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DEPARTMENT OF HEALTH

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ADMINISTRATIVE DIRECTIVE

TRANSMITTAL: 11 OHIP/ADM-1

TO: Commissioners of Social Services

DIVISION: Office of Health Insurance Programs

DATE: March 11, 2011

SUBJECT: Expansion of Attestation of Income, Resources and Residence at Renewal, and Attestation of Interest Income at Application for Family Health Plus and Certain Medicaid Applicants

SUGGESTED DISTRIBUTION:
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ATTACHMENTS: None

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
10 OHIP/ADM-5 10 OHIP/ADM-1 08 OHIP/ADM-4 04 OMM/ADM-6 05 OMM/INF-2			Chapter 58 of the Laws of 2010 SSL 366-a(2), 366-a(5)(d) and 369-ee(2)		08 OHIP/LCM-1 GIS 05 MA/12 GIS 04 MA/027 GIS 01 MA/024

I. PURPOSE

The purpose of this Administrative Directive (ADM) is to advise local departments of social services (LDSS) of the provisions of Chapter 58 of the Laws of 2010, which expand attestation of income, resources and a change of residence at renewal for Medicaid recipients who are receiving Community Coverage with Community-Based Long-Term Care. This directive also advises districts of changes to Social Services Law (SSL) that allow attestation of interest income at application for Family Health Plus (FHPlus) and certain Medicaid applicants.

II. BACKGROUND

Beginning in August 2004, Medicaid-only applicants/recipients (A/Rs) who were not seeking coverage of long-term care services were allowed to attest to the amount of their resources rather than provide proof. This self-attestation of resources simplified the documentation requirements for determining eligibility for Medicaid.

Individuals seeking Community Coverage with Community-Based Long-Term Care (Coverage Code 19) were required to document current resources at application and renewal, and institutionalized applicants requesting coverage of nursing facility services were also required to provide documentation for the transfer of assets look-back period (up to 60 months).

To further simplify the documentation requirements for Medicaid and FHPlus and in an effort to increase retention rates at renewal, Chapter 58 of the Laws of 2007 amended Social Services Law to allow FHPlus and community Medicaid recipients, who were not seeking coverage of long-term care services, to attest to income and their residence, if changed (including a move to another district), at renewal. In lieu of documentation, local districts were instructed to verify the accuracy of the income by comparing it to information they had access to, such as RFI (Resource File Integration).

In January 2010, the resource test was eliminated for FHPlus and non-SSI-related Medicaid applicants/recipients. During this time, the documentation requirements for income, resources and residency changes remained the same for the SSI-related population (individuals age 65 and over, certified blind or certified disabled) who were seeking coverage of long-term care services. To simplify the renewal process for the SSI-related population receiving community-based long-term care services, many of whom have stable incomes and resources, Social Services Law Section 366-a(5)(d) was amended by Chapter 58 of the Laws of 2009 to allow individuals receiving Medicaid waiver services authorized or provided by the Office for Persons with Developmental Disabilities to attest to income, resources and residency changes at renewal. Chapter 58 of the Laws of 2010 amended Section 366-a(5)(d) of the SSL to extend attestation of income, resources and residency changes at renewal to all SSI-related recipients who are authorized for Community Coverage with Community-Based Long-Term Care.

Community Coverage with Community-Based Long-Term Care includes: adult day care; limited licensed home care; certified home health agency services; hospice in the community; hospice residence program; personal care services; personal emergency response services; private duty nursing; residential treatment facility; consumer directed personal assistance program; assisted living program; managed long-term care in the community; and home and community-based services waiver programs.

SSI-related individuals who are institutionalized and receiving Medicaid coverage of nursing facility services continue to be required to document income and resources at renewal.

Additionally, Chapter 58 of the Laws of 2010 amended Sections 366-a(2) and 369-ee(2) of the SSL to allow Medicaid and FHPlus applicants who do not have a resource test, to attest to the amount of interest income generated by resources if the amount of such interest income is immaterial to eligibility. Previously, FHPlus and non-SSI-related Medicaid applicants were required to document all interest income earned on resources at application.

III. PROGRAM IMPLICATIONS

A. Expansion of Attestation of Income, Resources and Residency at Renewal

Effective for renewals received on or after March 1, 2011, SSI-related individuals who are in receipt of Community Coverage with Community–Based Long-Term Care will be allowed to attest to income, resources and a change in residency at the time of renewal. These individuals will continue to be required to document income and resources at the time of initial application and when an increase in coverage is requested for Medicaid payment of nursing facility services. SSI-related individuals will also be required to document income and resources when a change in coverage is required in the community (e.g., moving from Community Coverage without Community-Based Long-Term Care to Community Coverage with Community-Based Long-Term Care). As noted in 10 OHIP/ADM-5, “Revised DOH-4220: Access NY Health Care Application and Release of DOH-4495A: Access NY Supplement A”, SSI-related individuals requesting an increase in coverage must complete the Access NY Supplement A. Effective with the release of this directive, the DOH-4319, “Long-Term Care Change in Need Resource Checklist”, is being discontinued.

If an SSI-related individual is institutionalized and in receipt of nursing facility services, the individual continues to be required to document income and resources at renewal. Additionally, since recipients receiving Community Coverage with Community-Based Long-Term Care will no longer be documenting resources at each renewal, should such individual become institutionalized and require Medicaid coverage for nursing facility services, resource documentation for the full transfer of assets look-back period (up to 60 months) will be required. Previously, when resources were documented at each renewal, resource documentation for the same time period for which coverage was provided was not required for subsequent coverage of

nursing facility services. If an SSI-related recipient who is in receipt of Medicaid coverage for nursing facility services fails to provide requested documentation of income and/or resources at renewal, the individual's coverage must be decreased to Community Coverage with Community-Based Long-Term Care. Previously, coverage would have been decreased to Community Coverage without Community-Based Long-Term Care.

The Medicaid renewal form has been revised to eliminate the requirement of documentation of income, resources or residence for SSI-related recipients receiving Community Coverage with Community–Based Long-Term Care. The current policy of asking recipients who are expected to be participating in the Excess Income program to provide documentation of income will continue. This instruction continues to appear on the renewal form. However, if a recipient who is eligible to participate in the Excess Income program fails to document income, the LDSS must determine eligibility based on the income the recipient has attested to, whether or not he/she is SSI-related. Recipients must continue to provide documentation of any third party health insurance.

As advised in 08 OHIP/ADM-4, "Renewal Simplification for Medicaid and Family Health Plus Recipients", individuals who lose eligibility for Supplemental Security Income (SSI) benefits are given an extension to allow for continued Medicaid eligibility to be determined. If the former SSI recipient is in receipt of community-based long-term care services, the recipient will be required to document income and resources as part of the re-determination of eligibility. At subsequent renewals, the individual will be allowed to attest to income and resources.

B. Attestation of Interest Income at Application for Certain Medicaid Individuals

Presently at application, FHPlus and non-SSI-related Medicaid applicants can be denied eligibility when they report nominal amounts of interest income and no documentation is supplied, or documentation is not supplied in a timely manner. Due to the administrative burden placed on the local district eligibility worker to verify interest income through an outside entity and the burden on applicants to provide documentation of nominal amounts of interest income, Sections 369-ee(2) and 366-a(2) of the SSL were amended to allow FHPlus and non-SSI-related Medicaid applicants, who as of January 1, 2010 no longer have a resource test, to attest to the amount of interest income derived from their resources. Therefore, effective for applications filed on or after March 1, 2011, FHPlus and Medicaid applicants with no resource test, can attest to their interest income. If based on information available to the district, the amount of reported interest income is questionable and the inconsistent amount could affect eligibility for Medicaid benefits, the applicant may be required to provide follow-up documentation to determine eligibility, as described in Section IV. B. of this ADM.

Currently, at renewal, FHPlus and non-SSI-related Medicaid recipients may attest to their income, including interest income, and a third party database is used to validate the information.

Interest income is not counted for SSI-related Medicaid applicants/recipients who are subject to community budgeting rules. Under post-eligibility rules, which are used to determine the amount of income to be contributed toward the cost of care, interest income is counted and must be documented if the A/R is SSI-related. This is pursuant to GIS 04 MA/027, "Interest/Dividend Income Exclusion for SSI-related Applicants/Recipients", and consistent with the rules of the Supplemental Security Income program.

IV. REQUIRED ACTION

A. Expansion of Attestation of Income, Resources and Residency at Renewal

1. Renewals

Effective for renewals received on or after March 1, 2011, SSI-related recipients receiving Community Coverage with Community-Based Long-Term Care are no longer required to provide proof of income, resources or a change in residency as a condition of ongoing eligibility and continued coverage of community-based long-term care services. Effective with the February 2011 WMS/CNS migration, the upstate CNS generated renewal form and cover letter for SSI-related recipients (Z62) was revised to no longer instruct individuals to provide documentation of income and resources if seeking continued coverage of community-based long-term care services.

Documentation of health insurance premiums will continue to be required for SSI-related recipients. If a recipient does not provide proof of a health insurance premium but the district has previously documented the available insurance, eligibility is to be determined without deducting the amount of the premium. If the recipient needs this deduction to remain eligible for his/her current coverage, the LDSS must send a follow-up request for documentation of health insurance premiums (LDSS-2642) to the recipient. The recipient is allowed 10 days to submit the required proof. If no documentation is received subsequent to the request, the case must be re-budgeted without the premium amount as a deduction.

Note: When the district is reimbursing a recipient for a health insurance premium, other than Medicare, documentation of the premium amount must be submitted before reimbursement is authorized. Such documentation must be submitted at least once a year.

Although SSI-related recipients who are in receipt of Medicaid coverage of community-based long-term care services are no longer required to document income at renewal, individuals who are participating in the Medicaid Buy-In Program for Working People with Disabilities must still document that they are employed.

Additionally, recipients who are institutionalized and receiving Medicaid coverage of nursing facility services must

continue to document income and resources at renewal. The renewal form sent to these individuals will continue to request this documentation.

2. Income Attestation at Renewal

The local district must verify the accuracy of the income information provided by the recipient in order to re-determine eligibility. This is done by using third party database information, such as RFI and the Work Number (TALX, used for obtaining employment and wage verification). When using RFI, districts must only consider information from the most recent calendar quarter, i.e., the calendar quarter immediately preceding the current calendar quarter. Information from any prior calendar quarter is to be considered as a no hit on RFI. Additionally, LDSS should utilize information in the case record and the last stored budget to compare what was previously budgeted with what is reported at renewal.

For further information regarding the use of RFI data, including inconsistent information and changes to coverage, districts should refer to 08 OHIP/ADM-4, "Renewal Simplification for Medicaid and Family Health Plus Recipients".

3. New Residence at Renewal

When a Medicaid recipient with Community Coverage with Community-Based Long-Term Care reports a new address at renewal, documentation of the new address is not required unless the district has information to the contrary. If a renewal is returned to the agency by the U.S. Postal Service with a forwarding address label, the renewal should be re-mailed to the new address. No additional documentation of the address change is required.

If a renewal is returned by the U.S. Postal Service with a forwarding address label indicating that the recipient now resides in a different county, the renewal must be re-mailed to the new address. If the renewal is returned to the district by the recipient, the renewal must be processed before transitioning coverage to the new district, as described in 08 OHIP/LCM-1. Failure to respond to the renewal will result in the case being discontinued for failure to renew. Effective with the release of this directive, it is no longer required that the "Verification of New Address" form, Attachment VII of 08 OHIP/LCM-1, "Continued Medicaid Eligibility for Recipients Who Change Residency (Luberto v. Daines)", be mailed with the renewal in this instance.

4. Resources

SSI-related recipients who are receiving Medicaid coverage of community-based long-term care services will be asked to itemize their current resources and attest to the value of the resources at renewal. Social services districts may continue to verify the accuracy of the resource information provided by the SSI-related Medicaid recipient through collateral investigations. If there is an inconsistency

between the information reported by the recipient and information obtained by the district, and the information

obtained by the district is current, the district shall re-determine the recipient's eligibility based on the new information obtained through its investigation. If the SSI-related Medicaid recipient is determined resource ineligible for Medicaid but is determined to be eligible for FHPlus or for Medicaid under a category with no resource test, appropriate coverage should be authorized under FHPlus or the other Medicaid category. If the SSI-related Medicaid recipient is not eligible for FHPlus or Medicaid as a non-SSI-related recipient and the district requires further information about a particular resource in order to make an eligibility decision, the recipient must be notified to provide the necessary information. The district should request only documentation that is necessary and relevant to the investigation. If the recipient fails or refuses to provide the requested information, Medicaid coverage shall be discontinued on the basis of the recipient's failure or refusal to provide information necessary to establish eligibility.

B. Documentation of Interest Income

Effective for applications filed on or after March 1, 2011, Medicaid and Family Health Plus applicants whose eligibility is determined without regard to resources may attest to the amount of interest income generated by resources.

Note: Interest income is not countable income for SSI-related applicants/recipients under community budgeting rules. Therefore, the changes in documentation requirements for interest income included in this directive do not apply to such applicants. However, SSI-related applicants who apply for Medicaid coverage of nursing facility services or who are subject to spousal impoverishment post-eligibility rules, must document interest income.

If there is an inconsistency between the information reported by the applicant and the estimate of interest income calculated by the district based on average interest rates and resource information obtained from RFI or other third party sources, and the interest income information obtained by the district would make the individual ineligible for Medicaid or the Family Health Plus program, the district must require documentation of amount of the interest income from the individual. For individuals who qualify for Medicaid with a spenddown requirement, the difference in the amount of interest income reported by the applicant and the amount estimated by the district must be greater than $1.00/month to require further follow-up by the district. Districts should continue to review RFI reports for A/Rs who do not have a resource test. However, districts are encouraged to minimize the scope of the investigation into resources. If in the process of resolving an RFI "hit" the district determines that the resource amount on RFI is significant enough to generate an amount of interest income that would affect eligibility, and the amount is inconsistent with the amount reported by the applicant, the district can require documentation of interest income based on the information obtained.

The next revision of the Access NY Health Care application (DOH-4220) will eliminate the instruction to provide proof of interest income. Until this change can be made, districts must not require documentation of interest income from Medicaid and Family Health Plus applicants, except when there is an inconsistency as noted in this directive. SSI-related applicants applying for Medicaid coverage of nursing facility services and spousal impoverishment cases subject to post-eligibility rules, continue to be required to provide documentation of interest income at application and renewal.

V. SYSTEMS IMPLICATIONS

There are no systems implications resulting from these changes. The current Resource Verification Indicator code 2 (Current Resources) will continue to be used to identify those SSI-related recipients who initially document current resources for Medicaid coverage of community-based long-term care services.

VI. EFFECTIVE DATE

The attestation of income, resources and change in residency provisions of this directive are effective for Medicaid renewals received on or after March 1, 2011. The attestation of interest income provisions for FHPlus and non-SSI-related Medicaid applications are effective for applications filed on or after March 1, 2011.

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