

**TO:** Local District Commissioners, Medicaid Directors

**FROM:** Judith Arnold, Director  
Division of Coverage and Enrollment

**SUBJECT:** Upstate Procedural Changes Related to Incarcerated MA/SSI  
Recipients

**EFFECTIVE DATE:** October 17, 2011

**CONTACT PERSON:** Local District Support  
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The purpose of this GIS is to inform Upstate local districts of a change in procedures when the Department is electronically notified by the New York State Department of Correctional Services (NYS DOCS), the New York State Division of Criminal Justice Services (NYS DCJS) or the New York City Department of Correction (NYC DOC) that an MA/SSI (Case Type 22) recipient is incarcerated in a New York State or local correctional facility.

Currently, the Department receives electronic notifications of incarceration from the NYS DOCS, NYS DCJS and NYC DOC. These electronic files are matched on a monthly basis against WMS to identify active Temporary Assistance/Medicaid, Medicaid-only and Family Health Plus recipients who became incarcerated in a State or local correctional facility on or after April 1, 2008. As a result of this match, Medicaid coverage for single individuals is automatically suspended or discontinued and individuals who are from a multi-member household are reported to the local departments of social services (LDSS) for appropriate action. In addition, electronic notifications of incarceration are received for MA/SSI recipients (payment status N22 incarcerated) from the Social Security Administration (SSA) through the State Data Exchange (SDX). Upon receipt of the N22, the Upstate Interim Unit suspends coverage for these cases, as appropriate.

Although State policy has not permitted action to be taken on MA/SSI cases until the N22 has been received from SSA, an exception is made for active MA/SSI recipients for whom an electronic notification of incarceration has been received from NYS DOCS, NYS DCJS or NYC DOC, in order to facilitate the Medicaid suspension process.

#### State Responsibility

Effective with the October 2011 migration, the Upstate Interim Unit will no longer suspend coverage for MA/SSI cases that appear with a payment status code of N22. Instead, the existing Upstate monthly automated suspension process for single individuals will be expanded to include Upstate Case Type 22s. Active Upstate MA/SSI recipients identified as incarcerated in a NYS or local correctional facility through the matching process with NYS DOCS, NYS DCJS and NYC DOC will be converted from a Case Type 22 (MA-SSI) to a Case Type 20 (Medicaid) with suspended coverage. Also, prospective third-party health insurance premium payments paid through BICS will be automatically discontinued and the individual disenrolled from managed care. Existing

Upstate CNS Reason Code C55, "Suspend MA Coverage for Inmate of a NYS or Local Correctional Facility" will continue to be used to suspend Medicaid coverage for these cases. This CNS reason code does not trigger the automatic closing of the Medicare Part B Buy-In span. Until this code can be added to the auto-close process, districts are reminded to manually end-date the Medicare Buy-In span in eMedNY.

#### Local Departments of Social Services Responsibility

Cases that are suspended, discontinued or fail the automated suspension process will continue to be reported to Upstate districts through the existing monthly WINR 5612, including Case Type 22s. For cases that are automatically suspended, a new Exception Code "K" directs the district to end-date the Medicare Buy-In span in eMedNY, if appropriate. For cases that fail the automated suspension process, districts are reminded to manually suspend or discontinue coverage, as appropriate, process disenrollment from managed care and end-date the Medicare Buy-in span in eMedNY, if appropriate. There is no longer a requirement to delay the closing of the Medicare Buy-In span for 90 days. Districts are also reminded to identify cases receiving health insurance premium payments that are not paid through WMS/BICS and for discontinuing prospective premium payments, if appropriate. Existing notices remain available to accommodate Medicaid suspension.

For all N22 (incarceration/non-pay) SDX transactions received, the district should check to see whether the case has already been converted from a Case Type 22 to a Case Type 20 with suspended coverage. If the case is already suspended, no further action is required. If the case is not already suspended, the district should manually suspend.

When an N22 (incarceration/non-pay) SDX transaction is received by the district for a Case Type 22 that has been automatically or manually converted to a Case Type 20 with suspended coverage, the district should place a copy of the WSDX1H report in their district file.

In addition, districts may suspend Medicaid coverage for Upstate MA/SSI recipients when the local sheriff/jail notifies the district of an incarceration of at least 30 days and the N22 notification of incarceration has not been received through the SDX. In such instances, districts are also required to notify SSA of the incarceration of the MA-SSI cash recipient using Form SSA-3911-U4, "Report of Change - SSI Data".

New York City MA/SSI cases will continue to be handled by the Downstate Interim Unit.

Please direct any questions to the Upstate Local District Liaison Unit at (518) 474-8887.