Ohio's Disability Determination Redesign

Every year, about 50,000 Ohioans with a disability newly qualify for Medicaid coverage, including individuals with developmental disabilities and mental illness. Today, these Ohioans have to prove they are disabled twice, once to receive Supplemental Security Income (SSI) and again to receive Ohio Medicaid benefits. Most states have already eliminated this duplication and automatically grant Medicaid when an individual is approved for SSI. A single, streamlined system is easier for individuals to navigate and for state and county governments to administer.

The Executive Budget enacted in June 2015 authorizes the State of Ohio to replace its two disability determination systems with one system any time after June 30, 2016. The ultimate goal of disability determination redesign is for every Ohioan with a disability to have a clear path to a stable source of health care coverage they can afford.

Why does Ohio operate two disability determination systems?

In 1972, Congress expanded the Medicaid program to cover individuals who are aged, blind, or disabled (ABD). Section 209 of this law requires states to provide Medicaid to anyone who receives SSI. Paragraph (b) of Section 209 says states can choose to be more restrictive than SSI and set a lower income or asset limit to qualify for Medicaid. Under 209(b) authority, Ohio restricts Medicaid eligibility for ABD to individuals with monthly income below $634 (vs. $743 for SSI) and assets below $1,500 excluding a house or car (vs. $2,000 for SSI).

One of the consequences of Ohio's choice to use more restrictive eligibility criteria for Medicaid is that the state must separately determine Medicaid eligibility for SSI individuals. Currently in Ohio, Medicaid eligibility is determined by county departments of job and family services on behalf of Ohio Medicaid, and SSI eligibility is determined by Opportunities for Ohioans with Disabilities on behalf of the federal Social Security Administration. Both systems use the same definition of disability but apply different income and asset limits (Table 1).

How will Ohio replace its two systems with one?

Section 1634 of the Social Security Act allows states to accept the federal Social Security decision for SSI as a decision to also enroll that individual in Medicaid. Most states already operate under 1634 authority and automatically enroll individuals who are approved for SSI based on disability into Medicaid.[1] These states operate one disability determination system for SSI individuals (not two) and anyone approved for SSI does not separately apply for Medicaid.

The Executive Budget enacted in June 2015 allows Ohio Medicaid to terminate the 209(b) option after June 30, 2016. Accordingly, Ohio Medicaid submitted a state plan amendment

[1] Thirty-four states let Social Security determine Medicaid eligibility using SSI criteria, and another seven states use the same income, asset and disability criteria as SSI but make their own eligibility decision. Only ten states, including Ohio, have chosen to use eligibility criteria for Medicaid that are more restrictive than SSI.

(SPA) to the federal Centers for Medicare & Medicaid Services (CMS) in November 2015 seeking approval to terminate the 209(b) option on July 1, 2016, and begin processing Medicaid applications based on 1634 eligibility criteria (CMS is reviewing but has not yet approved Ohio's SPA). Under the new system, the definition of disability will stay the same, but income and asset limits for Medicaid will increase to match SSI (Table 1).

Table 1. Ohio Medicaid and Supplemental Security Income Eligibility Criteria.

Criterion	Current Medicaid	Current SSI	Proposed Medicaid/SSI
Disability evaluation	Same as Social Security	Same as Social Security	Same as Social Security
Income Limit	$634 (≈64% FPL)	$743 (75% FPL)	$743 (75% FPL)
Asset Limit	$1,500	$2,000	$2,000
Determinations	Ohio Department of Medicaid/CDJFS	Opportunities for Ohioans with Disabilities	Opportunities for Ohioans with Disabilities
State Authority	209(b)	-NA-	1634

How will redesign impact current Medicaid beneficiaries?

In July 2016, Ohio Medicaid will convert all current Medicaid ABD beneficiaries from CRIS-E (the old 209(b) eligibility system) to *Ohio Benefits* (the new 1634 eligibility system). These individuals will retain full Medicaid benefits, including 206,480 individuals with monthly income below the 209(b) income limit ($634), 34,043 individuals who qualified for Medicaid by "spending down" to the limit in at least one month during the previous year, 131,042 individuals who need long-term care with monthly income below $2,199, and 8,870 individuals with income over the limit but whose patient liability for long term care qualified them for Medicaid (Table 2).

In addition, Ohio Medicaid will convert any other individual who can be identified within CRIS-E as eligible for Medicaid, even if they are not in one of the ABD categories described above. This conversion will include 11,804 SSI recipients not previously enrolled in Medicaid, 5,527 individuals with serious and persistent mental illness (SPMI) who qualify for a new Specialized Recovery Services (SRS) program, and 3,943 adults who do not otherwise qualify for Medicaid ABD or Medicare but have monthly income below $1,367 (the expansion group limit). In total, 401,709 individuals will convert to full Medicaid without spend down in July 2016 (Table 2).

The new 1634 eligibility criteria will apply to each individual converted in July during his or her next regularly scheduled eligibility renewal. Ohio Medicaid has requested a six-month waiver of ABD renewals (July 1 to December 31, 2016) to ensure that any beneficiary who might be impacted by redesign has time to transition to other sources of coverage. For example, some will need to establish a Qualified Income Trust or enroll in the SRS Program to retain Medicaid. ABD eligibility renewals will resume January 1, 2017 and, from that date forward, 1634 criteria will apply to any individual seeking to renew coverage. (Anyone seeking Medicaid ABD for the first time will be subject to the 1634 eligibility criteria beginning July 1, 2016.)

How will redesign impact individuals who 'spend down' to qualify for Medicaid?

On June 30, 2016, Ohio Medicaid will eliminate the program that allows individuals to "spend down" a portion of their income to qualify for Medicaid. Federal law requires 209(b) states that use more restrictive income eligibility criteria for Medicaid to allow individuals to deduct medical expenses from income, thus reducing monthly income to a level that qualifies for Medicaid, currently $643 for an individual. This calculation is made monthly and individuals are eligible for Medicaid only in the months that they "spend down" to the limit. This month-by-month process results in gaps in coverage, as well as a constant anxiety for the individual trying to sustain coverage. As an alternative, states that choose the 1634 eligibility criteria are not required to provide a spend down program.

Based on information in CRIS-E, 89,368 individuals could have qualified for Medicaid in the previous year by spending down to the applicable ABD income limit. As a result of disability determination redesign, most of these individuals will be automatically enrolled in full Medicaid without spend down, including 34,043 individuals who *actually* spent down and qualified for Medicaid in at least one month during the previous year, 11,804 SSI recipients not previously enrolled in Medicaid, 3,943 single adults who do not otherwise qualify for Medicaid ABD or Medicare but have monthly income below $1,367 (the expansion group limit), and 5,527 individuals with SPMI who qualify for the SRS Program. In total, 55,317 individuals who previously could have qualified for Medicaid by spending down will instead be enrolled directly into Medicaid without spend down (Table 2).

There will be some individuals who could have qualified for Medicaid under spend down who now do not qualify based on the new 1634 eligibility criteria. It is not possible to know exactly what sources of coverage these individuals may choose, but estimates based on information about them in CRIS-E indicate 2,813 individuals on Medicare with monthly income between $743 and $1,337 will qualify for the Medicaid-funded Medicare Premium Assistance Program (Ohio Medicaid will automatically enroll these individuals in MPAP), 12,483 individuals will qualify for Medicare only, 18,285 individuals with monthly income below $3,960 and otherwise not covered by any of the programs described above will qualify for federally subsidized private insurance on the Exchange, and 469 individuals under age 65 with monthly income greater than $3,960 will need to seek private health insurance. Also, any adult with a disability who chooses to work can receive full Medicaid benefits if they have monthly income below $2,475, pay a premium, and enroll in Medicaid Buy-In for Workers with Disabilities (MBIWD).

What are the pathways to coverage as a result of redesign?

Ohioans with disabilities have multiple sources of stable health insurance coverage. In most cases, the source of coverage is determined by an individual's income and, in some cases, based on characteristics such as needing long term care or services to support mental illness. These various pathways to coverage are summarized in Table 2 and described in detail below.

- ***SSI Recipient.*** Beginning July 1, 2016, Ohio will accept the federal Social Security decision for SSI as a decision to also enroll that individual in Medicaid. Opportunities for Ohioans with Disabilities will make SSI eligibility determinations on behalf of the Social Security Administration. Ohioans seeking a disability determination will be able to start the process online through the Social Security Administration (www.SSA.gov) or *Ohio Benefits* (www.Benefits.Ohio.gov). Nearly two-thirds of the ABD population will qualify for Medicaid through the new single disability determination process.

- ***Long Term Care.*** The income eligibility criteria for individuals who need Medicaid long term care services[2] will not change as a result of redesign. Individuals who need long term care will qualify for Medicaid ABD, as they do today, with monthly income up to $2,199. After June 30, 2016, anyone with income over the limit for long term care will need to establish a Qualified Income Trust (QIT) to qualify for Medicaid.

  A QIT or "Miller Trust" is a legal structure that allows income in excess of the eligibility limit for Medicaid institutional and home and community based services (HCBS) waivers to be disregarded. An individual must place the portion of his or her monthly income greater than $2,199 into the trust. Funds deposited into the trust can be used to pay patient liability, incurred medical expenses, monthly personal allowance, and monthly bank fees associated with the trust. Any funds remaining in the trust upon the recipient's death, up to the total cost of care, are paid to Medicaid.

  Ohio Medicaid competitively selected Automated Health Systems (AHS) to contact every current beneficiary who might need to establish a QIT to retain Medicaid and assist them free of charge to set up a trust by June 30, 2016. Technically, these individuals will retain Medicaid until their next regularly scheduled eligibility redetermination and, at the point of renewal, will need to have a QIT in place to retain Medicaid. An individual does not have to use AHS to set up a QIT but, if they make that choice, then the state strongly recommends they seek other legal assistance.

- ***Serious and Persistent Mental Illness (SPMI).*** A new Medicaid program will be created for adults with SPMI who have income above the need standard to qualify for Medicaid. Although these individuals would have access to basic health services through Medicare or private insurance, Medicare and private insurance do not pay for service coordination

[2] Individuals who need long term care reside in a nursing facility or intermediate care facility for individuals with intellectual disabilities (ICF-IDD), or receive home and community based services (HCBS) on waiver programs like PASSPORT, Assisted Living, Ohio Home Care, Individual Options, and MyCare Ohio.

and community support activities covered by Medicaid. To ensure continued access to these services, Ohio Medicaid submitted a state plan amendment to CMS in October 2015 seeking authority under section 1915(i) of the Social Security Act to create a Specialized Recovery Services (SRS) program (CMS is reviewing Ohio's request). To be eligible, individuals must have monthly income below $2,199, meet diagnosis criteria, and not live in a nursing facility, hospital or similar setting. Individuals enrolled in SRS will receive full Medicaid plus recovery management care coordination services, assistance to find and keep a job, and support from others with similar life experiences.

CareStar, the Council on Aging of Southwest Ohio, and CareSource will perform eligibility evaluations for the non-financial requirements of the SRS program and provide the recovery management services that support individuals receiving services. Ohio Medicaid and MHAS will work with recovery management agencies and community behavioral health providers to contact every beneficiary who might be eligible for SRS and assist them to enroll in the program when it becomes available in July 2016. Technically, these individuals will retain Medicaid until their next eligibility renewal and, at the point of renewal, will need to be enrolled to in SRS to retain Medicaid.

- ***Medicare.*** Most individuals are eligible for Medicare coverage if they are age 65 or older and/or receive Social Security Disability Income payments. Some low-income Medicare recipients also qualify for Medicaid. However, even if a Medicare recipient is not eligible for Medicaid because their income is too high, if they have monthly income below $1,337, Medicaid will pay the cost of certain premiums, deductibles, and copayments.

- ***Other Medicaid.*** Individuals who do not qualify for Medicaid or Medicare under any of the circumstances described above may qualify for Medicaid if their monthly income is less than $1,367. In 2014, the State of Ohio extended Medicaid coverage to any adult age 19-64 with monthly income less than $1,367 and no other source of coverage.

- ***Private Health Insurance Coverage.*** Individuals who do not qualify for Medicare or Medicaid under any of the circumstances described above will need to seek private health insurance coverage. Individuals with monthly income below $3,960 may qualify for federal subsidies to purchase private health insurance on the Exchange. Essential health benefits on the Exchange are the same as Medicaid, except Exchange plans are not required to cover dental and nonemergency transportation. Many individuals will find it more affordable to pay premiums and copays on the Exchange and preserve the income they otherwise would have spent down to qualify for Medicaid.

Table 2. Pathways to Coverage under Disability Determination Redesign.

In July 2016, Ohio Medicaid will convert **401,709** individuals to full Medicaid without spend down. The new 1634 eligibility criteria will apply to these individuals during their next eligibility redetermination, but not before January 1, 2017.

Individual	Monthly Income	Source of Coverage	Action Required	Est. Enrollment[1]
Long Term Care (includes MBIWD[2])	<$2,199 (225% FPL)	Medicaid	None	131,042
	>$2,199 (225% FPL)	Medicaid	Establish a Qualified Income Trust prior to redetermination	8,870
209(b) Community ABD (includes MBIWD[2])	<$643 (64% FPL)	Medicaid	None	206,480
	Spent down to $643 in at least 1 of 12 prior months	Medicaid	None	34,043
Current enrollment in Medicaid ABD				***380,435***
SSI Recipient	<$743 (75% FPL)	Medicaid	None	11,804
Single Adult	$743-$1,367 age <65 (75-138% FPL)	Medicaid	None	3,943
Serious and Persistent Mental Illness (SPMI)	$1,367-$2,199 with SPMI (138-225% FPL)	Medicaid & Specialized Recovery Services (SRS)	Enroll in Medicaid SRS waiver prior to next redetermination	5,527
Automatic enrollment in Medicaid (all previous categories)				***401,709***
Transition from Medicaid Spend Down to Medicare Only	$743-$1,337 (75-135% FPL)	Medicare Premium Assistance Program	Enroll in MPAP	2,813
	>$1,367 (138% FPL)	Medicare	Enroll in Medicare	12,483
Private Insurance	$990-$3,960 (100-400% FPL)	Federally Subsidized Private Insurance	Enroll in an Exchange plan	18,285
	>$3,960 (400% FPL)	Private Insurance	Enroll in private insurance	469
Estimated enrollment across all sources of coverage				***435,760***

Based on information in CRIS-E for the prior year, **89,368** individuals could have qualified for Ohio Medicaid by spending down to the applicable income limit (only 34,043 actually spent down to the limit). Beginning July 1, 2016, all of these individuals will have access to more stable sources of health insurance coverage.

1. Estimated enrollment is based on Ohio Medicaid analysis of data in CRIS-E. The actual conversion from CRIS-E to *Ohio Benefits* will be based on data available in July 2016.
2. Adults with a disability who work but have monthly income below $2,475 monthly are eligible to pay a premium and "buy in" to Medicaid coverage. Individuals enrolled in Medicaid Buy-In for Workers with Disabilities (MBIWD) are included in the ABD community and long term care enrollment totals and will automatically retain coverage.

How will Ohio implement the new system?

Under the new system, Opportunities for Ohioans with Disabilities will continue to make SSI eligibility determinations on behalf of the Social Security Administration. Beginning July 1, 2016, individuals approved for SSI based on disability will be enrolled in Medicaid and, from that date forward, the new 1634 eligibility rules will apply to any individual seeking Medicaid ABD.

Also in July, Ohio Medicaid will convert the existing Medicaid ABD caseload from CRIS-E (the current 209(b) eligibility system) into *Ohio Benefits* (the 1634 eligibility system). At the point of conversion, every individual who would have been eligible for Medicaid ABD under the current system, including individuals who qualified by spending down to the income limit in any month during the previous year, will be automatically enrolled in full Medicaid without spend down.

Prior to the July conversion, Ohio Medicaid will attempt to contact every individual who needs to establish a QIT or enroll in SRS to do so by June 30, 2016 so they will be automatically enrolled in Medicaid without spend down during the July conversion. These individuals will retain Medicaid until their next regularly scheduled eligibility renewal and, at the point of renewal, need to have established a QIT or enrolled in SRS to retain Medicaid.

Ohio Medicaid requested a six-month waiver of ABD renewals to ensure that every current beneficiary who is potentially impacted by redesign has time to transition to other sources of Medicaid or, if they are no longer eligible for Medicaid, to seek other sources of coverage. Medicaid eligibility renewals will resume on January 1, 2017 and, from that date forward, the new 1634 eligibility criteria will apply to individuals seeking Medicaid ABD renewals.

The *Ohio Benefits* online eligibility system will be upgraded to interface with the Social Security Administration database so real-time information about disability determination status is available to individuals seeking Medicaid and to county department of job and family services caseworkers. Ohioans seeking a disability determination will be able to start the process online through Social Security (www.SSA.gov) or *Ohio Benefits* (www.Benefits.Ohio.gov).

Table 3. Disability Determination Redesign Transition Schedule.

Timeframe	Action
April 2016	• Ohio Medicaid mails a letter to every individual who needs to establish a Qualified Income Trust (QIT) or enroll in Specialized Recovery Services (SRS) to retain Medicaid coverage • Ohio Medicaid seeks approval from CMS for a state plan amendment to replace 209(b) eligibility requirements with 1634 criteria on July 1, 2016 • Ohio Medicaid files rules to replace 209(b) requirements with 1634 criteria
April-June 2016	• Automated Health Systems contacts individuals who need to establish a QIT to retain Medicaid coverage and provides assistance establishing the QIT free of charge (the goal is to establish a QIT for everyone who qualifies by June 30, although the individual's coverage is not at risk until the next eligibility renewal, which will not occur before January 1, 2017) • Ohio Medicaid and recovery management agencies contact individuals who may qualify for SRS and help with enrollment (the goal is to enroll everyone who qualifies by June 30, although the individual's coverage is not at risk until the next eligibility renewal, which will not occur before January 1, 2017) • Ohio Medicaid trains county department of job and family services staff on disability determination redesign and new eligibility rules • Accenture upgrades *Ohio Benefits* so the system can receive Social Security Administration data and apply the new eligibility rules
July 1, 2016	• Ohio Medicaid terminates the current 209(b) eligibility rules and replaces them with the new 1634 eligibility rules • ***From this date forward, the new eligibility rules apply to individuals seeking Medicaid ABD coverage***
July 2016	• Ohio Medicaid converts the existing ABD caseload from CRIS-E (the old 209(b) eligibility system) into *Ohio Benefits* (the new 1634 eligibility system) • ***No current beneficiary will lose coverage as a result of the conversion***, but will be subject to the new 1634 eligibility rules at the next eligibility renewal, which will not occur before January 1, 2017
July-December 2016	• Medicaid redeterminations for the ABD caseload are suspended for six months to ensure every individual potentially impacted by redesign has the time he or she needs to transition to other sources of Medicaid coverage or, if no longer eligible for Medicaid, to seek other sources of coverage
January 1, 2017	• Ohio Medicaid resumes ABD eligibility redetermination • ***From this date forward, the 1634 eligibility rules apply to individuals seeking to renew existing coverage***

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