

TO: Local Commissioners, Medicaid Directors

FROM: Betty Rice, Director
Division of Consumer and Local District Relations

SUBJECT: Payment of State Supplements for SSI Recipients in Nursing Homes
and Other Medical Facilities

EFFECTIVE: Immediately

CONTACT PERSON: Bureau of Local District Support:
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Effective October 1, 2003, the State Office of Temporary and Disability Assistance assumed responsibility for sending out the \$5 State supplement for SSI recipients residing in nursing homes or other medical facilities. This message, as a follow-up to GIS 03 TA/DC023, is to inform social services districts of the impact this change will have on a small number of Medicaid SSI cases.

Prior to October 1, 2003, the Social Security Administration (SSA) issued the \$5 State supplement to individuals whose countable income (gross minus \$20 income disregard) was less than \$35 (\$30 Federal Benefit Rate [FBR] plus \$5 State supplement). Beginning October 1, 2003, only recipients who receive at least \$1 in federal money (FBR) will receive the \$5 State supplement payment. This means net countable income must be less than the \$30 FBR. For example, an individual with net countable income of \$34 (\$54 gross minus \$20 income disregard) will no longer receive a \$1 State supplement. Such individuals will, therefore, no longer be in receipt of SSI.

The State has determined that this change will affect approximately 20 individuals statewide. These individuals will be identified on the Auto-SDX with a Payment Status Code of "E01" (eligible/no payment made). SSA uses this code to identify an individual who would be eligible for SSI if he/she were living in the community instead of a nursing home or other medical facility (net countable income is not greater than the \$552 community FBR).

For Medicaid purposes, individuals with a Payment Status Code of E01 must have a separate Medicaid eligibility determination. Upstate, the case is converted to a Case Type 20, and coverage is authorized pending a separate Medicaid determination. In New York City, the case remains a Case Type 22 while being processed in accordance with the Stenson redetermination procedures. Social services districts are reminded that chronic care budgeting is to be applied; therefore, the individuals may have a contribution toward the cost of care. Appropriate notification of a change in Medicaid eligibility must be sent, as under current procedures.

Another change that occurred when the State assumed responsibility for the \$5 State supplement involves payment of the \$20 additional State supplement for individuals in nursing homes. Prior to October 1, 2003, if an SSI recipient in a nursing home received a full \$35 payment from SSI (\$30 FBR plus \$5 State supplement), the State sent an additional \$20 State supplement. Effective October 1, 2003, the State will make payment of the additional \$20 State

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supplement to a nursing home resident who receives at least \$1 in federal money (\$1 of the \$30 FBR). This will increase the number of individuals who will be entitled to the \$20 additional State supplement. Such individuals will also receive the \$5 State supplement from the State (\$30 FBR + \$5 State supplement + \$20 additional State supplement).

If you have any questions regarding any of the information contained in this message, please contact your local district representative.