

DMA ADMINISTRATIVE LETTER NO: 01-10, ADDENDUM 2

DATE: 09/09/10

SUBJECT: MQB Budgeting

DISTRIBUTION: County Directors of Social Services
Medicaid Supervisors
Medicaid Eligibility Staff

I. BACKGROUND

DMA Administrative Letter No: 01-10 explained that, as a result of a court decision, MQB eligibility would have to be determined based upon “family size” budgeting. The administrative letter stated that the court decision applied to Qualified Working Disabled (MWD) as well as MQB cases.

CMS recently informed us that the application of family size budgeting to MWD cases is contrary to federal law. Federal law allows does allow the application of the less-restrictive family size budgeting methodology to MQB cases, but not to MWD cases.

II. POLICY

A. MQB Cases

Continue to apply family size budgeting to new MQB applications and pending MQB cases.

B. MWD Cases

1. New Applications and Pending Cases
 - a. Do not apply family size budgeting to new and pending MWD cases.
 - b. Process new and pending MWD cases using deeming methodology following policy in MA-2260, Financial Eligibility Regulations – PLA.

C. Current MWD Recipients Determined Eligible Using Family Size Budgeting

1. Continue the eligibility of all those whose MWD eligibility was determined on the basis of family size budgeting.
2. Redetermination
 - a. Evaluate for MAABD and MQB-Q/MWD using budgeting methodology as outlined in MA-2260, Financial Eligibility Regulations – PLA.

- b. If the individual is ineligible for MAABD and MQB-Q/MWD using deeming methodology, evaluate for **MQB-Q** eligibility using family size budgeting as outlined in Administrative Letter 01-10. Do not evaluate for MQB-B or E. Neither B nor E pays the Medicare Part A premium and the individual must be eligible for free Part A in order to be eligible for MWD.

3. Terminations

- a. Send a manual notice stating that “as a result of a federally mandated change in the way eligibility is determined you are no longer eligible for the Medicaid for Working Disabled Program.” Inform the individual that he was evaluated for all other Medicaid programs and found not to be eligible.
- b. Document the narrative or case record to indicate that the individual had been found eligible for MWD using family size budgeting but this budgeting methodology no longer applies to MWD cases.

III. EFFECTIVE DATE AND IMPLEMENTATION

This policy is effective upon receipt. Apply this policy to all MWD applications, redeterminations and changes in situation in process or taken on or after this date.

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

Craig L. Gray, MD, MBA, JD,
Director

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