

Elderly, Blind and Disabled Medicaid

Disability Rights Wisconsin
May 2013

Sources of Law & Policy

- Federal Law: 42 USC sec. 1396 et seq.
- Wisconsin Statutes Chapter 49, subchapter IV.
- Wisconsin Administrative Code Department of Health Services, Chapter 101- 108
- Medicaid Eligibility Handbook (MEH), <http://www.emhandbooks.wisconsin.gov/meh-ebd/meh.htm>
- Operations memos: <http://www.dhs.wisconsin.gov/em/ops-memos/index.htm>

What is EBD Medicaid?

- Certain Medicaid programs are limited to individuals who are elderly (age 65+) or blind or disabled.
- Blindness and disability determinations follow Social Security Administration (SSA) rules.
- EBD card service programs include EBD long term care programs (e.g. Family Care, IRIS, Medicaid Waivers) but those won't be covered today.
- This presentation covers EBD card service programs for adults only (Medicaid Long Term Care Program and the Katie Beckett program for children with disabilities are not discussed).

EBD Medicaid Programs

EBD Medicaid card service program available in Wisconsin:

- Supplemental Security Income (SSI)
- Categorically Needy MA
- Medically Needy MA
- Special Status Cases
 - ◆ 503 AG
 - ◆ Disabled Adult Child (DAC)
 - ◆ Widows/Widowers
 - ◆ 1619 (b)
- Medical Assistance Purchase Plan (MAPP)

Non-Financial Eligibility

- Resident of Wisconsin. MEH 6.0
- Citizenship – US citizen or qualified alien. MEH 7.0
- Disability Determination - same Five Step Sequential Evaluation used for SSA disability-related programs (MAPP exception - no Step 1 SGA earnings test)

Disability Determination

- Not required if there is an active SSA finding of disability.
- Disability Determination Bureau (DDB) makes decision at initial and reconsideration stages.
- The Medicaid Request for Reconsideration form is mailed by the DDB along with the initial denial.
- The appeal period is 45 days. There is no 5 day mailing rule or good cause for late filing.

Disability Determination

- If the application is denied at reconsideration, the file is automatically sent to the Wis. Division of Hearings and Appeals (DHA) to be scheduled for an Administrative Law Judge (ALJ) hearing.
- In some cases, the DHA ALJ will be bound by a prior SSA related disability determination denial or will hold the case open pending a current SSA application (see concurrent application training materials for more information).

Presumptive Disability

- Conditional Medicaid eligibility granted for up to 6 months while formal disability determination is made by DDB
- SSI presumptive disability categories apply, with one additional category – medical provider certifies individual will be unable to return to “normal functioning” within 12 months or the condition will end in death
- If presumptive medical category met and an “urgent medical need” exists, Income Maintenance can certify conditional eligibility

Presumptive Disability, cont.

- A full disability determination is done after presumptive disability is approved
- No appeal rights for a denial of presumptive disability
- If full disability determination is denied, recipients of Presumptive Disability are not required to repay the cost of Medicaid covered services
- See MEH § 5.9

Financial Eligibility Rules

- Derived from the SSI Program
- Medicaid Eligibility Handbook – <http://www.emhandbooks.wi.gov/meh-ebd/>
- Ch. 15 – Income
- Ch. 16 – Assets

Resource Eligibility – Card Services

- Individual - \$2,000
 - Couples - \$3,000
 - MAPP - \$15,000 at application, plus independence account post eligibility
 - With little exception, SSI resource rules apply
 - Excluded resources include home, one vehicle, personal property of reasonable value.
- See MEH 16.0

Income Eligibility Rules

- Countable Income
 - ◆ Earned
 - ◆ Unearned
- Income Deductions
- Excluded Income
- See MEH 15.3 for a complete list of income deductions and exclusions

Income Eligibility Rules, cont.

- Couples - The income of a spouse will be deemed available to the applicant for income eligibility purposes. (NOTE: for MAPP premium calculations, only the applicant spouse's income will be counted)
- Gross Income – When calculating countable income, gross income figures are used. Applicants receiving Social Security Disability Insurance (SSDI) must include Medicare premiums deducted from monthly SSDI benefit
- Unavailable Income - temporarily excluded if unavailable for at least 31 days. MEH 15.1.1

Common Income Deductions

- \$20 General Income Disregard - MEH 15.3.8
- Earned Income Deduction - first \$65 of monthly earned income and ½ of the remaining - MEH 15.7.5
- Impairment Related Work Expenses (IRWE) - MEH 15.7.4

In-Kind Income Exclusion

- In-Kind Support and Maintenance - non-cash income received by a Medicaid recipient in the form of food or shelter. MEH 15.5.1
 - ◆ Unearned in-kind income will be excluded for Medicaid income eligibility purposes. NOTE: more generous than SSI rule.
 - ◆ In-kind earned income may be counted if the income is predictable, regular and received in return for a service or product.

SSI Medicaid

- All Wisconsin residents who receive at least \$1 federal SSI benefits will automatically be eligible for Medicaid (no state application required)
- Countable Income must be below the federal SSI benefit rate of \$710 (2013)
- Grandfather Group – a small number of Wisconsin residents are over the income limit for federal SSI but remain eligible for the state SSI supplement and Medicaid

SSI Example

Bill's only income is \$525 per month in wages. Is he eligible for SSI?

\$525	earned income
- 20	general exclusion
505	
- 65	earned income deduction
440	
<u>1/2</u>	
220	countable income

SSI Example (cont.)

\$ 710	Federal Benefit Rate
- 220	countable income
490.00	Federal SSI Payment
+ 83.78	State SSI Payment
573.78	Total SSI Payment

Automatic Medicaid Eligibility

Categorically Needy Medicaid

- EBD individuals who are not receiving SSI benefits, but who have countable income below the combined federal and state SSI benefit rate, may be eligible for "Categorically Needy Medicaid."
- Categorically Needy Medicaid eligibility is based on an income standard, which can be expanded if he or she has shelter expenses. The eligibility figures for 2013 are as follows:

Categorically Needy MA - 2013

Group Size	Categorically Needy Income Limit	Actual Shelter Costs	Total
Single	\$549.11	\$236.67 (maximum)	\$793.78
Couple	\$830.72	\$355.33 (maximum)	\$1,198.05

Cat. Needy eligibility

- Qualify if
 - ◆ Countable income is less "personal income limit."
 - ◆ The personal income limit =
 - ◆ Categorically Needy income limit (\$557.11 ind. /\$842.72 couple)
 - ◆ + actual shelter costs up to program allowances.

Categorically Needy Example

Ellie receives \$740 in SSDI. Her only housing cost is \$200 in monthly rent. Is she eligible?

\$740	SSDI
<u>- 20</u>	general disregard
\$720	countable income

\$557.11	
<u>+200.00</u>	shelter expenses
\$757.11	personal income limit

Categorically Needy Example

Ellie is eligible. Her countable income of \$720 is less than her personal income limit of \$757.11.

- Categorically Needy Medicaid is very **important for couples** because, with the exception of the MAPP program, it has the highest income threshold to qualify (\$1,198.05 in 2013 – the combined state and federal SSI benefit rate).
- In comparison, the Medically Needy Medicaid deductible program described below has the same income limit (\$591.67) for individuals and couples.

Medicaid Deductible or Medically Needy Medicaid

- individuals or couples whose monthly income exceeds SSI federal benefit rate and Categorically Needy Medicaid income limit
- Once "excess" monthly income is reduced by amount of incurred medical or medically related expenses, applicant becomes eligible for Medicaid for remainder of the six-month deductible period

Medicaid Deductible Income Limit - 2013

Group Size	Net Income Limit
Individual	\$591.67
Couple	\$591.67

Medicaid Deductible Example 1

Dan received \$820 per month in SSDI benefits.
How much is his deductible?

\$820.00	SSDI
- 20.00	general disregard
800.00	countable income
-591.67	medically needy income limit
208.33	excess monthly income
x 6	
\$1,249.98	six-month deductible

Medicaid Deductible Example 2

Sam receives SSDI benefits of \$840 per month and his wife Janet receives \$450 in SSDI. How much would Sam and Janet's deductible be?

840.00	Sam's SSDI
<u>450.00</u>	Janet's SSDI
1290.00	
<u>- 20.00</u>	general income disregard
1270.00	countable monthly income
<u>-591.67</u>	medically needy income limit
678.33	excess monthly income

Medicaid Deductible Ex. 2 (cont.)

\$678.33	excess monthly income
<u>x 6</u>	
\$4,069.98	Sam and Janet's six-month deductible

Meeting the Deductible

- Only certain expenses count toward the deductible
 - ◆ Must be a medical remedial expense
 - ◆ Must be incurred and still owed (not necessarily paid, can be a debt).
 - ◆ It does not matter how long the bill has been past due, as long as it was not used to meet a previous deductible.
 - ◆ Even bills "written off" can be counted toward the deductible if incurred in the current deductible period, the preceding deductible period, or three months prior to application.
 - ◆ MEH 24.7

Deductible Period

- Deductible period may begin in the application month or in any of the three calendar months prior to the month of application, if all eligibility criteria are met during retro period.
- Prepayment of Deductible – can be paid up front. If the entire deductible amount is paid at any point during the deductible period, eligibility begins on the first day of the deductible period. MEH 24.7.3.
- If there are changes during the deductible period, the Medicaid deductible is recalculated.

Special Status Medicaid

- Federal law requires states to provide Medicaid to certain individuals who lose automatic eligibility when SSI terminates.
 - ◆ Section 503 - MEH 25.1
 - ◆ Disabled Adult Children - MEH 25.2
 - ◆ Widow/ers - MEH 25.3
 - ◆ 1619(b) - MEH 25.5
- When SSI terminated, these individuals (with exception of 1619(b)) will be notified by SSA that they must apply for Medicaid through the regional IM consortia.

Section 503

- SSI recipients who lose eligibility due to cost of living adjustments (COLAs) made to Title II benefits (SSDI, Widow/er, DAC). MEH 25.1
 - ◆ Title II benefits and SSI received concurrently
 - ◆ Continues to be eligible for Title II benefits
 - ◆ SSI eligibility terminates
 - ◆ Would still be eligible for SSI if the Title II COLAs paid after loss of SSI were deducted from his/her current Title II benefits

Disabled Adult Children

Medicaid Special Status DAC:

- at least 18 years old
- Classified by the SSA as disabled before age 22
- Receiving an Title II/DAC payment that is based on the earnings of a parent who is disabled, retired or deceased
- Was receiving SSI, but lost SSI eligibility because the DAC benefit exceeded the SSI income limits.
- Would otherwise be eligible for SSI, but for DAC benefit
- MEH 25.2

Widow/er

Widow/er who lost SSI eligibility remains eligible for MA if s/he:

- Disabled
- Age 50 or older
- Married to the deceased person at the time of his or her death and now unmarried or married to the deceased at least 10 years, divorced from him/her, and currently unmarried
- Receiving Title II benefits as widow or widower

Widow/er (cont.)

- Received federal SSI or a state SSI supplement in the month before the month in which Title II Widower payments began
- Would be eligible for SSI federal or state benefits, but for the receipt of the Title II widow/er benefit
- Not entitled to Medicare Part A
- Widow/ers - MEH 25.3

1619(b)

- Section 1619 of the Social Security Act applies to SSI recipients who work and become ineligible for SSI because of their earnings, but continue to have income below the annual 1619(b) threshold. MEH 25.5.
- 2013 Annual Income Threshold:
 - ◆ Individual who receives basic state SSI supplement - \$37,068
 - ◆ Individual certified for the state SSI-E supplement - \$39,371
- 1619(b) is administered through SSA – no Medicaid application required

MAPP Income Eligibility

- The MAPP program has the highest income asset limits of any EBD Medicaid Program.
- Countable income must be below 250% of the federal poverty level for the household size (spouse and dependent children are included)
- See MAPP training materials for more information about non-financial eligibility

MAPP Income Limit - 2013

Group Size	250% FPL
Individual	\$2,393.75
Couple	\$3,231.25

MAPP Income Eligibility

- Step 1: calculate earned income
- Step 2: deduct \$65 and ½ remainder
- Step 3: deduct IRWEs
- Step 4: calculate unearned income
- Step 5: deduct \$20, general disregard
- Step 6: compare to 250% FPL

MAPP Income Example

Carl earns \$650 per month in earnings and receives \$1,200 per month in SSDI. Is income eligible for MAPP?

665.00	earned income
<u>-65.00</u>	earnings disregard
600.00	
<u> x ½</u>	
\$300.00	countable earned income

MAPP Income Example (cont.)

1,200.00	SSDI
<u>- 20.00</u>	general income disregard
1,180.00	countable unearned income
<u>+ 300.00</u>	countable earned income
1,480.00	total countable income
	MAPP eligible
\$1,480.00 < 250% FPL (\$2,393.75)	

MAPP Premiums

- Individuals with gross income below 150% of the Federal Poverty Level will receive MAPP without a premium.
- Only the **applicants** income is counted, but the income is compared to 150% FPL for the appropriate **household size**.

MAPP Premium-Free Gross Income Limit - 2013

Group Size	150% FPL
Individual	\$1,436.25
Couple	\$1,938.75

MAPP Premium Calculation

- Step 1: calculate unearned income
- Step 2: deduct standard allowance (\$813)
- Step 3: deduct IRWEs
- Step 4: deduct MREs
- Step 5: calculate earned income
- Step 6: multiply earned income by 3%
- Step 7: add earned and unearned income
- Step 8: compare to premium schedule

MAPP Premium Example 1

Amy receives \$1,100 per month in SSDI benefits.
Will Amy have a MAPP premium?

NO. Amy's gross monthly income of \$1,100 per month is less than 150% FPL (\$1,436.25)

MAPP Premium Example 2

Amy got a job and now earns \$400 per month working in a book store. She spends \$80 per month for adaptive equipment she uses at work. Does Amy have a MAPP premium?

Yes. Amy's gross income of \$1,500 is greater than 150% of FPL (\$1,436.25)

MAPP Premium Ex. 2 (cont.)

\$1,100.00 SSDI
- 813.00 standard allowance
- 80.00 IRWEs
\$207.00 countable unearned income

MAPP Premium Ex. 2 (cont.)

400.00 earned income
x 3%
12.00 countable earned income
+ 207.00 countable unearned income
200.00 compare to MAPP premium chart

\$200.00 MAPP premium

MAPP Premium Example 3

Amy is now married to Dan who is currently unemployed. Dan is receiving \$800 per month in unemployment compensation. Is Amy still eligible for MAPP?

\$400.00 Amy's earned income
- 65.00
\$335.00
1/2
\$167.50 Amy and Dan's countable
earned income

MAPP Premium Ex. 3 (cont.)

\$167.50 countable earned income
-80.00 IRWEs
\$87.50
+ 1,900.00 (combined unearned income)
1,987.50
- 20.00 general disregard
\$1,967.50

Amy is MAPP eligible because combined countable income is less than 250% FPL for a household of two (\$2,393.75).

MAPP Premium Ex. 3 (cont.)

Will Amy have a MAPP premium?

No. Amy's gross income of \$1,500 is less than 150% FPL for a household of two (\$1,938.75)

Applications

- Applications may be filed on line at <http://access.wisconsin.gov> or by calling the designated Income Maintenance (IM) Regional Consortium.
- In-person application can be made, however, the IM consortium may recommend an appointment.
- Applicants must follow-up with the IM consortium to complete the Medicaid Disability Application form (HCF-10112), which cannot be done electronically.
- Effective Date - EBD Medicaid can be backdated up to three months from the month of application if all eligibility criteria is met during the retroactive period.

Appeals

- Appeal rights apply to any adverse decision related to initial eligibility, reduction of benefits, termination of benefits or denial of coverage.
- Applicant/recipient or authorized representative must request a Fair Hearing within 45 days of the date of the negative decision.
- Appeals are handled by the Wisconsin Division of Hearings and Appeals (DHA), <http://dha.state.wi.us/home/>

Appeals

- Appeals can be filed with Regional IM Consortia or DHA at the following address: P.O. Box 7875, Madison, WI 53707-7875.
- DHA accepts hearing requests by fax at (608) 264-9885. If sent by fax, a follow-up phone call should be made to confirm receipt (608-266-3096).
- Requests must be received with 45 day appeal period. No good cause for late filing exceptions apply.
- NOTE: appeals of Medicaid disability determinations include a reconsideration appeal identical to SSA appeals.

Medicaid Resources

- Medicaid Eligibility Handbook (MEH): <http://www.emhandbooks.wi.gov/meh-ebd/>.
- State Operations Memos: Changes in Medicaid policies and/or rules are typically explained through Operations Memos. These memos are available at <http://dhs.wisconsin.gov/em/ops-memos/index.htm>.
- www.ssa.gov - For information related to SSI/Medicaid eligibility, go to "Our Program Rules" on the SSA website - <http://www.ssa.gov/regulations/index.htm>.
- Forward Health Portal - Medicaid Provider Manuals and other useful information can be found on the Forward Health portal at : <https://www.forwardhealth.wi.gov/WIPortal/#medicaid?PopUp=N>
- Medicaid Recipient Hotline at 1-800-362-3002.
