DMA ADMINISTRATIVE LETTER 07-09, ADDENDUM 1, LOW INCOME SUBSIDY (LIS)

TO: **COUNTY DIRECTORS**

ATTENTION: **INCOME MAINTENANCE DIRECTORS**
                     MEDICAID INCOME MAINTENANCE CASEWORKERS
                     AND SUPERVISORS

DATE: **June 21, 2011**

SUBJECT: **LOW INCOME SUBSIDY APPLICATION FOR MEDICAID,**
                     ADDENDUM 1

I.   BACKGROUND

DMA Administrative Letter: 07-09 informed the counties of The Medicare Improvements for Patient and Providers Act of 2008 (MIPPA) which mandated that, effective January 1, 2010, an application for the Medicare Low-Income Subsidy (LIS) program was considered an application for the Medicare Savings Programs (MSP), known in North Carolina as the MQB programs.

Beginning January 1, 2010, the Eligibility Information System (EIS) processes daily files of LIS application information from the Social Security Administration (SSA). For each LIS application, EIS creates a Medicaid application. The aid program/category is MAD if the applicant is age 64 or younger and MAA if the applicant is 65 or older. Counties create MQB spin off applications as determined by policy. Counties notified the Division of Medical Assistance (DMA) that due dates on the Adjusted Application Management Report for the MQB LIS spin off applications were not correct.

After many months of research and testing by DMA and the Division of Information Resource Management (DIRM) and discussion with the county LIS workgroup, it has been determined that, in order to ensure the MQB LIS spin off applications have the correct due dates, EIS must create a MQB LIS application for every MAD and MAA LIS application.

II.   EIS CHANGES FOR LIS APPLICATIONS

Effective Wednesday, June 27, 2011, EIS creates a MQB spin off application for every MAD and MAA LIS application created by EIS. The MQB application is created at the same time the MAD/MAA LIS application is created in EIS. EIS also creates the Date Screen for the MQB application.

Also effective June 27, 2011, the county worker is allowed to change the application type from 1 (one part application) to type 4 (two part application) for both MAD and MAA LIS applications. EIS creates the Retroactive Date Screen real time at the time the application is changed from a type 1 to a type 4 application. Changing the application type 1 to 4 only applies to LIS applications.

III.   IMPLEMENTATION

This policy is effective upon receipt. Apply this policy to all LIS Medicaid applications. Please contact your Medicaid Program Representative if you have questions.

Craigan L. Gray, MD, MBA, JD
Director

CLG:wm

(This material was researched and prepared by Wanda McLeoud, EIS Consultant.)