



Date: August 1, 2019

DMS Operations Memo 19-26

To: Income Maintenance Supervisors
Income Maintenance Lead Workers
Income Maintenance Staff

Affected Programs:	
<input type="checkbox"/> BadgerCare Plus	<input type="checkbox"/> Caretaker Supplement
<input type="checkbox"/> FoodShare	<input type="checkbox"/> FoodShare Employment and Training
<input checked="" type="checkbox"/> Medicaid	
<input type="checkbox"/> SeniorCare	

From: Debbie Waite, Deputy Bureau Director
Bureau of Enrollment Policy and Systems
Division of Medicaid Services

New Medically Needy Income Limit for Supplemental Security Income-Related Medicaid

CROSS REFERENCE

- Medicaid Eligibility Handbook, [Chapter 24 SSI-Related Medicaid and Deductibles](#), [Section 28.6 HCBWLTC Eligibility Groups and Cost Sharing](#), and [Section 39.4 Elderly, Blind, Or Disabled Assets and Income Tables](#)
- Process Help, [Section 19.1 Medicaid Deductible](#) and [Chapter 81 ForwardHealth iChange](#)

EFFECTIVE DATE

September 1, 2019

PURPOSE

This operations memo announces an increase in the medically needy income limit for Supplemental Security Income (SSI)-Related Medicaid to 100 percent of the federal poverty level (FPL) for the relevant group size. This memo also explains how current Medicaid members who will become (or could potentially become) eligible under the medically needy category and/or have a lower deductible amount will be notified of the change (or potential change) in their benefits, and provides processing guidelines for income maintenance workers.

BACKGROUND

Medically needy refers to a subset of people eligible under SSI-Related Medicaid. Given the current income limits for the SSI-related category, people are considered to be medically needy when they have income that is too high to qualify using the categorically needy income limit but they can use medical expenses to reduce their income to at or below the medically needy income limit. To be eligible for SSI-Related Medicaid in the medically needy category, people must also have assets at or below the SSI-

related medically needy asset limit (see [Medicaid Eligibility Handbook, Section 39.4 Elderly, Blind, or Disabled Assets and Income Tables](#)).

Prior to the change announced in this memo, Wisconsin's SSI-related medically needy income limit was \$591.67 for a group size of one or two. To comply with provisions in Wisconsin 2017 Act 59, the medically needy income limit will be increased to 100 percent of the FPL for the relevant group size. Due to the increase, some Medicaid members who are over the current medically needy income limit and have an unmet deductible may become eligible in the medically needy category effective September 1, 2019, and/or have a lower deductible amount. Some members who are enrolled in the Medicaid Purchase Plan (MAPP) may be able to be eligible in the SSI-related medically needy group. In addition, some members who are currently eligible under a Home and Community-Based Waivers Long-Term Care (HCBWLTC) Group B eligibility category may become eligible under Group A.

POLICY

NEW SSI-RELATED MEDICALLY NEEDY INCOME LIMITS

Effective September 1, 2019, the SSI-related medically needy income limits will be 100 percent of the FPL for the relevant group size. Currently, these numbers are:

- \$1,040.83 for a group size of one.
- \$1,409.17 for a group size of two.

CARES

The new SSI-related medically needy income limits will be in CARES on Table TMEP on August 3, 2019.

ELIGIBILITY CHANGES AND ONE-TIME MAILINGS

Some Medicaid members who will become (or could potentially become) eligible in the medically needy category or who could have a lower deductible amount due to the increase in the SSI-related medically needy income limit will be mailed a one-time informational letter. The following table outlines who will have a change (or potential change) in benefits, who will receive a Notice of Decision and/or an informational letter, and the information that will be provided in the letter.

Member Group	Benefit Change or Potential Change	Notice of Decision or Informational Letter
<p>1 Members who:</p> <ul style="list-style-type: none"> • Have countable income at or below 100 percent of the FPL • Have an unmet deductible in a deductible period ending after September 1, 2019 • Are not in an HCBWLTC eligibility category 	<p>These members will have their eligibility redetermined during a batch conversion process on August 3, 2019. They will be certified for SSI-Related Medicaid until the end of the original six-month deductible period.</p> <p>These members will also have a lower deductible amount for the deductible months prior to September 2019. (See Processing Example 1 for information on how to recalculate the deductible for these members.)</p>	<p>The Notice of Decision will indicate that the member is enrolled in Medicaid effective September 1, 2019, until there is a change in the case. The change reporting rules will be printed on the notice.</p> <p>A letter will be sent August 7, 2019, to inform the member about why he or she is now eligible, and that he or she can request to have the deductible recalculated for the deductible months prior to September 2019. See a sample.</p>
<p>2 Members who:</p> <ul style="list-style-type: none"> • Have countable income above 100 percent of the FPL • Have an unmet deductible in a deductible period ending after September 1, 2019 • Are not in an HCBWLTC eligibility category 	<p>These members will have a lower deductible amount for the remainder of the deductible period. (See Processing Example 2 for information on how to recalculate the deductible for these members.)</p>	<p>A letter will be sent August 7, 2019, to inform the member that he or she can request to have the deductible amounts recalculated for the months effective September 2019. See a sample.</p>
<p>3 MAPP members who:</p> <ul style="list-style-type: none"> • Have countable income at or below 100 percent of the FPL for a group size of one or two* • Have assets at or below \$2,000 for a group size of one or \$3,000 for a group size of two* <p>*Not including children</p>	<p>These members could potentially become eligible under the medically needy category.</p>	<p>A letter will be sent October 5, 2019, to inform the member that he or she may gain eligibility under the medically needy category and can ask to have eligibility redetermined. See a sample.</p>
<p>4 HCBWLTC Group B members who:</p> <ul style="list-style-type: none"> • Have countable income at or below 100% FPL, and • Have assets at or below \$2,000 	<p>These members will become eligible under Group A.</p>	<p>These members will receive a system-generated Notice of Decision once the case has been run.</p>

RECALCULATING DEDUCTIBLES

Agencies should expect to be contacted by members asking to have their deductibles recalculated. The following processing examples provide guidance on how to determine the lower deductible amounts based on the new SSI-related medically needy income limits and establish the new deductible amounts in CARES. Note that the processing steps will differ depending on whether or not the deductible period was established using CARES Mainframe transaction AGMD prior to the TMEP update on August 3, 2019.

As a reminder, at intake and review, when the Eligibility Run Results show AG Status “Deductible” and Eligibility Status “Pass,” workers should always confirm the deductible and immediately set the six-month deductible period on AGMD as described in [Process Help, Section 19.1.1 Setting a Medicaid Deductible Period](#), regardless of the deductible amount.

PROCESSING EXAMPLE 1

This example shows a member who will be eligible in the medically needy category with no deductible effective September 1, 2019, (Member Group 1 in the table above) and who asks to have his deductible recalculated for months prior to September 2019.

Felix has \$855 in countable monthly income and an unmet deductible of \$1,579.98 in a six-month deductible period of June through November 2019. During the batch process on August 3, 2019, CARES opens medically needy SSI-Related Medicaid (NS) with no deductible effective September 1, 2019. Felix can still meet a deductible to become eligible June through August 2019.

Felix calls the agency to have his deductible recalculated. Because he is now eligible for health care without a deductible beginning September 2019, the excess income counted towards the deductible for the months of September, October, and November 2019 must be zeroed out and the total deductible amount lowered.

If the deductible was set on AGMD prior to the batch process on August 3, 2019, the worker would proceed as follows:

1. Navigate to AGMD in CARES Mainframe. The totals in the System Determined Amount column on AGMD are already updated with zeros for the excess income from September through November. This is because CARES ran eligibility using the new income limits during the batch process. The new deductible amount is \$789.99.

```
AGMD          ESTABLISH MA DEDUCTIBLE          08/12/19 09:01
CASE: ██████ CAT: NS   SEQ: 1   WORKER: ██████
CASE STATUS: OPEN   CASE MODE: ONGOING

DEDUCTIBLE PERIOD BEGIN MMY: 0619          DELETE MA DEDUCTIBLE: _
DEDUCTIBLE PERIOD END MMY: 1119
DEDUCTIBLE MET (Y/N):
DEDUCTIBLE MET DATE:

DEDUCTIBLE AMOUNT FOR:  MONTH  SYSTEM DETERMINED AMOUNT
0619                    263.33                263.33
0719                    263.33                263.33
0819                    263.33                263.33
0919                    .00                   263.33
1019                    .00                   263.33
1119                    .00                   263.33

TOTAL MA DEDUCTIBLE:   789.99                1579.98

PF24: ESTABLISH MA FOR THE FIRST TIME
NEXT TRAN: _____ PARS: ██████ ██████
VRP21092                23,13
```

Figure 1 System-Determined Excess Income Amounts on AGMD

2. Adjust the amounts for those months in the updateable column on AGMD to zeroes in order to update the total on AGTM. The deductible period remains June through November.

```
AGMD          ESTABLISH MA DEDUCTIBLE          08/12/19 09:01
CASE: ██████ CAT: NS   SEQ: 1   WORKER: ██████
CASE STATUS: OPEN   CASE MODE: ONGOING

DEDUCTIBLE PERIOD BEGIN MMY: 0619          DELETE MA DEDUCTIBLE: _
DEDUCTIBLE PERIOD END MMY: 1119
DEDUCTIBLE MET (Y/N):
DEDUCTIBLE MET DATE:

DEDUCTIBLE AMOUNT FOR:  MONTH  SYSTEM DETERMINED AMOUNT
0619                    263.33                263.33
0719                    263.33                263.33
0819                    263.33                263.33
0919                    .00                   263.33
1019                    .00                   263.33
1119                    .00                   263.33

TOTAL MA DEDUCTIBLE:   789.99                789.99

PF24: ESTABLISH MA FOR THE FIRST TIME
NEXT TRAN: _____ PARS: ██████ ██████
VRP21092                23,13
```

Figure 2 Worker-Updated Excess Income Amounts on AGMD

3. When Felix submits medical bills to meet the new deductible amount, the worker enters and sorts them on AGTM. Once his bill total meets or exceeds the deductible amount, the worker certifies using the PF24 function, which sends the begin date to interChange.
4. Run eligibility for the **recurring** month in CARES Worker Web (CWW).
5. Send a manual [Notice of Approval of Benefits/Positive Change in Benefits, F-16015](#).
6. Document the actions taken in case comments.

Note: If Felix later has an income increase that puts him above the medically needy limit in any of the months included in the original deductible period, when eligibility is run, CWW will display the 173 reason code (“MA Deductible was met”) and continue Felix’s eligibility through the remainder of the met deductible period.

If the deductible was **not** set on AGMD prior to the August 3, 2019, batch process, the worker will **not** be able to set up the deductible on AGMD for Felix. This is because CARES requires deductible eligibility for all months of the six-month deductible period, but Felix no longer has a deductible effective September 2019.

In this situation, the worker must proceed as follows:

1. Determine the months of the member's deductible period by looking at the AG renewal/review date on the Confirmed Assistance Group Summary page and counting back six months.
2. Manually calculate the new deductible amount by adding together only the excess income from the deductible months prior to September 2019.
3. Document the deductible months and deductible amount in case comments.
4. If Felix submits bills to meet the new deductible amount, manually certify with the [Medicaid/BadgerCare Plus Eligibility Certification form, F-10110](#), from the date he met the deductible until August 31, 2019.
5. Send a manual [Notice of Approval of Benefits/Positive Change in Benefits, F-16015](#).
6. Document the actions taken in case comments.

Note: If Felix later has an income increase that puts him above the medically needy limit in any of the months included in the original deductible period, the worker must manually certify him for the remaining months of the original deductible period. For example, if Felix's income increases to above 100 percent of the FPL in October, when the worker runs eligibility, CARES will build NS PASS 014 to set a new deductible period. Because Felix met his original deductible, he should remain eligible under that deductible period until the end of November. The worker will have to manually certify him for November.

PROCESSING EXAMPLE 2

This example shows a member whose income is still too high for her to be eligible in the medically needy category with no deductible effective September 1, 2019, but who will have a lower deductible amount due to the increase in the medically needy income limit (Member Group 2 in the table above).

Anna has \$1,200 in countable monthly income and has an unmet deductible of \$3,649.98, with a six-month deductible period of July through December 2019. After receiving the informational letter, Anna calls the agency to have her deductible amount recalculated.

If the deductible was already set on AGMD, the worker would proceed as follows:

1. Run eligibility and then navigate to AGMD in CARES Mainframe. The totals in the System Determined Amount column on AGMD are updated based on the new medically needy income limit. The new deductible amount is \$1,853.34.

```

AGMD          ESTABLISH MA DEDUCTIBLE          08/12/19 09:01
CASE: ██████ CAT: NS   SEQ: 1   WORKER: ██████
CASE STATUS: OPEN   CASE MODE: ONGOING

DEDUCTIBLE PERIOD BEGIN MMY: 0719          DELETE MA DEDUCTIBLE: _
DEDUCTIBLE PERIOD END MMY: 1219
DEDUCTIBLE MET (Y/N):
DEDUCTIBLE MET DATE:

DEDUCTIBLE AMOUNT FOR:  MONTH  SYSTEM DETERMINED AMOUNT
0719                    608.33          608.33
0819                    608.33          608.33
0919                    159.17          608.33
1019                    159.17          608.33
1119                    159.17          608.33
1219                    159.17          608.33

TOTAL MA DEDUCTIBLE:    1853.34          3649.98

PF24: ESTABLISH MA FOR THE FIRST TIME
NEXT TRAN: _____ PARS: ██████

VRP21092          23,13
    
```

Figure 3 System-Determined Excess Income Amounts on AGMD

- Adjust the amounts in the updatable column on AGMD in order to update the total on AGTM.

```

AGMD          ESTABLISH MA DEDUCTIBLE          08/12/19 09:01
CASE: ██████ CAT: NS   SEQ: 1   WORKER: ██████
CASE STATUS: OPEN   CASE MODE: ONGOING

DEDUCTIBLE PERIOD BEGIN MMY: 0719          DELETE MA DEDUCTIBLE: _
DEDUCTIBLE PERIOD END MMY: 1219
DEDUCTIBLE MET (Y/N):
DEDUCTIBLE MET DATE:

DEDUCTIBLE AMOUNT FOR:  MONTH  SYSTEM DETERMINED AMOUNT
0719                    608.33          608.33
0819                    608.33          608.33
0919                    159.17          159.17
1019                    159.17          159.17
1119                    159.17          159.17
1219                    159.17          159.17

TOTAL MA DEDUCTIBLE:    1853.34          1853.34

PF24: ESTABLISH MA FOR THE FIRST TIME
NEXT TRAN: _____ PARS: ██████

VRP21092          23,13
    
```

Figure 4 Worker-Updated Excess Income Amounts on AGMD

- When Anna submits medical bills to meet the new deductible amount, the worker enters and sorts them on AGTM. Once her bill total meets or exceeds the deductible amount, the worker certifies using the PF24 function, which sends the begin date to interChange.
- Run eligibility for the **recurring** month in CWW and allow the system-generated notice to be sent.
- Document the actions taken in case comments.

If the deductible was **not** set on AGMD prior to the batch process on August 3, 2019, the worker can set the deductible on AGMD at any time. CARES will use the new income limits to determine the excess income for months after August 2019 and the old limits to determine excess income for the months prior to September 2019.

DMS Operations Memo 19-26

August 1, 2019

Page 8 of 8

CONTACTS

BEPS CARES Information and Problem Resolution Center

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