

TO: Local District Commissioners, Medicaid Directors

FROM: Judith Arnold, Director
Division of Eligibility and Marketplace Integration

SUBJECT: Policy Change for Determining the Appropriate Medicaid Regional Rate for Calculating a Transfer Penalty Period and the Regional Rates for 2016

EFFECTIVE DATE: January 1, 2016

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The purpose of this General Information System (GIS) message is to inform local departments of social services of a change in policy concerning the appropriate regional rate to use when calculating a transfer of assets penalty period. This GIS also provides the year 2016 Medicaid regional nursing home rates.

In accordance with 96 ADM-8, "OBRA '93 Provisions on Transfers and Trusts," and 06 OMM/ADM-5, "Deficit Reduction Act of 2005 - Long Term Care Medicaid Eligibility Changes," an institutionalized individual who has made an uncompensated transfer of assets during the look-back period is subject to a period of ineligibility for Medicaid coverage of nursing home care. The period of ineligibility, or penalty period, is the number of months equal to the uncompensated value of the transferred assets divided by the Medicaid regional rate established for the region in which the nursing facility is located. The rates are based on average private pay nursing home costs in each of the seven regions in the state and are subject to change annually.

For purposes of calculating a transfer penalty period, districts must use the regional rate in effect on the date the institutionalized individual applies for Medicaid (application date), or requests an increase in coverage for Medicaid payment of nursing home care. This includes applications and requests for an increase in coverage where an applicant/recipient (A/R) is requesting Medicaid coverage of nursing facility services in the three months prior to either the application date or the date of request for increased coverage.

Example: An A/R who has made a prohibited transfer of assets applies for Medicaid in February 2016, requesting coverage retroactively to November 2015. Since the individual applied for Medicaid in February 2016, the regional rate for 2016 is used.

Previously, it had been the Department's policy to apply the regional rate in effect on the requested starting date of coverage, rather than the regional rate in effect on the date of application. Effective immediately, districts must use the regional rate in effect as of the date of application or the date of request for an increase in coverage for Medicaid payment of nursing home care.

The chart below provides the 2016 regional rates.

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<p align="center">Central \$9,252</p> Broome Jefferson Oswego Cayuga Lewis St. Lawrence Chenango Madison Tioga Cortland Oneida Tompkins Herkimer Onondaga	<p align="center">Northern Metropolitan \$11,768</p> Dutchess Ulster Orange Westchester Putnam Rockland Sullivan
<p align="center">Northeastern \$9,806</p> Albany Fulton Saratoga Clinton Greene Schenectady Columbia Hamilton Schoharie Delaware Montgomery Warren Essex Otsego Washington Franklin Rensselaer	<p align="center">New York City \$12,029</p> Bronx Queens Kings (Brooklyn) Richmond (Staten Island) New York (Manhattan)
	<p align="center">Long Island \$12,633</p> Nassau Suffolk
<p align="center">Western \$9,630</p> Allegany Niagara Cattaraugus Orleans Chautauqua Wyoming Erie Genesee	<p align="center">Rochester \$11,145</p> Chemung Seneca Livingston Steuben Monroe Wayne Ontario Yates Schuyler