

Washington State Department of Social and Health Services

Transforming  
Lives

# Home & Community Services

Financial Eligibility  
(Medicaid 101)



February 2017

PO Box 45050, Olympia, WA 98504 | [www.dshs.wa.gov](http://www.dshs.wa.gov)

Washington State Department of Social and Health Services

## Today's Presenter

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## The Social Security Act

- The Medicaid statute... is an aggravated assault on the English language, resistant to attempts to understand it.
  - District Judge Wyatt, *Friedman v. Berger*, 409 F.Supp. 1225 (1976)

## Training Goals

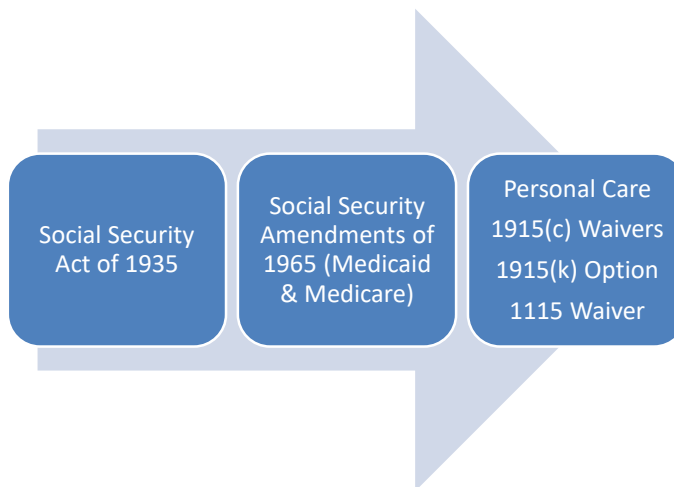
- The Foundation
- The Basics
- The Medicaid State Plan
  - State Plan Services
  - Institutional Services
- 1915(c) Waivers
- Other Topics



# The Foundation



## History of Medicaid



## How Is Medicaid Funded?

- State government
  - Pays for medical assistance and services.
  - State sends information to federal government about expenses.
- Federal Government
  - For every expense, pays Federal Financial Participation (FFP) back to the state.



## How Is Medicaid Administered?

- Federal Government (CMS)
  - Passes law, makes rules, sets policy.
  - Mandates minimum service levels to be provided.
- State Government
  - Administers programs through state plans and waivers with agreement from CMS.
  - Optional programs vary from state to state.

## Federal and State Standards

| <u>Federal</u>                             | <u>State</u>                            |
|--|---|
| 1. Social Security Act (SSA)               | 1. Revised Code of Washington (RCW)     |
| 2. Code of Federal Regulations (CFR)       | 2. Washington Administrative Code (WAC) |
| 3. Program Operations Manual System (POMS) | 3. HCA Medicaid Manual                  |

## What Is a State Plan?



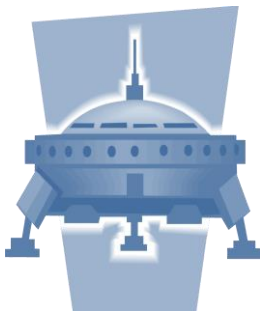
- Describes
  - Who is eligible
  - What is offered (amount, duration, scope)
  - What are the provider qualifications
  - How the state sets payment rates and makes payment



## Additional Information

- A State Plan
  - Includes services required of every state
  - Includes optional services offered by the state
  - Must offer services statewide
  - Cannot use capacity limits
  - Contains the state's priority programs
    - Must be used before using waiver services

## Who Owns The State Plan?



### Health Care Authority (HCA)

- The “single state agency” for Medicaid

### Home and Community Services

- The operating agency (along with other administrations/divisions within DSHS)

## What Is a Waiver



- A federal program allowing states to *waive* state plan Medicaid rules in order to provide services outside an institutional setting:
  - Income and Resources (financial eligibility)
  - Comparability (targeting a specific population)
  - Statewideness (targeting a specific geographic area)

## How Do People Apply For Services?

- For Classic Medicaid
  - [www.washingtonconnection.org](http://www.washingtonconnection.org), or
  - Application form HCA 18-005
- For MAGI Medicaid
  - [www.WAHealthPlanFinder.org](http://www.WAHealthPlanFinder.org), or
  - Application form HCA 18-001, or
  - By phone at (855) 923-4633

## The Basics



## First Things First - Terminology

- Long-term Services and Supports (LTSS)
  - An all-encompassing term used to describe the array of services provided under the state plan and waivers.
- Long-term Care (LTC):
  - LTSS services that use “institutional rules.”



## First Things First - Terminology

- 1915(c) waiver
  - Home and community-based services waiver
  - Home and community-based waiver
  - DDA waiver
  - HCS waiver
- A waiver that allows use of institutional rules for a person not physically in an institution.

## MEDICAID 101 FOR LTSS

it's not as bad as you think (it can't possibly be...)

## Medicaid 101 for LTSS

- To be eligible for Medicaid, an individual must be a member of a...

# GROUP

## What Is a Group?

- A group is a bunch of people who share **specific common characteristics**, and who meet **specific common requirements**.

## Examples of Groups

- Supplemental Security Income (SSI) recipients
- The aged, blind, or disabled
- Certain people in medical institutions, or who would be without 1915(c) services
- Adults with income below 133% of the Federal Poverty Level (FPL)
- The Medically Needy (MN)

## Common Requirements

- Can be divided into two areas:
  1. Categorical (non-financial)
  2. Financial

## Categorical Requirements

- To be eligible for Medicaid, a person must be one of the following:
  - Aged, blind or disabled;
  - A child;
  - A caretaker of a child;
  - A pregnant woman; or
  - An adult under age 65

## Financial Requirements

- Financial requirements can be divided into two broad areas:
  1. Income requirements
  2. Resource requirements

## Vocabulary

- Standard
  - The firm, fixed number against which a person's income or resources are compared to determine eligibility.
- Two types of standards:
  - Income
  - Resource

## Vocabulary

- Income Standard
  - The maximum amount of income a person can have and be eligible for Medicaid.
- For example:
  - \$733 a month (SSI income standard)
  - 300% of the SSI benefit rate (special income level or "SIL")
  - 250% of the Federal poverty level

## Vocabulary

- Income
  - Anything a person receives that can be used to purchase food or shelter.
- Types of income:
  - Earned
  - Unearned

## Vocabulary

- Examples of income
  - Wages
  - Social Security retirement
  - Pensions
  - Dividends
  - Interest

## Vocabulary

- Resource standard
  - The maximum amount of resources a person can have and be eligible for Medicaid.
- For example:
  - \$2,000 (SSI standard)
  - \$7,160 (Medicare Savings Program standard)

## Vocabulary

- Resources
  - Anything a person owns that can be converted to cash to purchase food or shelter.
- Or to put it another way:

# STUFF

## Vocabulary

- Examples of Resources:
  - Checking or savings accounts
  - Real estate
  - Cars, boats, other vehicles
  - Life insurance / burial arrangements
  - Household items

## Methodology / Method

- The process used to determine a person's countable income or resources, which are then compared against the appropriate standard.
- "Methodology" involves the use of exemptions, exclusions, deductions, and disregards.



## Methodology / Method

- Examples of methodologies in Washington:
  - SSI-related
  - MAGI

## Exclusions / Disregards

- Exemptions, Exclusions, Deductions, and Disregards
  - Interchangeable (*mostly*) terms for amounts and types of income or resources that are subtracted from a person's total income or resources to determine the person's countable income or resources.

## Exclusions / Disregards

- Examples:
  - \$20 deducted from income
  - Earned income disregard (first \$65 plus one-half of the remainder)
  - Income tax refunds are exempt as income
  - A person's home is exempt as a resource
  - One automobile is exempt as a resource

## WAH Standards Chart

[Link](#)

The screenshot shows the Washington State Health Care Authority website. The main heading is "Free or low-cost health care". The page is titled "Program standard for income and resources" and was revised on July 25, 2014. It provides a summary of income and resource standards for various programs, including Medical programs, Supplemental Security Income (SSI), Medicare savings programs, and Monthly income and countable resource standards for medically needy (MN). Specific WAC codes and program names are listed with right-pointing arrows.

| General Eligibility Requirements                        | Program standard for income and resources   |
|---|---|
| Social Security Number                                  | Revised July 25, 2014   |
| Residency   | Below are the WACs for the income and resource standards, which are summarized in the Medical Income and Resource Standards Chart (pdf).                              |
| Citizenship and Immigration status general requirements | <a href="#">WAC 182-505-0100</a> Medical programs – Monthly income standards based on the federal poverty level (FPL).  |
| Citizenship and Immigration Status Definitions          | <a href="#">WAC 182-512-0010</a> Supplemental Security Income (SSI) standards; SSI-related categorically needy income level (CNIL); and countable resource standards. |
| Date of entry   | <a href="#">WAC 182-517-0100</a> Medicare savings programs – Monthly income standards.  |
| Flowchart   | <a href="#">WAC 182-519-0050</a> Monthly income and countable resource standards for medically needy (MN).  |
| Iranj and Afghan Immigrants                             | <a href="#">WAC 182-519-0050</a> Monthly income and countable resource standards for medically needy (MN) <b>▶</b>  |
| National Immigration Law Center guide                   | <a href="#">WAC 182-505-0100</a> Washington apple health -- Monthly income standards based on the federal poverty level (FPL) <b>▶</b>                                |

## The Medicaid State Plan



## The Medicaid State Plan

- If you meet the categorical and financial requirements of a group, you are eligible for Medicaid as a member of that group.
- Eligible means “entitled” to all benefits and services provided under the state plan...
  - As long as you meet the requirement for the service (e.g., you aren’t entitled to dental care if you don’t need dental care).

## On Medicaid, Now What for LTSS?

- **Community First Choice (CFC)** – for those Categorically Needy (CN) or Alternative Benefit Plan (ABP) eligible in the community.
- **Medicaid Personal Care (MPC)** – for those non-institutional CN or ABP eligible.
- There may be other services depending on the county you are in...

## Mable King Financial Information

- Mable King is 79 years old and lives by herself in her manufactured home in Prosser.
- She used to receive SSI, but now has SSA survivor's benefits of \$1,200.
  - For Medicaid, only \$700 is countable.
- She has a burial plan, \$1,500 in the bank account, and owns her home.

## Mable King Financial Result

- Mable is eligible for CN Medicaid in the community.
  - Her income is below the 2017 CN standard (\$700 income to \$735 standard)
  - Her \$1,500 in resources are below the \$2,000 standard.
  - Mable can get LTSS through MPC or CFC.

trust me...

## INSTITUTIONAL STATUS

## Institutional Status

- When someone meets “institutional status,” we use ***different state plan rules*** to determine eligibility for Medicaid under the state plan.
  - Institutional status means a person is in, or is expected to be in, a medical institution for 30 days or more.

## Institutional Status

- This is another “group” of Medicaid eligible individuals.
- In the world of LTSS, we consider this group to receive LTC services.



## LTC Key Differences

- Income standard is the much higher.
- Excess resources can be reduced dollar-for-dollar with certain medical expenses.
- Certain resource rules apply – transfers, home equity, and annuities.
- Recipients must “participate” towards their cost of care.

## LTC Key Differences

- We don't consider a well spouse's income in eligibility, and may let that spouse keep a chunk of resources for themselves.
- We also protect some of the income for the well spouse so they can maintain their shelter.
- This concept is called “spousal impoverishment protections.”

## 1915(c) Waivers



## What is a Waiver?

- A waiver allows us to provide services (other than MPC or CFC) to folks who would otherwise need to be in an institution.
  - We use “institutional rules” to determine someone eligible, even though they are not in an institution.
- Waiver recipients (most) participate just as folks in medical institutions do.



## Common Misconception

- HCB waivers are self-contained programs with their own rules, income standards, etc...

BUT

That is not true.

## The Reality

HCB waivers allow States to provide various

# Services

to people who are eligible for Medicaid under some eligibility group that the State covers under its Medicaid plan.

## In Other Words

- No shirt, no shoes, no Medicaid...

# No Service

## Therefore...

- To receive HCB waiver services, a person must be eligible for Medicaid.
- To be eligible for Medicaid, a person must be a member of a...

# GROUP

## What Waiver Groups Exist?

- Some examples:
  - SSI
  - SSI-related
  - Healthcare for Workers with Disabilities

## What HCS Waivers Exist?

- Community Options Program Entry System (COPES)
  - The “main” HCS Waiver.
- New Freedom Consumer-Directed Services
  - King and Pierce County only.
- Residential Support Waiver (RSW)
  - For people transitioning from state hospitals.

## What DDA Waivers Exist?

- DDA has five waivers targeted towards very specific populations:
  - Basic+
  - Core
  - Community Protection
  - Individual and Family Services (IFS)
  - Children's Intensive In-Home Behavioral Support (CIIBS)

## Waivers and Other Programs

- CFC
  - If income is the reason someone is not eligible under the state plan, 1915(c) waiver rules can be used, because the income limits are much higher than most state plan Medicaid groups.
- PACE
  - A managed care program where we use HCB Waiver rules if we need to (e.g., income too high).

## Waivers and Other Programs

- Roads to Community Living
  - Guarantees 365 days of medical upon discharge from a medical institution, and if the person receives services, we use HCB Waiver post-eligibility rules only for cost of care.

## Summary

- Today, we have a wide variety of services offered via our state plan, waivers, and demonstration projects.
- It all boils down to one idea:
  - To get a service, you need to be eligible for Medicaid;
  - To be eligible for Medicaid, you need to be a member of a...

Washington State Department of Social and Health Services

## Summary

# GROUP

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## Other Topics

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## ACES Codes for LTSS Programs



### [Review Handout](#)

## Submitted Questions

- Q1: For clients who are receiving notices from Medicare, stating he/she can potentially be billed for various appointments and hospital visits. The notice does say the bill will be sent to Medicaid. Is there an estimated time of when/ how the client will know if he/she owes money?

## Submitted Questions

- A1: Claims are a very complicated subject, but ***in general***, a claim that is passed from Medicare to Medicaid will either be fully paid, or paid at \$0 (depending on rates). Most people will never owe anything if eligible for both Medicare and Medicaid (a “full-benefit dual eligible”).

## Submitted Questions

- Q2: Clients who are losing coverage for prescriptions – are there any referral list/ alternatives you may know that Care Coordinator's can pass along? (For example, Humana has chose to no longer cover prescriptions, what would be the next best option?)



## Submitted Questions

- A2 – Yes.
  - For Medicare Rx coverage, the WA Insurance Commissioner approves all plans. A client can contact SHIBA or view the approved plans on the Insurance Commissioner’s website.
    - SHIBA: 800-562-6900
    - [Plans](#)

## Submitted Questions

- A2 Cont’d.
  - For non-Medicare (MCO), the client can choose a new plan based on the county they live in.
  - [Managed care plans, contact information, how to change plans, etc.](#)

**Contact your Apple Health plan**

You'll need to contact your Apple Health plan if you want to:

- Find a new doctor or see if the doctor you want to see is in your Apple Health plan.
- File a complaint because you're not happy with the service you were provided by your doctor or the health plan.
- Replace your Apple Health plan benefits card.
- Find out more information about your Apple Health plan.

**Apple Health managed care plans**

|  |                |
|--|----------------|
| AppleCare (MCO)                              | 1-800-690-4841 |
| Community Health Plan of Washington (CHP)    | 1-800-440-1541 |
| Coordinated Care of Washington (CCW)         | 1-877-648-4613 |
| Wellus Health Plan of Washington, Inc. (WPH) | 1-800-808-7105 |
| United HealthCare Community Plan (UHC)       | 1-877-542-8897 |

All Apple Health plans offer the same [basic services](#).

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Thank  
You!

My team – Financial Eligibility & Policy:

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- Lori Rolley (Financial Policy)
- Rob Peters (CFC)
- Marcie Birdsell (DDA Unit Manager)
- Graham Zuch (ACES)



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# Certificate of Completion

## Financial Eligibility: Medicaid 101

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*Webinar aired on: February 9, 2017 in Lacey, Washington  
for Health Home Care Coordinators and Allied Staff*

*Training Credit of 1 Hour*

Please sign and date to attest that you reviewed this PowerPoint

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Your Signature

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Date

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Supervisor's Signature

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Date