA medical, the following individuals may also qualify under Medicaid LIA:

- Disabled individuals (determined by Colonial Cooperative Care or receiving Social Security Disability benefits who are not receiving Medicare or SSI;
- Caretaker Relatives of dependent children; and
- Ribicoff Children (only 19- and 20-year-olds), regardless of whether they live with their parents.

**Q2. Do we include the parents of 19- and 20-year-old Medicaid LIA clients in the Medicaid LIA needs groups and count their income when they live together?**

A2. No. Eligibility for Medicaid LIA is based on the individual's and spouse's (if any) income. Unlike the Ribicoff Children coverage group, the parent's income is not counted and parents are not included in the needs group.

**Q3a. Should we grant Medicaid LIA for disabled individuals who are not receiving Medicare or SSI? What about caretaker relatives of dependent children and 19- and 20-year olds who live with their parents?**

A3a. DSS will not be eliminating any of our current Medicaid coverage groups, so Medicaid LIA can be an additional way to become eligible. You would use whatever Medicaid coverage group is the most advantageous to the applicant.

For example, most Social Security disability recipients (who do not receive Medicare or SSI) would likely benefit from the unearned income disregard used in the Medicaid for the aged, blind and disabled coverage groups (S-track ) since Medicaid LIA does not have an unearned income disregard. Alternately, some Social Security disability recipients (again, who do not receive Medicare or SSI) with assets over \$1,600 may benefit more from Medicaid LIA, which does not have an asset test.

Most caretaker relatives will likely qualify for F07 rather than Medicaid LIA due to the much higher F07 income limit. However, caretaker relatives with household income over 185% of FPL or with assets may benefit from Medicaid LIA (the children may qualify for HUSKY B).

Medicaid LIA would likely be the appropriate coverage for 19- and 20-year-olds who live with their parents as we would not count their parent's income or assets. However, the Ribicoff coverage group (F12) may be appropriate if the child has income, but the parent does not, due to inclusion of the parent in the needs group.

For 19- and 20-year-olds who qualify under Medicaid LIA and as Ribicoff Children, it would be better to grant them as Medicaid LIAs as they would otherwise become ineligible as Ribicoff Children upon turning 21.



**Q3b. When Social Security or Colonial determined that a SAGA medical client has a disability onset date at some point in the past, we had to historically replace the G-track coverage with S-track coverage. Do we need to do that for Medicaid LIA clients?**

A3b. It depends. In SAGA medical, we needed to replace SAGA medical with Medicaid whenever possible in order to receive federal Medicaid reimbursement. Since Medicaid LIA and Medicaid for the Aged, Blind and Disabled are both Medicaid programs, there is no longer a need to do this. However in situations where individuals would benefit from the S-track eligibility rules, workers should supplant the G-track with the S-track. For example, if an individual was a G99 spenddown case, historically closing the G99 and processing S-track medical would benefit the client as he or she would receive unearned income disregards, which would lower the spenddown amount, and could allow the client to be eligible for that period.

It is important to remember that if an individual received SAGA medical prior to 4/1/2010 and is later determined to have a disability onset date prior to 4/1/2010, we still must historically grant MAABD so that we receive federal reimbursement.

**Q4. Can 18-year-olds who live with their parents qualify for Medicaid LIA without regard to their parents' income or assets?**

A4. No. 18-year-olds cannot participate in Medicaid LIA, regardless of whether they live on their own or with their parents. These individuals are potentially eligible for HUSKY.

**Q5. Can the parent of a HUSKY B-eligible child qualify for Medicaid LIA instead of through an F99 AU?**

A5. Yes. The parent may be ineligible for F99 on the basis of assets, which would not be a problem under Medicaid LIA since there is no asset test. However, the Medicaid LIA needs group would be smaller than the F99 needs group as it would only include the applicant and spouse (if any) and would not include the children.

**Q6. What happens when a Medicaid LIA client turns 65, becomes pregnant, or begins receiving SSI or Medicare?**

A6. Workers will need to determine eligibility under other Medicaid coverage groups. Becoming pregnant should not affect Medicaid eligibility as pregnancy-related HUSKY has a much higher income limit than Medicaid LIA, as well as no asset test.

Individuals turning 65 or who begin receiving SSI or Medicare present more of a challenge. Workers will need to determine if they are asset-eligible for Medicaid as they will no longer be eligible under Medicaid LIA, which does not have an asset test. Also, if the individual is currently in a nursing facility, payment of long term care services could

be affected by any improper transfers of assets as they transition out of Medicaid LIA and into an L-track coverage group.

**Q7. Are there transfer-of-asset penalties for Medicaid LIA clients needing long-term care services?**

A7. No. Since Medicaid LIA does not have an asset test, a transfer of an asset cannot be considered improper. In other words, since assets do not count under Medicaid LIA, any transfer would not be done to become eligible for Medicaid payment of long-term care services. However, if a Medicaid LIA client becomes ineligible for Medicaid LIA due to receipt of Medicare, SSI or upon turning 65, any improper asset transfers could then affect eligibility for Medicaid payment of long-term care services under the “traditional” Medicaid coverage groups that serve the elderly and individuals who receive SSI or Medicare.

**Q8. What is the transfer of asset lookback period when an institutionalized Medicaid LIA client turns 65 or begins receiving Medicare?**

A8. We need to research this question further, however our preliminary research indicates that the lookback period would be five years prior to the first of the month *following* the month in which the individual turns 65 or begins receiving Medicare, but no earlier than 2/8/2006 for non-trust transfers.

**Q9. Do clients applying for N01 need Level of Care approval from Ascend?**

A9. Yes. Follow the same procedures as you would follow for an L01 client to obtain level of care approval from Ascend.

**Q10. Should clients applying for N01 be referred to Social Security to apply for Social Security benefits as potential income?**

A10. Yes. The requirement to pursue potential income (UPM 3525.10A) applies to all Medicaid clients, including Medicaid LIA clients. If you believe that someone may qualify for Social Security disability, he or she must apply those benefits. However, since disability is not a Medicaid LIA requirement, you can grant Medicaid LIA as they pursue these potential benefits.

**Q11. How does Medicaid LIA relate to the Charter Oak Health Plan?**

A11. Charter Oak remains available to individuals who do not qualify for any of the existing Medicaid coverage categories, including the new Medicaid LIA group. Since Medicaid LIA does not have an asset test and does not count income from parents of 19- and 20-year-olds, some Charter Oak clients who were previously ineligible for Medicaid may now qualify for Medicaid LIA, which will supplant their Charter Oak coverage. It is important to remember that Charter Oak is self-declared, i.e. individuals do not verify

their circumstances. Medicaid LIA is not self-declared, so Charter Oak clients referred to DSS for Medicaid LIA need to verify their information.

**Q12. Will someone who was receiving HUSKY A need to complete an application for Medicaid LIA when he or she turns 19?**

A12. Most likely - yes. In most cases, the HUSKY case is in the parent's name. The parent would have completed and signed the HUSKY application form. Since the Medicaid LIA case will be in the name of the 19-year old, the 19-year old must complete and sign an application, which can be used to determine the person's eligibility for Medicaid LIA.

**Q13. What application form can someone use to apply for Medicaid LIA?**

A13. In addition to the W1-F or W1-E, individuals can use the W1-HUSKY to apply for Medicaid LIA. We have updated the W1-HUSKY for this purpose. Keep in mind, however that unlike HUSKY, Medicaid LIA is not self-declared. Applicants need to verify income, residency etc.

Many Medicaid LIA applicants may also qualify for SNAP (Food Stamps). They can apply for SNAP and Medicaid LIA using the W-1E or W1-F. Medicaid LIA applicants who use the W1-HUSKY must submit an additional SNAP application. The W1-FOOD would be the easiest form to use.

***Section 7 - Liens & Recoveries***

**Q1. Will we lien home property in Medicaid LIA as we currently do in SAGA medical?**

A1. No. Medicaid rules prohibit the placement of liens on home property. However, DSS will continue to enforce liens placed on home property to recover SAGA medical benefits provided prior to the 4-1-2010 effective date of Medicaid LIA.

**Q2. If a Medicaid LIA client is in a nursing facility, do we lien his or her non-home property or require a bona fide effort to sell the property?**

A2. No. We require that institutionalized Medicaid clients make a bona fide effort to sell non-home property and allow us to place a lien as a condition of excluding the non-home property as an asset. Since assets do not count in Medicaid LIA, clients do not have to make a bona fide effort to sell their non-home property, nor do they have to allow us to lien non-home property.

**Q3. Since there is no asset test and no liens on real property, what happens if someone fails to cooperate with us concerning a pending lawsuit?**

A3. DSS has the right to recover accident-related medical expenses. Individuals assign this recovery right to us when they sign the application. While we cannot deny individuals who refuse to cooperate with us for failing to assign their interest in the proceeds of a lawsuit, we can deny or discontinue them for failure to cooperate with our recovery efforts.