

DMA CHANGE NOTICE FOR MANUAL 01-14

DATE: 03/4/14

Manual: Aged, Blind, and Disabled Medicaid

Change No: 01-14

To: County Directors of Social Services

Effective: 3/01/14 (FPL changes 4/1/14)

Make the following change(s)

I. BACKGROUND

North Carolina is authorized to provide Medicaid for disabled/blind workers under the Health Coverage for Workers with Disabilities Act (G.S. 108A-66.1). Health Coverage for Workers with Disabilities (HCWD) provides an incentive for persons with disabilities to go to work or to increase their hours of work while protecting their Medicaid eligibility.

Health Coverage for Workers with Disabilities was implemented in November 2008, providing eligibility for disabled individuals with income of 150% or less of the federal poverty level (FPL) (See [MA-2180](#), Health Coverage for Workers with Disabilities). On August 26, 2013, the income limit was raised to 200% of FPL with the requirement that those whose income exceeds 150% FPL must pay an enrollment.

Administrative Letter 08-13, Addendum I, instructed the counties that, beginning 11/14/13, eligibility for HCWD must be determined regardless of income or CAP status. The only income limit for the HCWD program is a 150% FPL limit on unearned income. However, those with incomes above 200% FPL must pay a monthly premium, based on income, as well as the yearly enrollment fee.

This Change Notice obsoletes Administrative Letters 08-13, Health Coverage for Workers with Disabilities, and 08-13, Health Coverage for Workers with Disabilities, Addendum 1.

II. CONTENT OF CHANGE

A. MA-500, Classification, is revised in:

1. I.B.1.c., to remove the 150% FPL income limit from policy;
2. III.B.2., to state that the only income limit for the HCWD program is the 150% FPL limit on unearned income;
3. III.G.4., to remove the HCWD exception to the 12 month certification period for those that are dually eligible;
4. IV.A.3., to state that the only income limit for the HCWD program is the 150% FPL limit on unearned income;
5. V., to state that the only income limit for the HCWD program is the 150% FPL limit on unearned income.

B. MA-2000, Non-SSI Eligibility Regulations, is revised in:

V.A.3., to state that the only income limit for the HCWD program is the 150% FPL limit on unearned income.

C. MA-2100, Categorically Needy No Money Payment, is revised in:

I., to remove references to a 150% FPL cap on income for HCWD.

D. MA-2180, Health Coverage for Workers with Disabilities, is revised in:

1. I., to remove references to federal Ticket to Work and Work Incentives Improvement Act (TWWIIA) grants;
2. II., to state that HCWD covers individuals regardless of total countable income or CAP status;
3. IV.B.2.b., to add the qualification that SSI was terminated “for non-medical reasons” and use more recent dates in the example provided;
4. IV.D.1.a., clarify that work must be competitive and inclusive unless individual is self-employed;
5. IV.E., to remove limits on countable income except for the 150% of Federal Poverty Level (FPL) cap on unearned income and provide information about sliding scale premiums;
6. IV.G., to provide that those with countable incomes greater than 150% FPL must pay a \$50 per certification period (yearly) enrollment fee. The enrollment fee is collected by the county and retained to offset administrative expenses;

7. IV.H., to state that those with countable incomes greater than 200% FPL must pay a premium in addition to an enrollment fee. The premiums increase with income range until income exceeds 450% of FPL, at which point a 100% premium is due. The 100% premium is based upon the average claims paid for an individual in the MAD and MAB programs;

Note: All HCWD cases with income above 200% of FPL must be processed in EIS (see III. for EIS requirements).

8. IV.J., to remove the statement that retroactive coverage can begin no earlier than November 1, 2008;
9. IV.K., to correct the classification chart to read “Greater than 100% FPL;”
10. IV.N., to state that the certification period for HCWD is 12 months;
11. V., to state that the certification period for HCWD is 12 months.

E. MA-2260, Financial Eligibility Regulations – PLA, is revised in:

1. V., to raise the income limits and change the dates in the budgeting examples (effective 4/01/14);
2. VII., to raise the income limits to the 2014 Federal Poverty Levels (FPL) (effective 4/01/14);
3. VII., to state that the 150% FPL amount applies to unearned income only.

F. MA-2304, Processing the Application, is revised in:

1. III.B.1.a., to state that days may be excluded from processing time when waiting for receipt of HCWD enrollment fee and/or premium;
2. III.B.1.b.(1), to state that the DMA-5098 can be mailed when waiting for HCWD enrollment fee and/or premium;
3. III.B.1.b.(2), to state that the DMA-5098 can be mailed or given to the applicant at the end of the first 12-day request for information period when all points of eligibility are met except for receipt the HCWD enrollment fee and/or premium.
3. III.B.1.e.(2), to state that the “HCW” code is valid for excluding days for both the enrollment fee and premium and that the end date for excluding days in HCWD cases is the day the fee/premium is received or the 13th calendar day, whichever occurs first.
4. III.D.2.a.(4), to instruct to deny the application the day after the due date when the individual does not pay the HCWD enrollment fee or HCWD premium;

5. V.D.1., to state that all information needed to reopen a case must be received by the 10th calendar day of the month following the month of termination, including the HCWD enrollment fee and premium when applicable.

G. MA-2525, Disability, is revised in:

1. II.H., to state that the only income limit for the HCWD program is the 150% FPL limit on unearned income;
2. IV.E.1.b.(2), to add the descriptive “unearned” to the word “income” in the reference to subsidized earnings;
3. IV.E.1.b.(3), to add the descriptive phrase “for non-blind individuals” to “SGA amount” in the second example .

III. EIS INSTRUCTIONS FOR CASES WITH COUNTABLE INCOME > 200% FPL

Note: These are temporary instructions until a premium screen can be developed in EIS so that premiums can be logged and tracked. The EIS premium screen will also be a temporary measure until NCTRACKS is programmed to accept premiums. Once NCTRACKS is programmed to do the premium billing and tracking, the workaround will become unnecessary.

A. Income Limits and Medicaid Classification

Due to EIS systems limitations, you will not be able to enter the correct maintenance and income amounts if countable income is above 200% of FPL. If countable income is above 200% of FPL:

1. For living arrangement 10:
 - a. Key the maintenance amount as 200% of FPL
 - (1) For a single individual, the maintenance amount is \$1,915.
 - (2) For a couple, the maintenance amount is \$2,585.
 - b. Enter the income as 200% FPL
 - c. Document the file with the actual countable income amount.
2. For living arrangement 11:
 - a. Key the maintenance amount as 200% FPL
 - (1) For a single individual the maintenance amount is \$1,277.
 - (2) For a couple, the maintenance amount is \$1,724.

- b. Enter the income as 200% FPL.
- c. Document the file with the actual countable income amount.

B. Sub-Program Codes

1. For the Basic Coverage Group, enter the following sub-program codes:
 - a. If countable income is at or below 150% of FPL enter B1.
 - b. If countable income is greater than 150% of FPL, enter B2.
2. For the Medically Improved Coverage Group, enter the following sub-program codes:
 - a. If countable income is at or below 150% of FPL enter M5.
 - b. If countable income is greater than 150% of FPL, enter M6.
3. See EIS Manual Section [2600](#) for sub-program codes.

Note: Individual must be a B1 or B2 prior to becoming a M5 or M6.

C. Federal Poverty Level Indicator

Immediately after entering the subprogram code on the 8125, enter the Federal Poverty Level Indicator of 4A **for all incomes above 150% FPL.**

D. Medicaid Status and Classification

1. Enter the Medicaid status as "D".
2. Enter the Medicaid class as "M".

E. Certification Period

For ongoing cases, enter the certification period as 12 months.

F. Premiums

1. HCWD cases over 200% FPL must be entered into EIS similarly to how a CAP deductible case is entered. Enter the premium amount in the db/pml field. In the future, there will be a payment screen and all premiums will be entered by DMA.
2. Enter the CAP code in the appropriate field only if the individual is also a CAP recipient.

Note: A CAP beneficiary who is HCWD will not have a CAP deductible. If a CAP/HCWD beneficiary is in a premium category, follow directions above for entering premium.

G. Notices

Use “other” change code 50 and override the notice.

H. Enter the Subprogram Group Begin Date

1. Enter the date coverage begins as MMDDYY.
2. HCWD cannot be posted to a period of time that is authorized in an aid program/category that is not eligible for HCWD (i.e. MQB, MAA, MAF, etc.). Only MAD and MAB are correct for HCWD.
3. The Begin Date must be the first day of the month and cannot be later than the ongoing month.
4. For cases with incomes over 200% FPL, the Begin Date can be retroactive, but cannot be earlier than November 1, 2013.
5. An A/B can have a different SUB PROGRAM in the retroactive period than in the ongoing period.

I. Enter the Subprogram Group End Date

1. When HCWD ends, re-key the SUB PROGRAM GROUP code, the FPL indicator, the BEGIN DATE, and the END DATE. The END DATE must be after the BEGIN DATE and must be the last day of the month.
2. For an open/shut approval, the END DATE may be retroactive to the current date, but must be the last day of a month.
3. For an ongoing case, the END DATE must not be earlier than the last day of the month prior to the ongoing month. The END DATE cannot be retroactive.
4. When HCWD coverage changes from one SUB PROGRAM to another, for instance, changing from B1 to M5, use the following instructions:
 - a. To end coverage in the old SUB PROGRAM, re-key the old SUB PROGRAM code and FPL indicator, BEGIN DATE, and END DATE. The END DATE must be after the BEGIN DATE and must be the last day of the month prior to the ongoing month.
 - b. Enter the new SUB PROGRAM code, FPL indicator, and BEGIN DATE. The BEGIN DATE cannot be earlier than the first day of the ongoing month.

J. “Deductible” to Authorized

1. If notified that the premium has been paid:
 - a. Authorize the A/B using the “P” screen;
 - b. Enter premium amount in db/pml field.
2. If notified that premium has not been paid, see [MA-2180](#), Health Coverage for Workers with Disabilities, IV.H. for denial and termination instructions.

IV. EFFECTIVE DATE AND IMPLEMENTATION

This Change Notice is effective 03/01/2013. Apply this change to applications taken and redeterminations started on or after March 1, 2014 and for applications and redeterminations presently in process for months beginning March 1, 2014 or later. Note that the increase in the federal poverty levels is effective April 1, 2014.

Review all terminations and denials for excess income that were completed on or after November 14, 2013. Determine if the individuals would have been eligible under the expanded HCWD program. A list of all those potentially affected can be found in NCXPTR. The report is titled: NCXPTR: DHRWDB HCWD RECIPIENT > 150% FPL.

VI. MAINTENANCE OF MANUAL

A. Remove: MA-500, Classification, pages 1-10.

Insert: [MA-500](#), Classification, pages 1-10.

B. Remove: MA-2000, Non-SSI Eligibility Regulations, pages 3-4.

Insert: [MA-2000](#), Non-SSI Eligibility Regulations, pages 3-4.

C. Remove: MA-2100, Categorically Needy -- No Money Payment, page 1.

Insert: [MA-2100](#), Categorically Needy – No Money Payment, page 1.

D. Remove: MA-2180, Health Coverage for Workers with Disabilities, pages 1-10.

Insert: [MA-2180](#), Health Coverage for Workers with Disabilities, pages 1-18.

E. Remove: MA-2260, Financial Eligibility Regulations – PLA, pages 17-28.

Insert: [MA-2260](#), Financial Eligibility Regulations – PLA, pages 17-29.

F. Remove: MA-2304, Processing the Application, pages 5-28.

Insert: [MA-2304](#), Processing the Application, pages 5-30.

G. Remove: MA-2525, Disability, pages 3-4, 11-12.

Insert: [MA-2525](#), Disability, pages 3-4, 11-12.

If you have any questions, please contact a Medicaid Program Representative.

Sandra Terrell, MS, RN,
Acting Director

(This material was researched and written by Wanda McLeoud, EIS Consultant and William Appel, Project Director, Division of Medical Assistance, Recipient and Provider Services)