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| LOCAL COMMISSIONERS MEMORANDUM |  
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DSS-4037EL (Rev. 9/89)

Transmittal No: 96 LCM-22

Date: February 27, 1996

Division: Health & Long Term  
Care

TO: Local District Commissioners

SUBJECT: Dixon, et al. v. Shalala Court Order

ATTACHMENTS: Notice of Possible Medicaid Benefits

This Local Commissioners Memorandum (LCM) is to advise social services districts of the order issued in the Dixon, et al. v. Shalala class action lawsuit. In accordance with the terms of the Stipulation and Order in this case, the Social Security Administration (SSA) will be reviewing cases for individuals whose claim(s) for Title II (Social Security disability) and/or Title XVI disability (Supplemental Security Income) was denied or terminated between June 1, 1976 and July 19, 1983, based on a finding that they did not have a severe impairment, or that their impairment(s) was only slight. Since class membership in the Dixon court case begins with disability decisions made as far back as 1976, some class members may be due years of retroactive payments. The court order requires the Department to provide retroactive Medical Assistance (MA) coverage or reimbursement for past medical bills for class members who are found eligible for retroactive SSI benefits upon a Dixon review.

#### Information About Claims Process

The Social Security Administration has issued a notice to each potential class member advising the potential class member of possible entitlement to readjudication of his or her disability claim. Out of 220,000 notices mailed, 66,000 individuals have requested readjudications by returning to SSA a request for review form. To date, 58,000 notices were returned to SSA as undeliverable and no responses were received from 96,000 deliverables. Additional attempts will be made to obtain updated addresses for the 58,000 undeliverables. In addition to mailing class member notices, the SSA will distribute posters to welfare centers, food stamp offices and Medicaid offices in New York State.

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Following SSA's determination that an individual is a Dixon class member, SSA will transfer to the appropriate SSA field office up to 10,000 disability claims per calendar quarter. Local SSA field offices will be reevaluating Dixon cases over a period of time and will issue retroactive Social Security Disability benefits and SSI benefits as appropriate.

#### Medical Assistance for Successful Class Members

Individuals who are found to be eligible for retroactive SSI payments who have not already been in receipt of full Medicaid coverage, are entitled to retroactive coverage/reimbursement for paid or incurred medical bills for medical services covered by New York State's MA program at the time the services were provided. Retroactive coverage/reimbursement is limited to medical bills incurred or paid for the time period retroactive eligibility for SSI is established.

It is anticipated that beginning in March 1996, the Department will be sending social services districts, on a quarterly basis, district specific reports containing the names of persons who were determined by SSA to be retroactively disabled pursuant to the Dixon court order. The reports will identify the retroactive disability periods involved. Since Dixon class members who are found eligible for SSI upon re-review are only entitled to retroactive MA coverage/reimbursement if they were not previously in receipt of full MA coverage for the SSI retroactive period, the report sent to each social services district will provide retroactive MA coverage information for each individual listed. It should be noted, however, that due to the retroactive period involved (June 1, 1976 - July 19, 1983), MA coverage information is not available through WMS/MMIS for the entire time period. As a result, absent any verification of past MA coverage that the district may have, social services districts should presume that no coverage existed for purposes of providing retroactive MA coverage/reimbursement.

Based on SSA's quarterly reports of retroactive disability determinations, the Department will be notifying SSI eligibles (quarterly) of possible MA benefits. The enclosed notice is a copy of the notice that will be sent. As stated in the notice, individuals who are found to be eligible for retroactive SSI payments are instructed to contact their local department of social services if they have paid or incurred medical bills for the months that they will be receiving retroactive SSI coverage.

Note: The Social Security Administration will independently notify class members if they are entitled to retroactive SSI payments. The notice of SSI payments is verification of a class member's entitlement to retroactive coverage/reimbursement for paid or incurred medical bills. A copy of the notice must be submitted to the social services district when a request is made for MA coverage/reimbursement.

Individuals who request MA reimbursement of past medical bills must also provide proof of payment of bills from a health care provider or supplier. Reimbursement is limited to bills for services and supplies provided to the class member which were MA reimbursable in whole or in part at the time the service was rendered. Requests for reimbursement of paid medical bills shall be handled in accordance with the procedures set forth in the New York

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State Fiscal Reference Manual for Local Departments of Social Services (Volume I, Chapter 7, pages 29-33; and Volume II, Chapter 5, pages 16-21), as modified by the provisions of the May 19, 1994 electronic mailing to local district commissioners concerning the court order in Greenstein et al., v. Dowling et al. The order under Greenstein v. Dowling provides that reimbursement for past paid medical bills is to be made for the full amount of the documented out-of-pocket expenditure. Social services districts are reminded that if they elect to reimburse class members directly, each class member requesting reimbursement must be sent the DSS-3869, "Notice of Reimbursement by the Medical Assistance Program".

It should be noted that individuals have 12 months from the date of the SSI notice to submit bills for coverage/reimbursement.

If you have any questions regarding the Medicaid coverage/reimbursement that must be provided under the terms of this Order for successful Dixon class members, please contact Wendy Butz at (518) 474-9141.

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Richard T. Cody  
Deputy Commissioner  
Division of Health & Long Term Care

New York State Department  
of Social Services } Agency  
Division of Health and Long Term Care } Letter  
} Head

Client Name (To be filled in Date: (Notice Date)  
Address based on ODD file) Social Security Number: (To be  
Disability Date: filled in)

Notice of Possible Medicaid Benefits

As a result of a recent court decision in Dixon v. Shalala, the Social Security Administration has been required to re-review the disability determination for (client name - to be filled in). We have been advised by the Social Security Administration that (client name - to be filled in) was found to be disabled back to (disability date - to be filled in).

Information About SSI Payments

The Supplemental Security Income (SSI) program will be reevaluating disability cases over a period of time and will be issuing retroactive SSI payments as appropriate.

Medicaid Information

Individuals who are found to be eligible for retroactive SSI payments who have not already been in receipt of full Medicaid coverage, are entitled to retroactive coverage/reimbursement for paid or incurred medical bills for medical services covered by New York State's Medical Assistance program at the time the services were provided. Retroactive coverage/reimbursement is limited to medical bills incurred or paid for the time period retroactive eligibility for SSI is established.

The Supplemental Security Income program will notify you if you are entitled to back SSI payments. If you become eligible for SSI and have medical bills for the months that the Social Security Administration is paying SSI, contact your local Department of Social Services, Medicaid office, about possible reimbursement. When you contact them, please have this letter with you and the notice of SSI payments. New York City residents should call the New York City Info Line at (718) 291-1900.

Please note, you must provide proof of payment of medical bills you have paid or your representative has paid on your behalf to get reimbursement. You must provide documentation of unpaid bills from a medical provider if you have such bills. You have 12 months from the date of this notice to submit your bills for coverage/reimbursement.

If you have any questions, you can call the Division of Health and Long Term Care, New York State Department of Social Services. The number is (518) 474-9141. If you call, ask for Wendy Butz.