

ARKANSAS REGISTER

Transmittal Sheet



Sharon Priest
Secretary of State
State Capitol Room 017
Little Rock, AR 72201-1094

For Office Use Only: Effective Date 9/14/97 Code Number 016, 20.97 -- 023

Name of Agency AR Department of Human Services

Department Division of County Operations

Contact Person Joie Wallis (501) 682-8253

Statutory Authority for Promulgating Rules Ark. Code Ann. 20-76-201 et Seq.
Ark. Code Ann. 25-15-201 et Seq.

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<input checked="" type="checkbox"/> Other	Reviewed by Legislative Council	<u>9-4-97</u>
	Adopted by State Agency	<u>9-15-97</u>

CERTIFICATION OF AUTHORIZED OFFICIAL

I Hereby Certify That The Attached Rules Were Adopted
In Compliance with Act 434 of 1967 As Amended.

[Signature]
Signature

Director, Division of County Operations
Title

7/28/97
Date

97 SEP 14 PM 3:46
FILED
STATE OF ARKANSAS
SECRETARY OF STATE
SHARON PRIEST

NOTICE OF RULEMAKING

Pursuant to AR Code Ann. 25-15-201 et seq. and AR Code Ann. 20-76-201 et seq., the Director, Division of County Operations, issues eligibility policy and procedures regarding the implementation of Transitional Employment Assistance (TEA) Related Medicaid.

Copies of the proposed policy and procedures may be obtained by writing the Division of County Operations, P.O. Box 1437, Slot 1223, Little Rock, Arkansas 72203-1437. All comments must be submitted in writing to the address above no later than thirty days from the date of this publication.

If you need this material in a different format, such as large print, contact our Americans with Disabilities Act Coordinator at 682-8920 (voice) or 682-8933 (TDD).

The Arkansas Department of Human Services is in compliance with Titles VI and VII of the Civil Rights Act and operates, manages, and delivers services without regard to age, religion, disability, political affiliation, veteran status, sex, race, color, or national origin.

/s/ Roy Hart, Director
Purchase Order Number 8000001973
8075420

FILED
AR. REGISTER DIV
97 SEP -4 PM 3:44
SHARON PRIEST
SECRETARY OF STATE
STATE OF ARKANSAS
BY _____

DEPARTMENT Department of Human Services
DIVISION Division of County Operations
PERSON COMPLETING THIS STATEMENT Joie Wallis
TELEPHONE NO. (501) 682-8253 FAX NO. (501) 682-1597

FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE MS 97-8--Transitional Employment Assistance (TE

1. Does this ^{Related Medicaid} proposed, amended, or repealed rule or regulation have a financial impact? Yes No x
2. This group was previously covered under AFDC. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation.

<u>1997-98 Fiscal Year</u>	<u>1998-99 Fiscal Year</u>
General Revenue <u>N/A</u>	General Revenue <u>N/A</u>
Federal Funds <u> </u>	Federal Funds <u> </u>
Cash Funds <u> </u>	Cash Funds <u> </u>
Special Revenue <u> </u>	Special Revenue <u> </u>
Other <u> </u>	Other <u> </u>
Total <u> </u>	Total <u> </u>

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation?

<u>1997-98 Fiscal Year</u>	<u>1998-99 Fiscal Year</u>
<u>None</u>	<u>None</u>

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

<u>1997-98 Fiscal Year</u>	<u>1998-99 Fiscal Year</u>
<u>None</u>	<u>None</u>

BY July 28 1999
SHARON P. FOSTER
SECRETARY OF STATE
STATE OF ARKANSAS

97 SEP -4 PM 3:46

AR. REGISTER DIV.

FILED

MANUAL TRANSMITTAL

Arkansas Department of Human Services

Division of County Operations

☒ Policy ☐ Form ☐ Policy Directive

Issuance Number MS 97-8

Medical Services Policy Manual

Issuance Date 07-01-97

From: Roy Hart, Director

Expiration Date Until
Superseded

Subj: New Policy

<u>Pages to be Deleted</u>	<u>Dated</u>	<u>Pages to be Added</u>	<u>Dated</u>
MS 2000 - 2000	1-1-95	MS 2000 - 2000	1-1-95
MS 2000 - 2000	8-1-94	MS 2000 - 2000	7-1-97
MS 2000 - 2005	1-1-97	MS 2000 - 2005	7-1-97
MS 2010 - 2010.1	8-1-94	MS 2010 - 2010.1	8-1-94
MS 2085 - 2085	8-1-94	MS 2085 - 2086	7-1-97
MS 2085 - 2087	8-1-94	MS 2086 - 2086.3	7-1-97
MS 2087 - 2090.1	8-1-94	MS 2086.5 - 2090	7-1-97
MS 2090.1 - 2090.4	8-1-94	MS 2090.1 - 2090.2	8-1-94
None		MS 2090.3 - 2090.4	8-1-94

Summary of Changes

MS 2000 The list of individuals eligible for Medicaid has been updated.

MS 2085-2088 The section regarding AFDC-SP, Category 22 (Stepparent Income Disregard) has been replaced by Transitional Employment Assistance (TEA) Related Medicaid. County workers should determine eligibility for Category 22 individuals in another category at the next scheduled reevaluation.

 The new section MS 2085 - 2088 gives eligibility requirements and procedures for TEA Related Medicaid.

Inquiries to: Terri Wright, 682-8258
Ann Dawson, 682-8254
Boyce Lovett, 682-1562

2000 Individuals Eligible for Medicaid

The following categories of individuals are eligible for Medicaid:

1. Individuals eligible for Supplemental Security Income (SSI) benefits (i.e., recipients of straight SSI benefits, mandatory state supplements, SSI conditional payments and SSI presumptive disability payments). Re. MS 2010;
2. Blind or disabled individuals with converted cases who are not considered to be blind or disabled under SSI criteria. Re. MS 2020;
3. Individuals eligible for Medicaid as essential spouses in December 1973 and who continue to meet that eligibility criteria. Re. MS 2025;
4. Medical Only Individuals who are current recipients of SSA; who were previously eligible for and received SSA and SSI concurrently in at least one month after April 1977; and who would now be eligible for SSI if all COLA increases received since they last received SSA and SSI concurrently were deducted from current income. Re. MS 2030;
5. Medical Only Individuals whose assistance payments were terminated due to the 20% increase in Social Security benefits in September 1972, and who would be currently eligible for assistance payments if the 20% increase in Social Security benefits in September 1972 were disregarded. Re. MS 2040;
6. Disabled widows and widowers who were entitled to SSA for December 1983; who received SSA disability for January 1984; who lost SSI after January 1984, due to elimination of a benefit reduction factor previously applied; who would be SSI eligible if the 1984 reduction factor increase and all COLA's since 1984 were disregarded; and who applied and were found eligible for Medicaid benefits between July 1, 1986, and June 30, 1988. Re. MS 2045;
7. Disabled widows and widowers who were at least age 60 on or after 4/1/88, were not yet age 65 on 4/1/88, formerly received SSI benefits which were terminated due to entitlement to SSA widow's or widower's benefits, currently receive SSA widow's or widower's benefits, are not currently eligible for Medicare, would be eligible for SSI if ALL SSA benefits were disregarded, and are otherwise income and resource eligible for Medicaid. Re. MS 2046;
8. Disabled widows, widowers and disabled surviving divorced spouses who lost their SSI due to receipt of SSA benefits based on a less restrictive definition of disability that was used prior to OBRA of 1990. Re. MS 2049;
9. Qualified Medicare Beneficiaries who qualify under the Medicare Catastrophic Coverage Act of 1988, and whose benefits are limited to Medicare cost-sharing. Re. MS 2047;
10. Specified Low Income Medicare Beneficiaries whose income is between 100% and 120% of the Federal Poverty Level and who meet all other requirements for the Category will be eligible for payment of their Medicare Part B Premium. Re. MS 2051;

11. Qualified Disabled and Working Individuals who lost Medicare Part A entitlement solely due to Substantial Gainful Activity. Medicaid coverage for these individuals is limited to payment of their Part A premium. Re. MS 2048;
12. Disabled Adult Children (DAC) who are age 18 or older, who became disabled or blind before age 22, who were receiving SSI based on disability or blindness, and who lost SSI on or after July 1, 1987 due to a DAC entitlement or a DAC increase. Re. MS 2050;
13. Individuals who were eligible for Medicaid in Title XIX institutions in December 1973. Re. MS 2044.3;
- * 14. Families who lose TEA related Medicaid eligibility due to increased wages and who qualify for up to 12 months of transitional Medicaid. Re. MS 2061;
- * 15. Families who lose TEA related Medicaid eligibility due to collection of child support payments and who qualify for up to 3 months of extended Medicaid. Re. MS 2063;
16. Eligible individuals under age 21 and individuals age 65 and older who are receiving inpatient psychiatric care in the Arkansas State Hospital or the George W. Jackson Center. Re. MS 2070.
17. Developmentally Disabled Individuals who qualify for Home and Community Based Services. Re. MS 2075;
18. Aged Individuals who qualify for Home and Community Based Waiver Services. Re. MS 2076;
19. Newborn infants born to women determined to be Medicaid eligible when the infant was born. Re. MS 2080;
- * 20. Individuals who qualify for services under the Alternatives for Adults with Physical Disabilities Waiver. Re. MS 2078;
21. Disabled children eligible for Medicaid under TEFRA. Re. MS 2090;
22. Illegal aliens who are eligible for emergency services only. Re. MS 2095;
23. Individuals who qualify for retroactive Medicaid eligibility. Re. MS 2100 (applies to all categories except Newborn Infants, PW-PE, QMB, SMB, QDWI, and Waiver Categories. Re. MS 2080, MS 5600, MS 2047, MS 2051, 2048, 2075, and 2076);
24. Individuals in Title XIX Long Term Care Facilities who are eligible according to LTC criteria. Re. MS 3000;
25. Women eligible as Pregnant Women who meet the AFDC or Medically Needy standards of need. Re. MS 5000, 7000;
26. Pregnant women, infants and children (up to age 6) whose income does not exceed 133 percent of the Federal Poverty Level, and children ages 6 and older, who were born after September 30, 1983, whose family income does not exceed 100 percent of the Federal Poverty Level. Re. MS 5600;

27. Pregnant Women found presumptively eligible by a Qualified Provider for ambulatory prenatal care. Re. MS 5600;
28. Individuals eligible for the U-18 category. Re. MS 6000;
29. Title IV-E and other Foster Children. Re. MS 6000 and 7000;
30. Non-Title IV-E Adoptive Children with Special Needs. Re. MS 6590;
31. Individuals eligible for the Medically Needy Program. Re. MS 7000;
32. Refugees eligible for Medicaid under "special eligibility period" criteria of the Refugee Resettlement Program;
- * 33. Women found eligible for Family Planning Waiver services and whose benefits are limited to family planning services only; and
- * 34. Individuals found eligible for Transitional Employment Assistance related Medicaid. Re. MS 2085.

2005

Date Specific Eligibility

With date specific eligibility, for most Medicaid categories, an individual's or family's eligibility may begin or end on any day of a month.

When eligibility is established, eligibility will begin on the day the application was registered, unless retroactive coverage is needed. If retroactive coverage is needed and if eligibility is established for a retroactive period, eligibility can begin up to 3 months prior to the date of application (but not on the first day of the third retroactive month unless the application was filed on the first day of a month).

Eligibility for most Medicaid categories under date specific eligibility may be terminated at any time. The end date of eligibility will be the last day of the 10 day advance notice period, unless a recipient requests a hearing within the advance notice period.

There are some Medicaid categories in which eligibility may not begin or end on any day of a month. These categories are: QMB (MS 2047), SMB (MS 2051), QDWI (MS 2048), and TM (MS 2061). Information about the begin and end dates for these categories is found in the eligibility section for each category.

2010

Supplemental Security Income (SSI) Eligibles

Individuals who have been determined eligible for SSI benefits by the Social Security Administration (SSA) are eligible for Medicaid (i.e., recipients of straight SSI benefits, Mandatory State Supplements, SSI conditional payments and SSI presumptive disability payments).

The County Office is notified of SSI eligibles by printout as SSA makes information available to the Office of Information Systems (OIS). OIS will mail Medicaid ID cards to all SSI eligibles at certification.

SSA will notify OIS via the State Data Exchange system of changes for this group of eligibles. The County Office will notify the local SSA District Offices by means of a lead form, RVI-302, regarding current changes reported by/for individuals within this group (e.g., SSI recipient enters a nursing home).

2010.1

National Correction Procedure

The National Correction Procedure is a process for notifying the Social Security Administration (SSA) of changes that could affect SSI/Medicaid eligibility and/or the amount of State supplementation payments.

When information is received that is not reflected on the latest "SSI Recipient" printout, the County Office will submit the information to SSA via the SSA-3911, Report of Change-SSI Data. The following information can be reported:

Recipient's Name	Resources
Sex	Unearned Income Type
Date of Birth	Unearned Income Stop Date
Payee Name, Mailing Address, Zip Code	Unearned Income Amount
SSI Living Arrangement	Unearned Income Frequency
Date of Death (month, year)	Unearned Income Claim/ID Number
Marital Status	Earned Income Period
Residence Address, Zip Code	Earned Income Wage Estimate
State, County of Jurisdiction	Net Self-Employment Income Estimate

In addition, the County Office will properly identify the recipient and/or any other individual, the reason for submittal, and the County Office Worker requesting the change. Supporting documentation will be submitted if available.

The county officer worker will complete Parts I and II of the SSA-3911. Completion and routing are self-explanatory with the following exceptions:

Item 8. - Enter Bureau of Supplemental Security Income, 1200 Main Tower Bldg., Dallas, TX 75202,

Item 10. - Enter the information from the "SSI Recipient" printout that needs correction,

2085

Transitional Employment Assistance (TEA) Related Medicaid

The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (P.L. 104-193) replaced the Aid to Families with Dependent Children (AFDC) program with the Temporary Assistance for Needy Families (TANF) program. In Arkansas, the TANF program is known as Transitional Employment Assistance (TEA).

Low income families and children who receive cash assistance are no longer automatically entitled to Medicaid. Certain individuals may be Medicaid eligible in the TEA category if their net income and countable resources do not exceed the AFDC income and resource limits which were in effect on July 16, 1996, and if there is deprivation of parental support. An individual need not be receiving TEA cash assistance to be eligible for Medicaid in this category.

2085.1

Extent of Services

Individuals approved for TEA Medicaid will be eligible for the full range of Medicaid services, including services under the Children's Health Services Program.

2086

Eligibility Requirements

1. Citizenship or Alienage - The individual must be either a United States citizen or qualified alien (Re. TEA 2220).
2. Social Security Number (SSN) Enumeration - Requirements at TEA 2110 must be met.
3. Mandatory Assignment of Rights to Medical Support - Assignment of rights to medical support/third party liability is required (MS 1350).
4. Cooperation with the Office of Child Support Enforcement(OCSE) - An OCSE referral must be made any time there is an absent parent, and, if both parents are in the home, whenever paternity has not been established (TEA 2140).
5. Residency - The individual must be an Arkansas resident (TEA 2250).
6. Relationship and Living with Specified Relative - A dependent child must be living with his/her specified relative in the relative's home (TEA 2210).
7. Deprivation of Parental Support - The dependent child must be deprived of parental support or care by reason of the unemployment, death, continued absence, or physical or mental incapacity of a parent (FA 2240).
8. Standard of Need - In determining eligibility, parents will be included in the need standard with their natural/adopted children. Normally, all of the full siblings in the household will be included in the budget with their natural/adoptive parents. However, a parent may choose to exclude a child and that child's income and resources if inclusion of that child would cause ineligibility for the other children. Children may also be excluded for other reasons, and the parent need not state the reason. Stepparents will not be budgeted with their stepchildren.

9. Resources - The total equity value of all countable resources available to the assistance unit cannot exceed \$1000. Resources are determined and verified as specified at TEA 2270 - 2277.6. Resources available only to a stepparent will be disregarded in determining eligibility for the stepchildren and their natural/adoptive parent (the stepparent's spouse).
10. Income - Net countable income will be compared to the AFDC Reduced Standard of Need for the unit size. Income limits are those which were in effect on July 16, 1996. Income is determined and verified as specified at TEA 2300-2353.2.

Income available only to a stepparent will be disregarded in the eligibility determination of the stepchild. Eligibility for the parent can be determined in TEA related Medicaid only if the stepparent has no income. If the stepparent has income, eligibility for the parent will have to be determined in another category (e.g., AFDC-MN) with the stepparent's income deemed to the parent (Re. FA 2377.1).

Income Limits

<u>Unit Size</u>	<u>Countable Income Limit</u>
1	\$ 81
2	162
3	204
4	247
5	286
6	331
7	373
8	415
9 or more	457

2086.1 TEA Requirements Not Applicable to TEA Related Medicaid

The following TEA cash assistance eligibility factors are not required for TEA related Medicaid eligibility:

1. Personal Responsibility Agreement Requirement
2. TEA Minor Parent Requirements as outlined at TEA 2120 - 2123
3. Time Limit Requirement
4. Work Participation Requirement

2086.2 Application Process

Initial eligibility for TEA related Medicaid will be determined at the same time that eligibility for TEA cash assistance is determined. Initial applications may be made on the DCO-180, Application for Transitional Employment Assistance. Other forms needed for new applicants are the DCO-96, DCO-86, DCO-662, and DCO-7. If additional information is needed, the county worker will also complete Form DCO-002 and give it to the applicant during the initial interview.

2086.3 Time Limit on Disposition of Applications

The county office worker will have a maximum of 30 days from the date of application to dispose of the application by one of the following actions: approval, denial, or withdrawal.

2087 Authorization of Eligibility

When all eligibility requirements have been met, the county office worker will complete Form DCO-56 for a Category 20 approval (Action Reason 100). The begin date of Medicaid eligibility will be the date of application, unless retroactive coverage is needed. Retroactive coverage may begin up to three months prior to the application date. The applicant will be notified by DCO-55 or DCO-700.

2087.1 Denial and Withdrawal

The county worker will complete the following tasks when denying an application:

1. Record pertinent information in the case narrative.
2. Complete denial data on Form DCO-180 and submit for data entry on WIMA.
3. Notify applicant by DCO-55 or DCO-700.
4. For withdrawal, obtain a signed statement from the applicant that he/she wishes to withdraw the application.

2088 Reevaluation and Changes

Cases will be reevaluated every twelve months. Medicaid reevaluations should be scheduled to coincide with the TEA cash assistance reevaluation, if applicable to the household.

Recipients are required to report changes within ten days after the change occurs. If a reported change will result in adverse action, a ten day advance notice via Form DCO-700 will be given, if required (Re. MS 7840). All changes will be documented in the case record. Changes will be entered on Form DCO-56 and submitted for entry into the ACES system.

2090 Home Care for Children/TEFRA

Section 134 of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), as amended by OBRA of 1987, provides for coverage of certain disabled children in the home if they would qualify for Medicaid as residents in a Title XIX Institution (e.g. Nursing Home, ICF-MR, etc.). Arkansas has elected to cover this group.

TEFRA is a category of Medicaid eligibility that enables children to have care in their homes rather than in an institution. Children who live in institutions or receive extended care in institutions are not eligible in the TEFRA category.

2090.1 Eligibility Requirements

1. Age - The child must be 18 or under (Re. MS.3321);
2. Disability - The child must be disabled according to SSI definition. If disability has not been established by SSA and if MRT is to establish the disability, medical and social information will be sent to MRT for determination of disability (Re. MS 2090.4 and MS 3322);
3. Citizenship or Alien Status - The child must be a citizen, an alien lawfully admitted for permanent residence, or permanently residing in U.S. under 'Color of the Law' (Re. MS 3324);
4. Residency - The child must be an Arkansas resident (Re. MS 2200);
5. Resources - The child's countable resources cannot exceed \$2,000.00 (Re. MS 3330). No period of ineligibility will be imposed for transfers with uncompensated value;
6. Income - The child's gross countable income must be less than the current LTC income limit, i.e. the child would be Medicaid eligible if institutionalized (Re. MS 3340 - 3348.1). In-Kind Support and Maintenance is not considered income in TEFRA cases. SSI exclusions are not allowed;
7. Medical Necessity - The child must meet the medical necessity requirement for institutional care (Re. MS 3350), i.e., the child requires a level of care that would be provided in a hospital, nursing facility or ICF/MR;
8. Appropriateness of Care - Medical services must be available to provide care to the child in the home (RE. MS 2090.5), and it must be appropriate to provide such care outside an institution;
9. Cost Effectiveness - The estimated cost of care for the child in the home cannot exceed the estimated cost of care for the child in an institution (Re. MS 2090.5);
10. Child Support Enforcement Referral (Re. MS 1310); and
11. Social Security Enumeration - The individual must meet the Social Security Enumeration requirements specified in MS 1390.

2090.2 Application Process

Application will be made by the adult responsible for care of the child in the child's county of residence.

Forms to be completed at the application interview are the DCO-777, DCO-86, DCO-87, DCO-662, DCO-707, DCO-769, sections I and II of the DCO-2603, and the first three lines of the DCO-2602. When the parent's or guardian's signature has been obtained at the bottom of Page 1, DCO-2602, the Physician Assessment form will be given to the individual to be completed by the child's physician. Forms DCO-106, DCO-107 and/or DCO-81, and DCO-108 will also be completed if the disability is to be established by MRT.

Applications will be registered on WIMA in Category 49.

2090.3 Eligibility Determinations

With the exception of the Appropriateness of Care and Cost Effectiveness requirements, eligibility determinations for TEFRA cases will be conducted in the same manner as AD Long Term Care cases.

A child who would not be eligible for Medicaid in an institution cannot be considered for eligibility under TEFRA.

If a child's countable income is less than the current LTC income limit and the child's countable resources are less than \$2,000.00, he/she will meet the TEFRA income and resource requirements. Parental income and resources will be disregarded.

Alternating TEFRA and SSI Eligibility

Some children who receive SSI may intermittently lose their SSI due to fluctuating parental income and may be TEFRA eligible in the non-SSI months. In these cases, the county must redetermine TEFRA eligibility for each month in which the child is not SSI eligible.

If fluctuating parental income causes a child's SSI eligibility status to change from month to month and less than 10 months have passed since the last full TEFRA certification or reevaluation (Re. MS 2093), only DCO-777 and redetermination of income and resource eligibility are required to reopen the TEFRA case; redetermination of other eligibility factors will not be required.

2090.4 Disability Determinations

SSA Disability Determination - In order to qualify for TEFRA, a child must be considered disabled under the SSI regulations that govern children's disabilities. If a child received SSI within one year prior to making TEFRA application, but was terminated for reasons other than cessation of a disability (e.g., parental income), documentation will be obtained for the case record and the child will be considered disabled based on the previous SSA disability determination.