

TO: Local District Commissioners, Medicaid Directors, Temporary Assistance Directors, Legal Staff, Fair Hearing Staff, Staff Development Coordinators

FROM: Judith Arnold, Director
Division of Coverage and Enrollment

SUBJECT: Increase in Medicaid Eligibility Resource Standards; Elimination of Drug/Alcohol Requirement for Medicaid

EFFECTIVE DATE: April 1, 2008

CONTACT PERSON: Local District Support Unit
Upstate (518) 474-8887 NYC (212) 417-4500

The purpose of this General Information System (GIS) message is to advise social services districts of new Medicaid and Family Health Plus resource levels, and elimination of the drug/alcohol requirement for S/CC Medicaid eligibility, pursuant to Chapter 58 of the Laws of 2008; these changes are effective April 1, 2008. This GIS also provides instructions for processing cases with resources in excess of programmed levels.

Resource Standards

The new resource standards represent a significant change from previous levels, and are now the same for the following categories:

- o Under 21, ADC-related and FNP Parents
- o Singles/Childless Couples (S/CC)
- o Low Income Families
- o SSI-related
- o Family Health Plus (FHPlus)- with or without children
- o Medicaid Buy-In for Working People with Disabilities (MBI-WPD)

Effective April 1, 2008 the resource levels for these categories are as follows:

Household Size	2008 Resource Level
1	\$13,050
2	\$19,200
3	\$22,200
4	\$25,050
5	\$27,900
6	\$30,750
7	\$33,600
8	\$36,600
9	\$39,450
10	\$42,300
each add'l	\$2,850

The levels above must be used for eligibility determinations on or after April 1, 2008.

Note: Disabled Adult Children (DACs) and Pickle eligibles must continue to have resources at or below the SSI resource levels of \$2,000 or \$3,000, as applicable. In addition, Qualified Disabled and Working Individuals (QDWIs) and persons applying for or receiving COBRA Continuation Coverage must continue to have resources at or below \$4,000 or \$6,000, as applicable.

MBL is not currently programmed to reflect the new resource levels. Systems support is expected to be available in Summer 2008. Therefore, effective immediately and until systems support is available, districts must take the following steps for budgets with a from date of April 1, 2008 or later, if an applicant/recipient (A/R) has resources over the January 2008 levels:

- First, review the excess resource amount on the LIF/S-CC, Medically Needy, MBI-WPD, or FHPlus budget output screen;
- Second, compare the excess amount to the difference between the old and new levels (see Attachment 1) or look at the total amount of resources and compare to the revised resource standards.
- Third, for cases that are Medicaid eligible under the new standards, but that show excess resources on the Medicaid budget, enter only \$111.11 as the resource amount for the resource type(s). This number will show the case as resource-eligible and make cases easily identifiable in the future.

A/Rs who are resource-eligible for Medicaid but whose budgets show excess resources should be placed in the appropriate Medicaid eligibility category, not in FHPlus unless they are income-eligible for FHPlus.

When an A/R is ineligible due to excess resources using the new levels, workers will need to use manual notice LDSS-3973, Notice of Decision on Your Medical Assistance Application. For the MBI-WPD program, denial and discontinuance manual notices are attached to this GIS message.

Note: The correct FHPlus resource levels are already programmed for households of 1 and 2. Therefore, if the applicant or recipient is S/CC and is denied for both Medicaid and FHPlus (Reason Code U35), a CNS notice may be used, since it informs the A/R that he/she was evaluated for FHPlus.

For Medicaid eligibility on a Temporary Assistance (TA) case, TA resource levels are no longer used. When denial/closing codes U40, U41, U42, U44 and U16 are used on Family Assistance or Safety Net cases for individuals with category code 09, a separate determination is not generated automatically at this time. Therefore, until the system change is programmed to refer these individuals for a separate Medicaid determination, **staff must manually ensure that Medicaid is continued or determined for individuals not TA eligible due to resources**. Reason Code Y99 should be used to process these TA/MA cases and staff must send a manual notice until system changes are made.

Additional instructions for processing cases in New York City are forthcoming.

The charts attached to this GIS message illustrate the new resource levels effective April 1, 2008, the current programmed resource levels and the allowable excess amount. If the excess amount on the MBL output screen is equal to or less than the excess amount listed in the last column of the attached charts, the A/R is eligible.

In addition to the resource level change, the Medicaid income levels for household sizes three and higher have changed effective April 1, 2008. If districts have an ADC-Related adult in a household of three or more who is not eligible for FHPlus and qualifies for Medicaid with a spend-down, call your local district liaison for instructions.

Elimination of Drug/Alcohol Requirement for Medicaid

Also effective April 1, 2008, drug/alcohol requirements are eliminated for Medicaid eligibility for Medicaid applications, recertifications and undercare case processing. **Drug/alcohol screenings, assessments, mandated drug and alcohol treatment**, and monitoring of compliance with such treatment **are no longer a condition of Medicaid eligibility.**

Therefore, A/Rs **must not be denied Medicaid benefits** due to previous drug/alcohol requirements, or any continuing drug/alcohol requirements associated with Temporary Assistance. Additionally, Welfare Reform Exception Code 83 should no longer be used for these individuals. The LDSS must continue to enter Code 83 for managed care enrollees in Temporary Assistance cases, but only where appropriate. Further instructions on this change, including systems support, will follow.

Resource Levels and Allowable Excess Amounts

Attachment 1

Household Size	2008 Resource Level	2007 MA Resource Level	Allowable Excess Amount
1	\$13,050	\$4,350	\$8,700
2	\$19,200	\$6,400	\$12,800
3	\$22,200	\$6,600	\$15,600
4	\$25,050	\$6,650	\$18,400
5	\$27,900	\$6,700	\$21,200
6	\$30,750	\$6,800	\$23,950
7	\$33,600	\$7,650	\$25,950
8	\$36,600	\$8,500	\$28,100
9	\$39,450	\$9,350	\$30,100
10	\$42,300	\$10,200	\$32,100
each add'l	\$2,850	\$850	\$2,000

Singles and Childless Couples

Category	2008 Resource Level	2007 Resource Level Medically Needy	Allowable Excess Amount
Household of 1	\$13,050	\$2,000	\$11,050
Household of 2	\$19,200	\$3,000	\$16,200
Medicaid Buy-In (MBI-WPD) Household of 1	\$13,050	\$10,000	\$3,050
Medicaid Buy-In (MBI-WPD) Household of 2	\$19,200	\$10,000	\$9,200

Family Health Plus

Household Size	2008 Resource Level	2007 Resource Level Medically Needy	Allowable Excess Amount
1	\$13,050	\$13,050	\$0
2	\$19,200	\$19,200	\$0
3	\$22,200	\$19,800	\$2,400
4	\$25,050	\$19,950	\$5,100
5	\$27,900	\$20,100	\$7,800
6	\$30,750	\$20,400	\$10,350
7	\$33,600	\$22,950	\$10,650
8	\$36,600	\$25,500	\$11,100
9	\$39,450	\$28,050	\$11,400
10	\$42,300	\$30,600	\$11,700
each add'l	\$2,850	\$2,550	\$300

**NOTICE OF DISCONTINUANCE OF MEDICAL ASSISTANCE UNDER THE MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES (MBI-WPD)
(Over Income/ Over Resources / Over Income and Over Resources)**

NOTICE DATE:	EFFECTIVE DATE:	NAME AND ADDRESS OF AGENCY/CENTER OR DISTRICT OFFICE	
CASE NUMBER	CIN NUMBER		
CASE NAME (and C/O Name if Present) AND ADDRESS		GENERAL TELEPHONE NO. FOR QUESTIONS OR HELP _____ ----- OR Agency Conference _____ Fair Hearing Information and Assistance _____ Record Access _____ Legal Assistance Information _____	

OFFICE NO.	UNIT NO.	WORKER NO.	UNIT OR WORKER NAME	TELEPHONE NO.
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We will discontinue your Medical Assistance coverage under the Medicaid Buy-In program for Working People with Disabilities (MBI-WPD) effective _____ for:

Name _____ Client I.D. _____
 Name _____ Client I.D. _____

- I. This is because:
- your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable MBI-WPD income limit of \$_____.
 - your countable resources of \$_____ are over the allowable MBI-WPD resource limit of \$_____.
 - your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable MBI-WPD income limit of \$_____. In addition, your countable resources of \$_____ are over the MBI-WPD resource limit of \$_____.

While you were eligible for the MBI-WPD program, we compared your net income (gross income less Medical Assistance deductions) and countable resources to the MBI-WPD income and resource limits. Now we compare your income and resources to the Medical Assistance limits.

- II. You are not eligible for Medical Assistance because:
- Your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable Medical Assistance income limit of \$_____. The amount over the limit is called excess income or spenddown. Your monthly excess income amount is \$_____. Also you do not have paid or unpaid medical expenses not covered by insurance that are equal to or more than your excess income amount. If you incur medical bills in the amount of your excess income or if your income goes down, you may reapply. Please read the enclosed: "Explanation of the Excess Income Program" and "Optional Pay-In Program."
 - Your countable resources of \$_____ are over the allowable Medical Assistance resource limit of \$_____. The amount over the limit is called excess resources or spenddown. Your excess resource amount is \$_____. We have not received documentation that you have spent your excess resources by establishing or adding to a burial trust/fund. If you incur medical bills in the amount of your excess resources or if the amount of your resources goes down, you may reapply. Please read the enclosed "Explanation of the Excess Resource Program."
 - Your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable Medical Assistance income limit of \$_____. In addition, your countable resources of \$_____ are over the allowable Medical Assistance resource limit of \$_____. The amounts over the limits are called excess income and excess resources or spenddown. Your monthly excess income amount is \$_____. Your excess resource amount is \$_____. We have not received documentation that you have paid or unpaid medical expenses not covered by insurance that are equal to or more than your excess income and resource amount or that you have spent your excess resources by establishing or adding to a burial trust/fund. If you incur medical bills in the amount of your excess resources and expect to have medical bills which are equal to or more than your excess income, or if your income or resources go down, you may reapply. Please read the enclosed: "Explanation of the Excess Income Program", "Explanation of the Excess Resource Program" and "Optional Pay-In Program."

This is based on Regulations 18 NYCRR 360-4.1 360-4.3, 360-4.4, 360-4.6, 360-4.7, 360-4.8 and Sections 366(1)(a) (12), 366(1)(a) (13) of the Social Services Law.
We have enclosed a budget worksheet(s) so that you can see how we determine eligibility for benefits.

**YOU HAVE THE RIGHT TO APPEAL THIS DECISION
 BE SURE TO READ THE BACK OF THIS NOTICE ON HOW TO APPEAL THIS DECISION**

RIGHT TO A CONFERENCE: You may have a conference to review these actions. If you want a conference, you should ask for one as soon as possible. At the conference, if we discover that we made the wrong decision or if, because of information you provide, we determine to change our decision, we will take corrective action and give you a new notice. You may ask for a conference by calling us at the number on the first page of this notice or by sending a written request to us at the address listed at the top of the first page of this notice. This number is used only for asking for a conference. ***It is not the way you request a fair hearing.*** If you ask for a conference you are still entitled to a fair hearing. If you want to have your benefits continue unchanged (aid continuing) until you get a fair hearing decision, you must request a fair hearing in the way described below. Read below for fair hearing information.

RIGHT TO A FAIR HEARING: If you believe that the above action is wrong, you may request a State fair hearing by:

- 1) **Telephone:** You may call the state wide toll free number: 800-342-3334 (PLEASE HAVE THIS NOTICE WITH YOU WHEN YOU CALL); **OR**
- 2) **Fax:** Send a copy of this notice to fax no. (518) 473-6735; **OR**
- 3) **On-Line:** Complete and send the online request form at: <http://www.otda.state.ny.us/oah/forms.asp>; **OR**
- 4) **Write:** Send a copy of this notice **completed**, to the Fair Hearing Section, New York State Office of Temporary and Disability Assistance, P.O. Box 1930, Albany, New York 12201. Please keep a copy for yourself.

I want a fair hearing. The Agency's action is wrong because: _____

Print Name: _____ Case Number _____
Address: _____ Telephone: _____
Signature of Client: _____ Date: _____

YOU HAVE 60 DAYS FROM THE DATE OF THIS NOTICE TO REQUEST A FAIR HEARING

If you request a fair hearing, the State will send you a notice informing you of the time and place of the hearing. You have the right to be represented by legal counsel, a relative, a friend or other person, or to represent yourself. At the hearing you, your attorney or other representative will have the opportunity to present written and oral evidence to demonstrate why the action should not be taken, as well as an opportunity to question any persons who appear at the hearing. Also, you have a right to bring witnesses to speak in your favor. You should bring to the hearing any documents such as this notice, paystubs, receipts, medical bills, heating bills, medical verification, letters, etc. that may be helpful in presenting your case.

CONTINUING YOUR BENEFITS: If you request a fair hearing before the effective date stated in this notice, you will continue to receive your benefits unchanged until the fair hearing decision is issued. However, if you lose the fair hearing, we may recover the cost of any Medical Assistance benefits that you should not have received. If you want to avoid this possibility, check the box below to indicate that you do not want your aid continued, and send this page along with your hearing request. If you do check the box, the action described above will be taken on the effective date listed above.

I agree to have the action taken on my Medical Assistance benefits, as described in this notice, prior to the issuance of the fair hearing decision.

LEGAL ASSISTANCE: If you need free legal assistance, you may be able to obtain such assistance by contacting your local Legal Aid Society or other legal advocate group. You may locate the nearest Legal Aid Society or advocate group by checking your Yellow Pages under "Lawyers" or by calling the number indicated on the first page of this notice.

ACCESS TO YOUR FILE AND COPIES OF DOCUMENTS: To help you get ready for the hearing, you have a right to look at your case file. If you call or write to us, we will provide you with free copies of the documents from your file, which we will give to the hearing officer at the fair hearing. Also, if you call or write to us, we will provide you with free copies of other documents from your file, which you think you may need to prepare for your fair hearing. To ask for documents or to find out how to look at your file, call us at the Record Access telephone number listed at the top of page 1 of this notice or write us at the address printed at the top of page 1 of this notice.

If you want copies of documents from your case file, you should ask for them ahead of time. They will be provided to you within a reasonable time before the date of the hearing. Documents will be mailed to you only if you specifically ask that they be mailed.

INFORMATION: If you want more information about your case, how to ask for a fair hearing, how to see your file, or how to get additional copies of documents, call us at the telephone numbers listed at the top of page 1 of this notice or write to us at the address printed at the top of page 1 of this notice.

ATTENTION: Children under 19 years of age who are not eligible for Child Health Plus A or other health insurance may be eligible for the Child Health Plus B Insurance Plan (Child Health Plus B). The plan provides health care insurance for children. Call 1-800-522-5006 for information.

NOTICE OF DENIAL OF MEDICAL ASSISTANCE UNDER THE MEDICAID BUY-IN PROGRAM FOR WORKING PEOPLE WITH DISABILITIES (MBI-WPD)
(Over Income/ Over Resources / Over Income and Over Resources)

NOTICE DATE:	EFFECTIVE DATE:	NAME AND ADDRESS OF AGENCY/CENTER OR DISTRICT OFFICE	
CASE NUMBER	CIN NUMBER		
CASE NAME (and C/O Name if Present) AND ADDRESS			
		GENERAL TELEPHONE NO. FOR QUESTIONS OR HELP _____	

		OR Agency Conference _____	
		Fair Hearing Information and Assistance _____	
		Record Access _____	
		Legal Assistance Information _____	

OFFICE NO.	UNIT NO.	WORKER NO.	UNIT OR WORKER NAME	TELEPHONE NO.
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We have denied your application for Medical Assistance coverage under the Medicaid Buy-In program for Working People with Disabilities (MBI-WPD) dated _____ for:

Name _____ Client I.D. _____
 Name _____ Client I.D. _____

I. This is because:

- your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable MBI-WPD income limit of \$_____.
- your countable resources of \$_____ are over the allowable MBI-WPD resource limit of \$_____.
- your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable MBI-WPD income limit of \$_____. In addition, your countable resources of \$_____ are over the MBI-WPD resource limit of \$_____.

Because you are not eligible for the MBI-WPD program, we compare your net income (gross income less Medical Assistance deductions) and countable resources to the Medical Assistance limits.

II. You are not eligible for Medical Assistance because:

- Your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable Medical Assistance income limit of \$_____. The amount over the limit is called excess income or spenddown. Your monthly excess income amount is \$_____. Also you do not have paid or unpaid medical expenses not covered by insurance that are equal to or more than your excess income amount. If you incur medical bills in the amount of your excess income or if your income goes down, you may reapply. Please read the enclosed: "Explanation of the Excess Income Program" and "Optional Pay-In Program."
- Your countable resources of \$_____ are over the allowable Medical Assistance resource limit of \$_____. The amount over the limit is called excess resources or spenddown. Your excess resource amount is \$_____. We have not received documentation that you have spent your excess resources by establishing or adding to a burial trust/fund. If you incur medical bills in the amount of your excess resources or if the amount of your resources goes down, you may reapply. Please read the enclosed "Explanation of the Excess Resource Program."
- Your net income (gross income less Medical Assistance deductions) of \$_____ is over the allowable Medical Assistance income limit of \$_____. In addition, your countable resources of \$_____ are over the allowable Medical Assistance resource limit of \$_____. The amounts over the limits are called excess income and excess resources or spenddown. Your monthly excess income amount is \$_____. Your excess resource amount is \$_____. We have not received documentation that you have paid or unpaid medical expenses not covered by insurance that are equal to or more than your excess income and resource amount or that you have spent your excess resources by establishing or adding to a burial trust/fund. If you incur medical bills in the amount of your excess resources and expect to have medical bills which are equal to or more than your excess income, or if your income or resources go down, you may reapply. Please read the enclosed: "Explanation of the Excess Income Program", "Explanation of the Excess Resource Program" and "Optional Pay-In Program."

This is based on Regulations 18 NYCRR 360-4.1, 360-4.3, 360-4.4, 360-4.6, 360-4.7, 360-4.8 and Sections 366(1)(a) (12), 366(1)(a) (13) of the Social Services Law.

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RIGHT TO A FAIR HEARING: If you believe that the above action is wrong, you may request a State fair hearing by:

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- 3) **On-Line:** Complete and send the online request form at: <http://www.otda.state.ny.us/oah/forms.asp>; **OR**
- 4) **Write:** Send a copy of this notice **completed**, to the Fair Hearing Section, New York State Office of Temporary and Disability Assistance, P.O. Box 1930, Albany, New York 12201. Please keep a copy for yourself.

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Print Name: _____ Case Number: _____

Address: _____ Telephone: _____

Signature of Client: _____ Date: _____

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If you request a fair hearing, the State will send you a notice informing you of the time and place of the hearing. You have the right to be represented by legal counsel, a relative, a friend or other person, or to represent yourself. At the hearing you, your attorney or other representative will have the opportunity to present written and oral evidence to demonstrate why the action should not be taken, as well as an opportunity to question any persons who appear at the hearing. Also, you have a right to bring witnesses to speak in your favor. You should bring to the hearing any documents such as this notice, pay stubs, receipts, medical bills, heating bills, medical verification, letters, etc. that may be helpful in presenting your case.

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If you want copies of documents from your case file, you should ask for them ahead of time. They will be provided to you within a reasonable time before the date of the hearing. Documents will be mailed to you only if you specifically ask that they be mailed.

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ATTENTION: Children under 19 years of age who are not eligible for Child Health Plus A or other health insurance may be eligible for the Child Health Plus B Insurance Plan (Child Health Plus B). The plan provides health care insurance for children. Call 1-800-522-5006 for information.