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TO: **Economic Support Supervisors
Economic Support Lead Workers
Training Staff
Child Care Coordinators
W-2 Agencies
Workforce Development Boards
Job Center Leads and Managers**

FROM: Amy Mendel-Clemens
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Section
Bureau of Eligibility Management
Division of Health Care Financing

BEM/DWS OPERATIONS MEMO			
No:	05-40		
DATE:	09/28/2005		
FS	<input type="checkbox"/>	MA	<input checked="" type="checkbox"/>
CTS	<input type="checkbox"/>	CC	<input type="checkbox"/>
FSET	<input type="checkbox"/>	EA	<input type="checkbox"/>
JAL	<input type="checkbox"/>	JC	<input type="checkbox"/>
WIA	<input type="checkbox"/>	Other	<input type="checkbox"/>
		EP	<input type="checkbox"/> ★
SC <input type="checkbox"/>			
W-2 <input type="checkbox"/>			
CF <input type="checkbox"/>			
RAP <input type="checkbox"/>			
PRIORITY: HIGH			

SUBJECT: **Elimination of the "Grace Month"**

CROSS REFERENCE: 42CFR.435.916(a)
MEH 2.2.4.1.
CARES Guide, Chapter IV-EDBC, Part A 3.4.0 Overdue Reviews.

EFFECTIVE DATE: November 1, 2005

PURPOSE

This memo outlines the change in Medicaid (MA) policy regarding the "Grace Month". MA policy and CARES processing have been modified so that MA eligibility is terminated at the end of the 12th month of the benefit period, rather than after the 13th month. CARES notices have also been changed to reflect this policy change. SSI Caretaker Supplement (CTS) cases will continue to have a grace month.

BACKGROUND

Although federal law states that MA eligibility must be determined every 12 months, the Wisconsin MA program currently allows a 13 month certification for most MA recipients. An additional month has been provided to give the eligibility worker time to process a late review and to mitigate the impact recipient enrollment and disenrollment has on the Managed Care organizations.

Studies have found, however, that a significant number of MA recipients do not complete the review before the end of the 13th month or do not complete the review at all. As such, the current policy allows persons who are very likely to have lost eligibility for MA, to access the MA benefit during the 13th month. This results in mis-spent MA dollars, primarily because many of these individuals are enrolled in an HMO and a capitation payment has been made. In an effort to curtail unnecessary expenditures the Department has decided to change this policy.

POLICY CHANGE

Effective at adverse action October 18, 2005, for certain MA categories, MA eligibility will be terminated at the end of the 12th month of the benefit period, rather than after the 13th month.

CARES CHANGE

CARES will be changed to end eligibility at the end of the 12th month of the 12-month certification period and not send eligibility information to MMIS for month 13. For new MA eligibility determinations after the effective date, CARES will only send 12-month eligibility information to MMIS.

An MA eligibility review notice is generated on the first Friday of the 11th month of the certification period. The notice states that "some or all of your benefits will end" if the review is not completed by the end of the following month. If the review is not completed by the end of the 12th month, the actual closure notice will be generated at adverse action in the 12th month and benefits will end.

NOTE ➤ When AA runs October 18, 2005, the first time after the change is made in CARES, both MA AGs that had October as the grace month (review date September 30, 2005) and those AGs that have their review date as 10/31/2005, will close if they do not complete their review.

OTHER PROGRAMS

This policy change has no impact on other assistance groups.

CONTACTS

BEM CARES Information & Problem Resolution Center

★Program Categories – FS – FoodShare, MA – Medicaid, SC – Senior Care, CTS – Caretaker Supplement, CC – Child Care, W-2 – Wisconsin Works, FSET – Food Stamp Employment and Training, CF – Children First, EA – Emergency Assistance, JAL – Job Access Loan, JC - Job Center Programs, RAP – Refugee Assistance Program, WIA – Workforce Investment Act, Other EP – Other Employment Programs.

DWD/DWS/BDS/JE/AK