



Understanding Medicaid: Ohio's Disability Determination Redesign

Stark County Job and Family Services
2016

Today's Agenda

- Introduction
- Overview of 1634 Policy Changes/Disability Determination Redesign (DDR)
- Miller Trust Overview
- Next Steps for 1634
- ABD/DDR System Conversion
- Questions and Answers



History of 209(b)

- In 1972, Congress expanded the Medicaid program to cover individuals who are aged, blind, or disabled
- In the law that contained this change, section 209 says that states must provide Medicaid to anyone who received Supplemental Security Income
- Paragraph (b) of section 209 says that states could choose to be more restrictive – to have lower income or resource limits
 - States that chose this 209(b) option are required to allow individuals to “Spend Down” to the more restrictive income limit
 - The law also put in place some restrictions around “incurred” expenses for Spend Down



Section 209(b) and Spend Down

Individuals can meet the Spend Down in various ways:

- Recurring - Person has established monthly costs or unpaid past medical bills that meet the Spend Down. Person gets their Medicaid card monthly without additional action on their part
- “Pay in” - Spend Down is considered met as of the first of the month, even if the payment was made on the 15th
- Delayed - The person “incurs” costs in the amount of the Spend Down. The cost is “incurred” whether the person pays up front or receives an itemized bill for services

Individuals can group expenses into certain months so that they meet the Spend Down in those months



The Other Options for Medicaid

States who chose not to go the 209(b) route had two options:

SSI Criteria

- The State covers everyone who meets the criteria for Supplemental Security Income (SSI)
- The State makes its own decision whether the person meets the criteria for SSI

1634

- The State accepts Social Security Administration's decision
 - In Ohio, OOD's decision that the person is eligible for SSI
- SSI beneficiaries are automatically enrolled on Medicaid
- The State does not reconsider the determination



OOD – Opportunities for Ohioans with Disabilities

Switching from 209(b) to 1634

- Fairness in the 209(b) and MAGI (Modified Adjusted Gross Income) adult world:
 - A person under 65 without Medicare can get MAGI adult coverage with income up to 138% FPL (Federal Poverty Level*). A person 65 or older, or with Medicare, has to Spend Down to 64%
 - Two people with the same Spend Down amount may have very different results based on what treatment they need from what provider – in one case, the provider never actually attempts to collect on the “incurred” bill. In another case, the person has to pay up front to get services
 - Administrative simplification:
 - No more Spend Down calculation or collection
- *Federal Poverty Level is the set minimum amount of gross income that a family needs for food, clothing, transportation, shelter and other necessities



Ohio's Proposal/Plan for Citizens

- We will still have Modified Adjusted Gross Income (MAGI) groups, and anyone who gets SSI will be automatically enrolled on Medicaid
- We will have a “look-alike” category for individuals who are 65+, blind, or disabled but who do not have SSI. The income standard will be raised from 64% (\$634/mo for an individual) of the federal poverty level (FPL) to 75 (\$743/mo) percent FPL. Resource limits will be raised from \$1,500 to \$2,000. Spend downs will be eliminated.
- Individuals over these limits will be required to pursue coverage outside of Medicaid, such as through the Federal Exchange (healthcare.gov)



Ohio's Proposal/Plan for Citizens

- Individuals with Severe and Persistent Mental Illness (SPMI) will be covered under a new state plan option. Adults 21 years and older whose income is between approximately 75% and 225% of the FPL (under \$2199) and who are within resource limits and meet all other requirements will be eligible under the Medicaid eligibility category for people with disabilities
- Coverage has been referred to as 1915i, SPMI and now is being called Specialized Recovery Services (SRS).
- Current estimates project about 4,000-6,000 individuals will meet the SRS eligibility requirements.
 - Stark County has an estimated 164 individuals potentially eligible for SRS
- FAQ sheet and a copy of the draft letter sent to individuals who are likely eligible for SRS was recently sent to contacts



Ohio's Proposal/Plan for Citizens

- We will still have Medicaid Buy-In for Workers with Disabilities (MBIWD) for individuals who are working with disabilities
- Individuals who need NF/ICF (Nursing Facility/Intermediate Care Facility) care or services under an existing waiver will have an income limit of 300% FBR (Federal Benefit Rate) 300% FBR is about 225% FPL (For 2015, this amount is \$2,199)
- No one will be able to Spend Down, but those pursuing or covered by long-term care programs can deposit excess income in a Miller Trust to become eligible for Medicaid coverage



Ohio's Proposal/Plan for Citizens

- Eligibility will be looked at in tiers for long-term care applicants.
 - Base eligibility will be explored first, then long-term care coverage.
 - This may impact the verifications that are requested.
 - This structure is currently being solidified, and is what staff will continue to be trained on through July and after go-live.



What is a Miller Trust?

- A Miller Trust, or Qualified Income Trust (QIT), is a special legal arrangement to disregard an individual's income over certain thresholds
- An individual, their legal guardian or their power of attorney may open a Miller Trust
- Miller Trust key characteristics that make it different from other types of trusts
 - Must be used for income only and cannot shield other assets
 - Can contain only the individual's income
 - Cannot contain spousal or family resources
 - Is irrevocable
 - Must be properly executed and name the State as a beneficiary
 - Allows for resources to be recovered by the State*

*The Trust should contain language such as: "Upon the death of the beneficiary, the trust assets shall be paid to the Medicaid agency of the State of Ohio up to the total amount of the Medicaid payments made to or on behalf of the beneficiary"



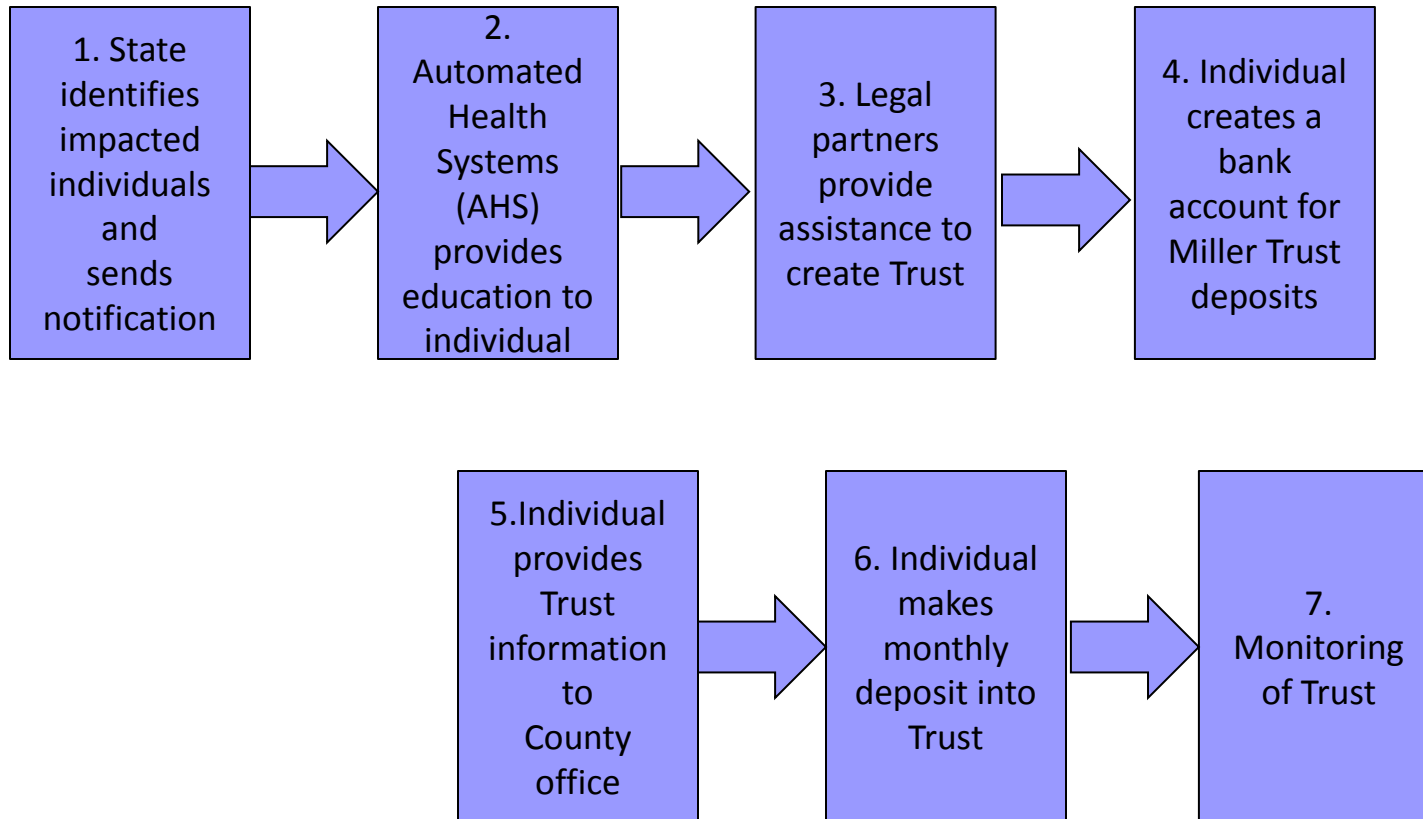
Miller Trust

- What can the money in the Trust be used for?
 - Money put in the QIT can be used to pay for the following expenses, but is not limited to this list:
 - incurred medical expenses;
 - monthly personal or maintenance needs allowance;
 - bank fees associated with the maintenance of the Trust; and
 - patient liability, if applicable.



High Level Miller Trust Process

Flow



Next Steps/Additional Information

- Solidify the process for Trusted Community Partner(s) (AHS) and begin education process
- Provide education and communication information for partners
- Staff are being trained on the DDR eligibility and system functionality leading up to the change implementation
- FAQ sheet and a copy of the draft letter sent to individuals who will likely be required to set up the Miller Trust was recently sent to contacts



Next Steps/Additional Information

- Continue to work through outstanding policy, system, and procedural decisions – Changes for 1634 have been targeted for go-live on 7/1/2016***
- Transition ABD into the Ohio Benefits System



DDR and System Conversion

ABD Medicaid cases will convert from the legacy CRIS system to the Ohio Benefits system as the MAGI cases did in 2014.

- This is currently scheduled to occur over the weekend of 7/22-7/24/2016***
- The following will be converted from CRIS into Ohio Benefits
 - All active ABD assistance groups (AGs), including LTC
 - There is specific logic for open Spend Down AGs
 - All Active Medicare Premium Assistance Program (MPAP)-only AGs
 - Pending Applications with pending ABD AGs
 - AGs that have been closed or denied within the last 90 days
 - ABD eligibility history spans back to 2/1/2014 from MITS (for those individuals that are included in the conversion)



DDR and System Conversion

Things to consider:

- The flow of information regarding changes is very fluid
- Customers as well as staff will be experiencing a lot of changes
- Individuals on long-term care programs (nursing home and waiver) will have two or three program blocks in Ohio Benefits and the MITS billing system instead of the one currently in CRISe. One will represent basic Medicaid, another will represent the long-term care portion of their coverage, and a third will be present for those who require the QIT.



DDR and System Conversion

Things to consider:

- Notices will change
 - They will look different
 - generated from a windows-based internet system, rather than legacy-like current MAGI notices
 - Programs will be referred to using 1634 terminology
 - Instead of MA A, MA D, MA J as seen from CRISe



Questions?



Information for this presentation obtained from:
https://www.ohca.org/docs/documents/4913/1634_Program_Overview_change_in_spend_down_031820_15.pdf

www.medicaid.ohio.gov

https://coverageforall.org/wp-content/uploads/2016/02/FHCE_FedPovertyLevel2016.pdf

Ohio Business Intelligence Portal

