

CHANGE NOTICE FOR MANUAL NO 14-02, Poverty Level Income Limits

DATE: FEBRUARY 22, 2002

Manual: AGED, BLIND and DISABLED

Change No. 14-02

To: County Director of Social Services

Effective: April 1, 2002

I. CONTENT OF THE CHANGE

The purpose of this change notice is to issue the new poverty level income limits and provide implementation instructions for pending applications, new applications and ongoing cases.

Manual sections have also been updated to reflect the new Medicare deductibles, premiums and co-insurance amounts that were effective January 1, 2002.

II. EFFECTIVE DATE OF NEW INCOME LIMITS

A. Income Limits

Income limits for MAABD-N, MQB-Q, MQB-B, MQB-E, QI2 and MWD are revised effective April 1, 2002 to reflect the increase in the federal poverty level. The income limits were updated in EIS effective, Tuesday, February 26, 2002. You can now enter the new income limits.

Use the new income limits to determine eligibility beginning April 2002. Use the 2001 income limits for months prior to April 2002.

B. End of COLA Disregard

The exclusion of the RSDI cost-of-living allowance (COLA) for MAABD-N, MQB-Q, MQB-B, MQB-E, QI2 and MWD ends with the implementation of the new income limits. Begin counting the full RSDI amount, including the 2002 COLA

effective April 1, 2002. Continue to disregard the COLA for January, February and March 2002.

III. IMPLEMENTATION INSTRUCTIONS FOR PENDING APPLICATIONS

A. Pending MAABD PLA Applications Dated Prior to April 1, 2002

1. If the budget unit's countable income is within the MAABD-N income limit prior to 4/1/02 and all other criteria are met, approve effective the first month of eligibility. However, please note that to enter the case in EIS, when months April 2002 or later are covered, you must enter the income limits effective 4/1/02.
2. If the budget unit's countable income prior to 4/1/02 exceeded the MAABD-N income limit, but effective 4/1/02 it is within the MAABD-N income limit and the budget unit is otherwise eligible:
 - a. Recalculate the medically needy deductible for the number of months in the c.p. prior to 4/1/02. When the deductible is met, authorize the case as medically needy from the date the deductible is met through 3/31/02.

NOTE: When calculating the deductible, do not disregard the COLA. The COLA disregard does not apply to medically needy.

- b. Authorize the case with an N classification effective 4/1/02. The certification period will be 12 months beginning with the month of application.

NOTE: Remember that for MAABD-N, income producing property must meet the \$6,000/6% test. For any of the property to be excluded, the property must produce a net annual income of at least 6% of the equity. Additionally, any equity in property in excess of \$6,000 is a countable resource. If resources exceed the MAABD resource limit at the first moment of the month (Refer to MA-2230), the applicant is ineligible for MAABD-N for the entire month. He must be evaluated as medically needy.

3. If the budget unit's countable income prior to 4/1/02 exceeded the MAABD-N income limit and it still exceeds the increased N income limit evaluate the case for medically needy. If it is established that the deductible can be met or projected expenses are within \$300.00 pend in deductible status. If it is determined that the deductible cannot be met, deny the application.

B. Pending MAABD LTC Applications Dated Prior to April 1, 2002

If countable income is above the MAABD-N income limit prior to 4/1/02 but is within the limit effective 4/1/02, and all other MAABD-N criteria are met, classify the case as N effective 4/1/02. For months prior to 4/1/02 classify as medically needy if all other eligibility factors are met.

C. Pending MQB Applications Dated Prior to April 1, 2002

1. If the classification effective 4/1/02 is different than that prior to 4/1/02 and all other criteria were met, approve effective 4/1/02 in the new classification. Enter the income limit effective 4/1/02 in EIS. The certification from date must equal the first day of the month of application. Authorize months prior to 4/1/02 on the DB/PML screen. This means due to the increased income limit an MQB-E case is now MQB-B or MQB-B case is now MQB-Q.
2. If the applicant is eligible for MQB prior to 4/1/02 and eligible for MAABD effective 4/1/02:
 - a. Approve the MQB as open/shut for the months prior to 4/1/02.
 - b. Enter a new administrative MAABD application and approve as MAABD effective 4/1/02. Enter in EIS the income limit effective 4/1/02. The certification from date must equal the first day of the month of application.

EXAMPLE: Applicant applies for MQB on March 1, 2002. His countable income is \$859. You determine he is eligible for MAABD-Q effective April 1, 2002 based on the new income limits and he is eligible for MQB-B for March. Approve the MQB application open/shut for March 2002. Then enter a new administrative MAABD application and approve as MAABD-Q effective 4/1/02. Remember that authorization for Q classification always begins the month following the month of disposition.

3. If the case's countable income prior to 4/1/02 makes the case ineligible for MQB-Q, B or E, but will be eligible based on the new income limits, approve the application in the appropriate classification with a Medicaid effective date of 4/1/02. (See V.B. for QI2 instructions.) The certification from date must equal the first day of the month of application.

D. Applications Dated 4/1/02 or Later

1. Apply the new income limits to establish eligibility for the ongoing certification period.
2. Use the old income limits to establish eligibility for the retro months prior to April 1, 2002.

IV. IMPLEMENTATION INSTRUCTIONS FOR ONGOING ADULT MEDICAID (MAABD-N, F,G,H,Q & B, MQB-Q, B & E CASES) REFER TO B. FOR QI2 INSTRUCTIONS.

A. For 4/1/02 or later, apply the new income limits and 2002 RSDI amounts to establish eligibility for ongoing certification period

1. A new report will display on NCXPTR. Title of the report is Poverty Potential Eligibles for Program Review. To view the report in XPTR use the prefix '**DHREJA POV POT ELIG FOR PROG REV**'. This report compares the new Social Security amount to the new poverty level for the Aid Program/Category and Medicaid classification. If the new total countable monthly income is greater than the new poverty amount the individual's information will be printed on this report.
2. EIS will not automatically update the cases on this report.
3. **If there is no amount in the RSDI field in EIS, the increase could not be calculated correctly. These cases will also show on the new report.** They will show on the report with zeroes in the EIS RSDI field. Special care should be taken when reviewing these cases to assure that countable income is calculated correctly.
4. The caseworker is to pull the cases on this report and complete an SOLQ to verify the RSDI amount. Compare the income with the new poverty level.
5. React to the change in the case by the pull cutoff date in April. If poverty level increase causes a change in the case take appropriate action and send timely notice. Evaluate for Medicaid under all other aid program/categories.
 - a. If an individual who is dually eligible (MAABD with Medicaid class B or Q) must have a deductible, he must be transferred to MQB-B. Refer to MA-2355, MAABD/MQB Program Transfers.
 - b. If the individual is not entitled to Medicare, change to deductible status if it is established that the deductible can be met or projected expenses are within \$300.00 of meeting the deductible. If the deductible can not be met, send a timely notice to terminate the case.

B. QI2

1. If an individual has already been "approved" on the log for QI2 using the old income limit, no further action is required at this time.
2. New or Pending Applications

- a. Continue to disregard the COLA and use the income limits prior to April 2002 when determining eligibility for months **prior** to April 2002.
- b. Include the RSDI COLA as countable income and compare the countable income to the increased QI2 income level when determining eligibility for QI2 effective April 1, 2002.
- c. Evaluate any pending QI2 applications for MQB-E using the new income limits effective 4/1/02.
 - (1) Continue to process as QI2 if the income exceeds the limit effective 4/1/02.
 - (2) If eligible for MQB-E:
 - (a) Key a DSS-8124. The date of application is the same as the QI-2 application. Key the application as administrative.
 - (b) Process the application according to III.C.

V. INSTRUCTIONS FOR MAINTENANCE OF THE MANUAL

- A. Remove MA-400, Figure 1.**
- B. Insert attached MA-400, Figure 1, effective 4/1/02.**

- C. Remove MA-2100, pages 1 & 2.**
- D. Insert attached MA-2100, pages 1 & 2, effective 4/1/02.**

- E. Remove MA-2260, pages 14 & 15.**
- F. Insert attached MA-2260, pages 14 & 15, effective 4/1/02.**

- G. Remove MA-2360, pages 11-12, 15-16 and 19-20.**
- H. Insert attached MA-2360, pages 11-12, 15-16 and 19-20, effective 4/1/02.**

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

Nina M. Yeager
Director

(This material was researched and written by Denise Rogers, Policy Consultant, Medicaid Eligibility Unit.)

MAABD Change No. 14-02

[MA-400 Figure 1](#)

[MA-2100](#)

[MA-2260 Income Limits](#)

[MA-2360](#)