

STATE OF ALASKA
DEPT. OF HEALTH AND SOCIAL SERVICES

DIVISION of PUBLIC ASSISTANCE

FRANK H. MURKOWSKI, GOVERNOR

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PHONE: (907) 465-3347 FAX: 465-5154

MEMORANDUM

DATE: October 2, 2006

TO: All Aged, Disabled and Long Term Care Medicaid Manual Holders

FROM: Policy and Program Development Team
Carolyn Spalding, Acting Chief

SUBJECT: Aged, Disabled and Long Term Care Medicaid Manual Change #4

This manual change incorporates Medicaid policy that requires United States citizens to provide verification of their U.S. citizenship and identity. This requirement is due to a change in federal law under the Deficit Reduction Act of 2005. The policy changes were previously implemented by broadcast announcements. Implementation in Alaska began on August 1, 2006 for Medicaid applications and renewals received on or after that date. *Note: The new law does not change the eligibility or verification rules that apply to non-citizens. Qualified aliens are still required to provide verification of their status when they apply for Medicaid benefits.*

Following is the guidance provided to implement the new requirement for applications and renewals received on or after August 1, 2006:

Application Processing:

Applicants for Medicaid who declare they are U.S. citizens are asked to provide proof of their citizenship and identity. If the proof is not provided with the application, and the individual is a previous recipient, the caseworker will check the case file to see if the required documents have already been provided. If the verification is not in the file, the application will be pended and notice M307 will be sent requesting the verification. **Applicants may be allowed additional time beyond the normal processing timeframes if needed due to reasons beyond their control. Applicants may not be found eligible for Medicaid until the necessary verification is provided.**

If the household does not provide the necessary proof or does not respond by the date requested, the application must be denied using the M205 notice and entering the "CI" denial reason code in EIS. *Note: Coverage for Medicaid is denied only for the individuals who do not provide the requested citizenship and identity verification as required.*

Renewal Processing:

As reviews are submitted, caseworkers will check the existing case file for proof of citizenship and identity for Medicaid recipients. If the required documents are not in the file, send the M308 notice requesting the needed verification. If necessary, recipients will remain eligible for Medicaid into the next month to allow time for them to respond to the request. **Recipients who provide the requested verification, or state they are trying to get the verification but are unable to provide it at this time, may be found eligible for a new review period.** In this situation, documentation will be required at the next redetermination. A new eligibility period must be determined before a child is allowed the 6-month period of continuous eligibility.

If the household does not provide the necessary proof or does not respond by the date requested, the case will be closed with timely adverse action using the M 405 notice, and entering the “CI” closure reason code in EIS. *Note: Coverage for Medicaid ends only for the individuals who do not provide the requested citizenship and identity verification as required.*

In an effort to comply with the federal law, and make the process as easy as possible for applicants, recipients, and staff, we have:

- Created flyers about the new Medicaid citizenship and identity verification requirements, and sent a supply of these to offices and other interested parties to hand out with applications.
- Created new EIS codes for tracking the level of citizenship and identity verification provided as required by federal regulations.
- Successfully matched over 60,000 Alaska residents with Bureau of Vital Statistics (BVS) data to verify citizenship. We are continuing to pursue future automated BVS matches.
- Developed new Medicaid EIS notices for requesting citizenship and identity verification, and for denying or ending eligibility for an individual who does not provide verification.

This manual change also includes other policy clarifications and updates which are described below.

If you have any questions, please contact any member the Policy and Program Development Team at 465-3347 or email dpapolicy@health.state.ak.us

OVERVIEW OF CHANGES

506 – Medicare Buy-In

Adds instructions to send EIS notice “M710 – Medicare Drug Coverage Begins” when a Medicaid applicant has Medicare, and when a recipient becomes eligible for Medicare.

514 – Residents of Institutions

Adds exception to policy for an individual age 65 and older who resides in an inpatient psychiatric hospital. Also removed “Emergency Placement” section, as it is now included under “Exceptions”.

520 – Eligibility Requirements that Follow APA Policy

- ✓ Adds Medicaid exception to APA policy on requirement to provide verification of U.S. citizenship and identity.
- ✓ Adds subsection on Loss of Contact.
- ✓ Adds subsection on Age.

523 – Medicaid Exceptions to APA Policy

Adds clarification that APA policy for in-kind support and maintenance does not apply to eligibility for the Special Long Term Care category.

575 – Breast and Cervical Cancer Medicaid

Updates contact information for the Breast and Cervical Cancer Coordinator.

580 – Medicare Premium Assistance Categories

- ✓ Updates SLMB and SLMB Plus categories with information on Medicare Part D.
- ✓ Removes instructions to contact DPA Policy and DMA Third Party Liability Unit (TPL) when authorizing a SLMB Plus case.
- ✓ Includes a new eligibility code “78” for use on the MERE screen when authorizing a SLMB Plus case. This instruction was distributed by broadcast on February 17, 2006.

Addendum 1 – Program Standards

Updates the Annual Federal Poverty Guidelines for Alaska effective April 1, 2006, and the Pickle Amendment Table.

MANUAL CHANGE FILING INSTRUCTIONS

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Addendum 1 (pages 1 through 2)

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JUNEAU, AK 99811-0640

PHONE: (907) 465-3347 FAX: 465-5154

MEMORANDUM

DATE: December 1, 2005

TO: All Aged, Disabled and Long Term Care Medicaid Manual Holders

FROM: Policy and Program Development Team
Ellie Fitzjarrald, Chief

SUBJECT: Aged, Disabled and Long Term Care Medicaid Manual Change #3

This manual change includes policies and processing instructions for Medicare's low-income subsidy (LIS) program, and makes other technical changes. It also adds the 2006 Long Term Care community spouse resource and income allowance, and household member standards, and adds two new addendums to describe the low-income subsidy levels and provide information about the Medicare approved drug plans for Alaska. In addition, instructions for advising Medicaid/Medicare recipients about changes in prescription drug coverage are provided below.

Highlights of these policy additions and other clarifications are described below.

If you have any questions, please contact any member the Policy and Program Development Team at 465-3347 or email dpapolicy@health.state.ak.us

NEW MEDICAID COVERAGE POLICY

Beginning January 1, 2006, Medicaid will no longer pay for prescription drugs for recipients who are eligible for Medicare. On November 18, 2005, current Medicaid/Medicare dual eligible recipients were sent an EIS auto-generated notice telling them about this change.

Implementation: A manual notice, **M710 – Medicare Drug Coverage Begins** is now available in EIS. Once a Medicaid recipient becomes eligible for Medicare, he or she will lose prescription drug coverage through Medicaid. Effective with this manual change, the caseworker must send this notice to all new Medicaid recipients as soon as it becomes known that Medicare eligibility exists.

OVERVIEW OF CHANGES

ADLTC MS 505 – Third Party liability (TPL) and Recovery

Instructs caseworkers to send an email message to Division of Health Care Services TPL staff if it appears a minor child has health insurance coverage.

ADLTC MS 554 – Transfer of Resources

Clarifies that a MED 3, *Declaration / Denial of Asset Transfer*, or notice M723, *Transfer of Asset Declaration*, must be obtained for all nursing home and home and community based waiver applicants.

ADLTC MS 580-D – Low-Income Subsidy Program

This new section provides information about the Medicare Part D Low-Income Subsidy program.

Addendum 1 – Program Standards

Includes the Annual Federal Poverty Guidelines for Alaska for processing Medicare low-income subsidy applications, and updates the annual community spouse maintenance resource and income standards.

Addendum 6 – Low-Income Subsidy Guide

Shows eligibility criteria for the Medicare Part D Low-Income Subsidy and SeniorCare prescription drug benefit, and describes how this assistance affects the cost of Medicare Part D premiums, deductibles, and co-payments or co-insurance.

Addendum 7 – Medicare Prescription Drug Plans for Alaska

Provides information about the Medicare approved prescription drug plans for Alaska as of October 10, 2005.

MANUAL CHANGE FILING INSTRUCTIONS

Remove Old Pages

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Addendum 1 (pages 1 through 2)

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Addendum 6 (pages 1 through 2)
Addendum 7 (pages 1 through 2)

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MEMORANDUM

DATE: September 1, 2005

TO: All Aged, Disabled and Long Term Care Medicaid Manual Holders

FROM: Policy and Program Development Team
Ellie Fitzjarrald, Chief

SUBJECT: Aged, Disabled and Long Term Care Medicaid Manual Change #2

This manual change includes information about the new Medicare Part D prescription drug coverage. It incorporates policy revisions implemented by broadcast announcements, and makes minor technical changes. An index is added as a result of suggestions received from field staff.

This manual change does not include policy regarding the Medicare low-income subsidy program, and processing the Medicare “extra help” applications. This policy and the EIS changes supporting it is under development and will be addressed in the next manual change. In the interim, please refer to the broadcast issued June 9, 2005, regarding guidelines for handling Medicare low-income subsidy applications received in DPA offices.

Highlights of these policy additions and other clarifications are described below.

If you have any questions, please contact any member the Policy and Program Development Team at 465-3347 or email us at dpapolicy@health.state.ak.us

OVERVIEW OF CHANGES

MS 506(D)(4) – Medicare Part D – Prescription Drug Coverage

The Medicare Prescription Drug, Improvement and Modernization Act of 2003 (MMA), adds Part D to Medicare, which makes prescription drug coverage available to all Medicare beneficiaries. Prescription drug plans will be available to help people with Medicare save money on prescription drugs. These prescription drug plans will become known in October 2005.

Starting January 1, 2006, Medicaid will no longer pay for prescription drugs for people who are eligible for Medicare. People with both Medicaid and Medicare, known as “dual eligibles” will automatically be enrolled in a prescription drug plan to ensure there will be no break in coverage.

Medicaid recipients who reside in nursing home or medical institutions who are eligible for Part D Medicare will have no deductible, premiums, and co-payments. All other Medicaid recipients and individuals in buy-in programs will continue to have co-payments.

In November, Centers for Medicare and Medicaid Services will send letters to all recipients with information about their prescription drug plan. Medicaid recipients may choose to opt-out of a prescription drug plan, or enroll in another plan at any time as long as they are eligible for Medicaid. However, if a person chooses to opt-out of a prescription drug plan without enrolling in another plan, Medicaid will not pay for the cost for their prescription drugs. In November, DPA will be sending letters to Medicaid dual eligible recipients explaining this change in Medicaid coverage.

As a reminder, when case reviews, new applications or redeterminations are made, staff need to check EIS coding to ensure proper entry of Medicare enrollment on the MERE screen.

MS 524 (F) – Institutional Allotment of Resources

Adds Medicaid exception to APA resource policy for financial responsibility of spouses who no longer live together. This policy does not apply to institutional or waiver applicants.

MS 526 (D) – Payments Made from a QIT

Federal SSI regulations were amended effective March 9, 2005 to change the definition of income. Previous policy defined income as money that could be used to meet a person's needs for food, clothing, or shelter. This change removes the term "clothing" from the definition of income. This change was previously issued by broadcast as a pen and ink change on April 19, 2005.

MS 554 – Transfer of Assets

Clarifies the transfer of asset penalty policy when both spouses' are institutionalized.

MS 561-G – EIS HCB Waiver Codes

Includes the "PM" subtype for use with home and community-based waiver services.

MS 570 – Post Eligibility and Cost-of-Care

Updates the personal needs allowance (PNA) to \$1396 as changed by Senate Bill 125 for Medicaid recipients who reside in assisted living homes. Also includes clarification that unpaid medical bills that are not subject to payment by a third party are an allowable cost-of-care deduction.

Addendum 1 – Program Standards

Updates the PNA to \$1396 for individuals who reside in assisted living homes.

Addendum 4 – COCA Processing

Updates the EIS cost-of-care (COCA) screen with the PNA \$1396 for individuals who reside in assisted living homes.

MANUAL CHANGE FILING INSTRUCTIONS

Remove Old Pages

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MEMORANDUM

DATE: March 21, 2005

TO: All Adult Public Assistance Manual Holders

FROM: Policy and Program Development Team
Ellie Fitzjarrald, Chief

SUBJECT: Aged, Disabled and Long Term Care Medicaid Manual Change #1

This manual change updates the Income Standards in Addendum 1 with the 2005 Federal Poverty Guidelines for Alaska, and the 2005 Reduction Factors for the Pickle Amendment Table. It also adds the EIS Qualified Medicare Beneficiaries (QMB) eligibility codes and the assisted living “AS” subtype for use in home and community-based waiver determinations, and the “IC” and “IF” eligibility codes that were inadvertently omitted.

If you have any questions, please contact any member the Policy and Program Development Team at 465-3347 or email us at [**dpapolicy@health.state.ak.us**](mailto:dpapolicy@health.state.ak.us).

MANUAL CHANGE FILING INSTRUCTIONS

Remove Old Pages

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Addendum 1 – Program Standards

Insert New Pages

L-21 – L-22
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Addendum 1 – Program Standards

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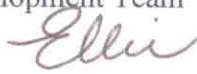
FRANK H. MURKOWSKI, GOVERNOR

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MEMORANDUM

DATE: December 1, 2004

TO: All Adult Public Assistance Manual Holders

FROM: Policy and Program Development Team
Ellie Fitzjarrald, Chief 

SUBJECT: New Aged, Disabled and Long Term Care Medicaid Eligibility Manual

We are pleased to present you with the Medicaid "*Aged, Disabled and Long Term Care Medicaid Eligibility Manual*". This manual separates APA-related Medicaid eligibility policy from Family Medicaid eligibility policy and is designed specifically for APA-related Medicaid categories. As a result, several sections from the existing *Medical Assistance Eligibility Manual* are removed and the *Medical Assistance Eligibility Manual* will be renamed the "*Family Medicaid Eligibility Manual*" as part of a separate manual change.

The new *Aged, Disabled, and Long Term Care Medicaid Eligibility Manual* sections are numbered in the 500 series and the page numbers are in the letter-number format, which is consistent with other Division of Public Assistance policy manuals. Several policy clarifications are incorporated along with changes that have been implemented through past broadcasts. The 2005 Long Term Care Standards, which are included in Addendum 1 have been updated and are effective with the benefit month of January 1, 2005. We are pilot testing the inclusion of detailed procedures for working the specialized Long Term Care Medicaid categories and relevant Medicaid EIS Notices in the Addenda. Let us know if you find it helpful to include these detailed procedures in the policy manual.

Many EIS notices have been revised effective December 1, 2004 to reflect the new names and the citations of the Aged, Disabled, and Long Term Care and the Family Medicaid Manual.

Attached below is a matrix that shows relationship between old manual sections and new manual sections.

Many staff contributed time and energy into the development of this manual. Thanks to each of you who have helped and a special thanks to Terry Hamm and staff in the Long Term Care Unit.

We welcome your comments on this new manual and any suggestions you have for further improvements and policy clarifications. If you have any questions, please contact any member the Policy and Program Development Team at 465-3347 or email us at dpapolicy@health.state.ak.us.

Aged, Disabled and Long Term Care Medicaid Eligibility Manual

December 1, 2004

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<p style="text-align: center;">OLD MEDICAL ASSISTANCE MANUAL SECTION</p>	<p style="text-align: center;">NEW AGED, DISABLED and LTC MEDICAID MANUAL SECTION</p>
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5000-4 – Verification and Documentation	520-E– Verification and Documentation
5002 – General Medicaid Provisions	500-B - G – General Medicaid Provisions
5005 – Application and Review Process	520-A – Application and Review Process
5006 - Notices	520-G - Notices
5007 – Continuous Eligibility for Children	515 – Continuous Eligibility and Children in SSI-Related Categories
5008 – Retroactive Eligibility	516 – Retroactive Medicaid
5011 – U.S. Citizenship and Eligible Alien Status	520-B – U.S. Citizenship and Eligible Alien Status
5011-9 – Treatment of Emergency Medical Conditions of Aliens	576 – Emergency Coverage for Aliens
5012 – Alaska Residency	513 – Alaska Residency
5014 – Social Security Enumeration	512 – SSN Required
5015 – Assignment of Rights	510 – Assignment of Rights
5016 – Cooperation with Child Support	511 – Child Support Cooperation
5018 – Development of Income	520-C – Development of Income
<p>5027 – Medicaid Qualifying Trusts</p> <p>5028 – Trust Created on or after August 11, 1993</p>	<p>525 – General Medicaid Trust Policy</p> <p>526 – Qualifying Income Trusts</p> <p>527 – Special Needs and Pooled Trusts</p> <p>528 – Processing Cases with Trusts</p>
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Aged, Disabled and Long Term Care Medicaid Eligibility Manual

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<p align="center">OLD MEDICAL ASSISTANCE MANUAL SECTION</p>	<p align="center">NEW AGED, DISABLED and LTC MEDICAID MANUAL SECTION</p>
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5060 – Medicare Coverage	506 – Medicare Buy-In
5065 – Medical Resources 5070 – Third Party Resources (TPL) Recovery	505 – Third Party Liability (TPL) and Recovery
5075 – Medical Authorization	501 – Medicaid Recipient Identification Card
	507 – Estate Recovery
5510 – SSI Recipients 5520 – SSI Eligible Individual Not Receiving Cash Payments 5540 – APA Eligible Not Receiving Cash Payments	530-A – SSI Recipient 530-C – SSI or APA Eligible, but not Receiving Cash
5525 – Disabled Children at Home (TEFRA)	533 – Disabled Children at Home (TEFRA)
5526 – Disability Determinations	520-D – Disability Determinations
5530 – APA Recipients	530-B– APA Recipient
5550 – “Pickle People”	531 – Deemed an SSI/APA Recipient Under the Pickle Amendment
5560 – “Section 1619” Eligibles	530-E – “Section 1619” Eligibles
5570 – SSI “Disabled Adult Children”	530-D – SSI “Disabled Adult Children”
5580 – Individuals Ineligible for SSI or APA Because of Requirements Prohibited by Medicaid	532 – SSI or APA Ineligible for Reasons that Do Not Apply to Medicaid
5585 – Disabled Widow(er) Who Has Lost SSI or APA Due to Receipt of Title II Benefits	540-A – Individuals Eligible for AFDC Except for 1972 Social Security Income

<p style="text-align: center;">OLD MEDICAL ASSISTANCE MANUAL SECTION</p>	<p style="text-align: center;">NEW AGED, DISABLED and LTC MEDICAID MANUAL SECTION</p>
5587 – Working Disabled Medicaid Buy-In	534 – Working Disabled Medicaid Buy-In
5590 – Medicare Premium Categories 5591 – Qualified Medicare Beneficiaries (QMB) 5592 – Special Low Income Medicare Beneficiary (SLMB and SLMB Plus) 5595 – Qualified Disabled and Working Individuals (QDWI)	580 – Medicare Premium Categories 580-A – Qualified Medicare Beneficiaries (QMB) 580-B – Special Low Income Medicare Beneficiary (SLMB and SLMB Plus) 580-C – Qualified Disabled and Working Individuals (QDWI)
5600 – Individuals in Need of an Institutional Level of Care 5620 – Institutionalized Individuals 5660 – Institutionalized Eligibility Groups	550-A – SSI or APA Recipient Living in an Institution 550-B – Individual Eligible for SSI or APA Cash Assistance if not in an Institution 550-C – Special Long Term Care Eligibility Category
5610 – Home and Community-Based Services	560 – Home and Community-Based Services 561 – EIS HCB Waiver Codes 562 – Processing HCB Waiver Cases
5630 – Financial Eligibility for Individuals Receiving Institutional or HCB Waiver Services	523 – Medicaid Exceptions to APA Income Policy 524 – Medicaid Exceptions to APA Resource Policy 553 – Preventing Spousal Impoverishment
5640 – Institutional Deeming	555 – Institutional Deeming
5670 – Post Eligibility 5680 – Cost of Care Calculation	570 – Post Eligibility and Cost of Care

<p style="text-align: center;">OLD MEDICAL ASSISTANCE MANUAL SECTION</p>	<p style="text-align: center;">NEW AGED, DISABLED and LTC MEDICAID MANUAL SECTION</p>
<p>5700 – “Grandfathered” Groups</p> <p>5710 – Individuals Eligible for AFDC Except for 1972 Social Security Increase</p> <p>5720 – Individuals Eligible for Medicaid in 1973</p> <p>5730 – Individuals Eligible for SSI or State Supplemental Payments Except for 1972 Social Security Increase</p> <p>5740 – Children Who Lost SSI in 1996 Because of Change in Definition of Disability.</p>	<p>540 – “Grandfathered” Groups</p> <p>540-A – Individuals Eligible for AFDC Except for 1972 Social Security Increase</p> <p>540-C– Individuals Eligible for Medicaid in 1973</p> <p>540-B – Individuals Eligible for SSI or State Supplemental Payments E</p> <p>540-D – Children Who Lost SSI in 1996 Because of Change in Definition of Disability.</p>
<p>5800 – Breast/Cervical Cancer Medicaid Eligibility</p>	<p>575 – Breast/Cervical Cancer Medicaid Eligibility</p>
<p>5900 – Medicaid Covered Services</p>	<p>500-B – Medicaid Covered Services</p>
	<p>Addendum 1 – Program Standards, Medicare Part A Premiums, Medicare Part B Premiums, and Table of Reduction Factors under the Pickle Amendment</p>
	<p>Addendum 2 – APA Related Medicaid Subtypes</p>
	<p>Addendum 3 – Commonly Used Abbreviations</p>
	<p>Addendum 4 – COCA Processing</p>
	<p>Addendum 5 – Medicaid EIS Notices</p>