

NEW YORK
state department of
HEALTH

Nirav R. Shah, M.D., M.P.H.
Commissioner

Sue Kelly
Executive Deputy Commissioner

ADMINISTRATIVE DIRECTIVE

TRANSMITTAL: 12 OHIP/ADM-5

TO: Commissioners of
Social Services

DIVISION: Office of Health
Insurance Programs

DATE: 10/1/12

SUBJECT: Special Income Standard for Housing Expenses for Individuals
Discharged from a Nursing Facility who Enroll into the Managed Long
Term Care (MLTC) Program

SUGGESTED

DISTRIBUTION: Medicaid Staff
Fair Hearing Staff
Staff Development Coordinators

CONTACT

PERSON: Local District Liaison:
Upstate - (518)474-8887
New York City - (212)417-4500

ATTACHMENTS: Attachment I - 2012 Special Income Standard Regional Rates
Attachment II - OHIP-0057 - Notice of Intent to Change Medicaid Coverage, (Recipient Discharged from a Skilled Nursing Facility and Enrolled in a Managed Long Term Care Plan)
Attachment III - OHIP-0058 - Notice of Intent to Change Medicaid Coverage, (Recipient Disenrolled from a Managed Long Term Care Plan, No Special Income Standard)

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other	Manual Ref.	Misc. Ref.
			Chapter 56 of the Laws of 2011 SSL 366.14		

I. PURPOSE

The purpose of this Office of Health Insurance Programs Administrative Directive (OHIP/ADM) is to inform local departments of social services (LDSS) of the availability of a special income standard for housing expenses for individuals discharged from a nursing facility who enroll into the Managed Long Term Care (MLTC) program.

II. BACKGROUND

In an effort to lower costs and maintain the provision of needed care, the Medicaid Redesign Team (MRT) evaluated proposals presented by stakeholders and State staff. One of the proposals chosen by the MRT for implementation was to provide nursing home residents who are discharged back to the community with a special income standard for housing expenses if they join a MLTC plan. This proposal is consistent with the State's overall goal to expand enrollment in Medicaid Managed Long Term Care and provide care in the least restrictive setting.

Some nursing home residents could be safely discharged back to the community, but they do not have adequate income under regular Medicaid eligibility rules to afford housing in the community, even with subsidized housing. A special income standard will provide an additional dollar amount of income that will be added to the Medicaid income level to help such individuals pay for housing expenses. To lower Medicaid costs associated with a special income standard, the increased standard is only available to nursing home residents who return to the community and enroll into a Managed Long Term Care plan.

Chapter 56 of the Laws of 2011 amended section 366.14 of the Social Services Law to authorize the State to seek approval under the Section 1115 waiver program to establish a special income standard. The State has obtained the necessary approval under the 1115 waiver to implement the special income standard for housing expenses.

To be eligible for enrollment in a MLTC plan, recipients must require the community-based long-term care services of the plan for more than 120 days. Community-based long-term care services are defined as: nursing services in the home, therapies in the home, home health aide services, personal care services in the home, adult day health care, or private duty nursing. Certification of meeting Nursing Home Level of Care is also required for enrollment in a Program of All Inclusive Care for the Elderly (PACE) or a Medicaid Advantage Plus (MAP) MLTC plan.

III. PROGRAM IMPLICATIONS

Effective October 15, 2012, individuals who can be safely discharged back to the community from a nursing facility and who enroll into the MLTC program in order to receive community-based long-term care services and supports will have Medicaid eligibility determined under a special income standard if the recipient has a housing expense. The special income standard is available as of the first day of the month enrollment into the MLTC plan becomes effective. In order to be eligible for the special income standard for housing expenses, an individual must have been in the nursing home for at least 30 days (not counting the day of discharge) and Medicaid must have made a payment

toward the cost of the individual's care in the nursing home. Enabling statute further provides that individuals who are subject to spousal impoverishment budgeting in the community are excluded from receiving the special income standard for housing. This excludes a married individual who participates in the Program of All Inclusive Care for the Elderly (PACE) from receiving the allowance since they are considered to be an institutionalized spouse for spousal impoverishment budgeting purposes.

The special income standard amount varies based on seven regions of the State. Attachment I of this directive lists the amounts and counties by region.

Within each region, the Housing and Urban Development (HUD) Fair Market Rent (FMR) dollar amounts for a one bedroom apartment were averaged. From this amount, 30 percent of the Medicaid Income Level for a one person household was subtracted (30 percent of \$792 is \$238). For 2012, the amounts for the seven regions are: Central \$386; Northeastern \$426; Western \$377; North Metropolitan \$829; NYC \$1042; Long Island \$1187 and Rochester \$387. These amounts are subject to annual changes based on changes to the HUD FMR dollar amounts and the Medicaid Income Level.

The dollar amount of the special income standard for housing is a set amount regardless of the actual amount of the individual's housing expenses.

The special income standard is used when calculating the former nursing home resident's income eligibility for Medicaid. The special income standard is not used in determining eligibility for the Medicare Savings Program. If there is another member of the individual's household on the Medicaid case who does not meet eligibility requirements for the special income standard for housing, a separate eligibility determination must be made for the other household member without the special income standard.

IV. REQUIRED ACTION

Certain nursing home residents will be offered an opportunity to receive a special income standard to assist with housing costs if they can be safely discharged to the community and enroll in a MLTC plan. Nursing home social workers/discharge planners will be notified of the availability of the housing allowance and the criteria that must be met in order to receive the allowance in the October, 2012 Medicaid Update. Nursing home staff are encouraged to discuss the option of a return to the community with potential candidates and the benefits that the special income standard for housing may afford the individual. It should be noted that MLTC plans are not currently available in every region of the State. Further information regarding the availability of MLTC plans may be found on the State Department of Health website at http://www.health.ny.gov/health_care/managed_care/mltc/mltcplans.htm .

The recipient or the recipient's representative must alert the district that a special income standard for housing is being sought upon discharge. Managed Long Term Care health plans are encouraged to assist the individual in communicating this change with the

individual's local district Medicaid office. When the district is notified that the individual is discharged and a MLTC plan has been selected, the following factors must be considered.

A. Managed Long Term Care Plan Enrollment

In order for an individual who is being discharged from a nursing home to receive the special income standard for housing, the individual must be approved for participation in and enrolled in a MLTC plan. Managed Long Term Care enrollment will be prospective following the month of discharge from the nursing home.

NOTE: It is the responsibility of the recipient, the recipient's representative, and/or the MLTC plan to notify the LDSS of acceptance into a plan.

The district worker must remove the individual from the nursing facility roster by end dating the Principal Provider Code 01 in WMS. Additionally, the card code on Screen 5 must be changed from R "Roster" to N "non-photo" card, the individual's address updated on WMS, and a new or replacement CBIC card generated, if necessary.

If MLTC enrollment is made prior to pull down (the third Saturday of each month) during the month of discharge, enrollment will be effective the first day of the following month. If MLTC enrollment is not made until after pull down during the month of discharge, enrollment will be effective the first day of the second month following the month of discharge. The special income standard is available as of the first day of the month enrollment in the MLTC plan becomes effective. For a married individual who is subject to spousal impoverishment budgeting while in the nursing facility, the special income standard is available the month following the month of discharge, if spousal impoverishment budgeting will not continue to apply in the community. This is because spousal rules cease to apply the month following the month of discharge and an individual is not eligible for the special income standard while spousal impoverishment rules are being applied.

If an individual is receiving the special income standard and disenrolls from MLTC, the special income standard ceases to apply the first day of the month following the month of disenrollment. It should be noted that timely notice requirements may necessitate that eligibility continue unchanged until the first of the month following the month in which timely notification of a change in eligibility is received.

B. District of Fiscal Responsibility

In instances in which the district of fiscal responsibility (DFR) is not the district of residence (e.g., the residence in the community to which the individual is discharged is not the same district where the individual resided prior to entering the nursing home), the special income standard amount is based on where the individual is actually residing.

C. Housing Expenses

To be eligible for the special income standard for housing, an individual must have a housing expense. This includes rent, a mortgage, or room and board. The individual may attest to the amount of the housing expense; documentation of the amount or type of the expense is not required.

V. NOTICE REQUIREMENTS**A. Manual Notices**

Two manual notices have been created for use by districts and are included in this ADM as Attachments II and III.

1. **OHIP-0057** - "Notice of Intent to Change Medicaid Coverage (Recipient Discharged from a Skilled Nursing Facility and Enrolled in a Managed Long Term Care Plan)" (Attachment II)

This undercare notice must be used to notify a recipient who is discharged from a skilled nursing facility that he/she no longer has coverage for nursing facility services and eligibility for community coverage with community-based long term care has been determined with a special income standard due to the individual's enrollment in a MLTC plan. This notice can be used for individuals with or without a spenddown.

2. **OHIP-0058** - "Notice of Intent to Change Medicaid Coverage, (Recipient Disenrolled from a Managed Long Term Care Plan, No Special Income Standard)" (Attachment III)

This undercare notice must be used to notify a recipient of a change in eligibility due to no longer being entitled to the special income standard for housing because of a disenrollment from MLTC.

B. Client Notices Subsystem (CNS) Reason Codes**1. Upstate**

Effective with the June 18, 2012 WMS/CNS migration, the following two new Reason Codes were made available for use with Transaction Type 05 (undercare):

- Reason Code CC4 - "Notice of Intent to Change Medicaid Coverage (Recipient Discharged From a Skilled Nursing Facility and Enrolled in a Managed Long Term Care Plan)" mirrors language of manual notice OHIP-0057.
- Reason Code CC3 - "Notice of Intent to Change Medicaid Coverage (Recipient Disenrolled From a Managed Long Term Care Plan, No Housing Allowance)" mirrors language of manual notice OHIP-0058.

2. NYC

Effective with the June 18, 2012 WMS/CNS migration, the following two new Reason Codes were made available for use with Transaction Type 05 (undercare):

- Reason Code A09 - "Notice of Intent to Change Medicaid Coverage (Recipient Discharged From a Skilled Nursing Facility and Enrolled in a Managed Long Term Care Plan)".
- Reason Code H21 - "Notice of Intent to Change Medicaid Coverage (Recipient Disenrolled From a Managed Long Term Care Plan, No Housing Allowance)".

NOTE: NYC CNS is not programmed to generate notice language for these Reason Codes. Workers are directed to issue manual notice OHIP-0057 for Reason Code A09 and OHIP-0058 for Reason Code H21.

VI. SYSTEMS IMPLICATIONS

Effective with the June 18, 2012 WMS/CNS migration, MBL will support the special income standard for a Budget Type 04 (SSI-related) with a budget "From" date of October 1, 2012 or later. The case count must be one or two. The special income standard will be generated by use of a MBL Shelter Type Code. Eight new Shelter Type Codes have been created. The Shelter Type Code must be selected based on the region of the State where the recipient is residing. In addition to entry of the appropriate new Shelter Type Code, Upstate districts must enter the Local Code (LOC) for the county where the individual is residing. (See LDSS-4398 "WMS Card Code Index".) For NYC cases, a LOC Code is only required for Shelter Type Code 63 (Congregate Care Level 3).

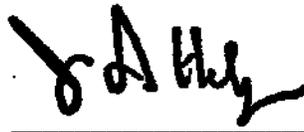
Shelter Type Code	Region	Housing Allowance
54	Northeastern Region	\$426.00
55	Central Region	\$386.00
56	Rochester Region	\$387.00
57	Western Region	\$377.00
58	Northern Metropolitan Region	\$829.00
59	NYC- five boroughs Bronx, Kings- (Brooklyn), New York - (Manhattan), Queens and Richmond - (Staten Island)	\$1,042.00
60	Long Island Region	\$1,187.00
63	Congregate Care Level 3 - The housing allowance is determined by the LOC Code which is added to the Congregate Care Level 3 rate.	Based on LOC Code

The Shelter Code will prompt MBL to add the special income standard amount to the Medicaid Income Level for a household of one or two. For individuals residing in a Congregate Care Level 3 facility (Enhanced Residential Care), the special income standard based on the LOC Code will be added to the Public Assistance Standard of Need ("PA STD"). The resulting budget determines eligibility for the individual who is eligible for the special income standard for housing.

If there are other applying household members who are not entitled to the special income standard, a second budget (Budget Types "04", "05" or "06" for Upstate or Budget Types "04", "01" or "02" for NYC) will be required to be calculated for the eligibility of the other applying household members. Due to Upstate system limitations, MBL has the capacity to store only one budget. Districts are instructed to store the MBL Budget Type "04" with the special income standard. A copy of the second budget for family members not entitled to the special income standard for housing must be stored in the case record. A manual notice will be required to be sent in this situation.

VII. EFFECTIVE DATE

The provisions of this ADM are effective October 15, 2012.



Jason A. Helgerson
Medicaid Director
Deputy Commissioner
Office of Health Insurance Programs