DSS

Strong Families - South Dakota's Foundation and Our Future

Medicaid 101
&
Affordable Care Act (ACA)

June 2015

Eligibility

To be eligible for Medicaid, an individual must be a member of a coverage group.

What is a group?

Individuals who share specific common characteristics and meet specific common requirements.

In Medicaid some coverage groups are mandatory some are optional.

Eligibility

In South Dakota most all coverage groups consist of individuals who meet the following descriptions:

1. Child under the age of 19
2. An adult relative caring for a child under the age of 19
3. Pregnant women
4. Blind or individuals determined disabled by the Social Security Administration or the Department of Social Services
5. Aged (65 and older)

Eligibility

South Dakota has 26 separate coverage groups which are outlined in the Medicaid State Plan and South Dakota Administrative Rule 67:46:01:02

http://legis.state.sd.us/rules/DisplayRule.aspx?Rule=67:46:01:02

Some examples of these groups include:

- Individuals receiving SSI payments
- Pregnant women with income under 133% of the federal poverty level (FPL)
- Children with household income under 209% FPL

Eligibility – Basic Requirements

The requirements for Medicaid can be divided into two basic areas.

1. Non-Financial
2. Financial

Eligibility – Non Financial Requirements

- Must be a resident of South Dakota
- Must be a US citizen or qualified alien.
- Must provide a Social Security Numbers
- Assignment of rights to medical support and payment
- For certain groups individuals must have medical needs that are such that they require a level of care provided in a long term care facility.

Eligibility – Financial Requirements

Financial requirements are divided into two separate areas and each group has its own standards:

1. Income
   - Earned Income (wages,salary)
   - Unearned Income (disability benefits, retirement benefits, unemployment benefits, etc.)
2. Resources
   - Cash or anything an individual owns that can be converted to cash.

Application Process

Applications are available at:

1. The DSS website http://dss.sd.gov/formsandpubs/
2. Online Application - https://apps.sd.gov/ss36snap/web/Portal/Default.aspx
3. All Department of Social Services offices - http://dss.sd.gov/findyourlocaloffice/
4. Most SD Medicaid providers.

The application process for Medicaid can be done entirely by mail.

An application for one medical program is considered an application for all programs.

Note: Individuals eligible for SSI payments are automatically eligible for Medicaid in SD, no application is necessary.

Application Process

Once a completed application is received the Department must process promptly and the applicant will be notified of the eligibility determination.

A completed application must be signed and is one that includes all necessary documentation.

Application Process - Rights

All applicants/recipients have the following rights:

- The right to appeal decisions with which they do not agree
- The right to confidentiality
- The right to a prompt decision
- The rights contained in other Federal laws prohibiting discrimination.

Eligibility – Effective Date

If found eligible, eligibility will begin the 1st day of the month of application.

Or

Eligibility may begin 3 months prior to the month of application if:

- The individual would have met the eligibility requirements in each of the months; and
- The individual received services covered under the plan during those months.

What does ACA mean for DSS?

In terms of the Department…

- Referral source for people that are uninsured or underinsured

In terms of Medicaid…(EA)

- One streamline application
  - Medicaid, Qualified Health Plan, Subsidies, etc.
- Connect with Federal Hub
- Change in budgeting-MAGI methodology
- Individual eligibility not household eligibility

Application for Insurance Affordability Plans (IAP)

A single application will be used for all Insurance Affordability Programs, including:

- Medicaid and CHIP
- Qualified Health Plans (QHPs)
- Advance Premium Tax Credits (APTCs)
- Cost-Sharing Reductions (CSRs) associated with QHPs

Application Processing in FFM

- FFM will assess applicants for potential eligibility for Medicaid/CHIP when an applicant submits an application to the FFM.
- Individuals assessed as potentially eligible for Medicaid/CHIP by the FFM will be forwarded to the Division of Economic Assistance for a Medicaid/CHIP eligibility determination.

Apply at FFM → EA will determine eligibility for Medicaid

Appears to be eligible for Medicaid

Application Processing in EA

The Division of Economic Assistance will determine eligibility for Medicaid/CHIP when an applicant submits an application to the Division of Economic Assistance.

The Division will forward application information for individuals found ineligible for Medicaid/CHIP to the FFM for an eligibility determination for other insurance affordability programs (e.g., QHPs, APTCs, CSR).

Apply at EA → FFM will look at other help

Ineligible for Medicaid

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What is MAGI? The Basics

- MAGI-Modified Adjusted Gross Income
- MAGI-based rules will be used to determine eligibility for most Family & Children groups (MAGI groups)
- MAGI is a methodology for how income is counted and how household composition and family size are determined
- MAGI is based on federal tax rules for determining adjusted gross income (with some modifications)

MAGI Changes in Income

Conversion of Income Standards.

- States were required to convert their pre-2014 net income eligibility standards into MAGI-based eligibility standards. This conversion replaced state specific income disregards with simpler, more universal income eligibility rules that are aligned with the rules that will be used to determine eligibility for the premium tax credits that will be available in the Marketplace
- If an individual is found ineligible under MAGI, then he/she is allowed a 5% income disregard.

MAGI Changes in Income

The following income sources are no longer counted when determining eligibility for MAGI groups:

- Child Support
- Workers Compensation
- Sheltered Workshop Earnings
- Veterans Benefits.

The rule of thumb is if the income is taxable then it is counted with the exception of children's income which is typically not counted.

Other Changes

- Resources are no longer countable for MAGI groups.

- Changes the way we determine household composition. A household is based on whether the individual is a:
  - Tax Filer
  - Tax Dependent
  - Non-filer (neither a filer or a tax dependent)

  The household typically includes self (and if living with):
  Spouse and Claimed Tax Dependents.

- Household income is determined based on each individual's household composition.

Child Claimed by Non-Custodial Parent

- Mom lives with her son and is not married. Non-custodial dad claims son.
- Family's financial situation:
  - $20,000 – Mom's salary
  - ~~$10,000 –~~ Child support payments received (not counted)
  - ~~$40,000 –~~ Non-custodial dad's salary (not counted as he does not live in the son's household)
- Household Income for Medicaid

  Mom – HH of 1 – Income $20,000

  Son – HH of 2 – Income $20,000

Non-Married Parents

- Mom and dad are not married but live together with their 2 children. Dad claims the children. Mom files on her own.
- Family's financial situation:
  - $22,000 – Mom's income from self employment business (counted)
  - $26,000 – Dad's salary (counted)
- Household Income for Medicaid

  Mom – HH of 1 – Income $22,000

  Dad – HH of 3 – Income $26,000

  Son – HH of 4 – Income $48,000

  Daughter – HH of 4 – Income of $48,000

Changes in Data Verification

Goal: Primary Reliance is on Electronic Data Sources

- Use information that is available through the Federal Data Services Hub
- The Hub has data available from:
  - SSA
  - Homeland Security (Lawful Presence)
  - TALX (Equifax Work Solutions – The Work Number)
  - IRS (South Dakota is currently not authorized to receive this information)

Medical Assistance Programs

The following slides contain specific eligibility criteria for SOME of the Medical Assistance programs available in South Dakota. This is not an all inclusive list.

If there is a question of eligibility, individuals should always be referred to their local DSS office.

Income & Resource Criteria
Parents and Caretaker Relative

Provides full medical coverage to low-income adults with dependent child(ren) living with them, covers adults including caretaker relatives.

Family Size	1	2	3	4	5	6
Monthly Income Limit	$613	$770	$880	$987	$1,096	$1,206

No Resource Limit

* 2015 Figures includes 5% disregard

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Income & Resource Criteria– Title XIX CHIP

Provides full medical coverage to child(ren) under age 19 with or without private health insurance and houshold incomes up to 182% of FPL.

Family Size	1	2	3	4	5	6
Monthly Income Limit*	$1,786	$2,417	$3,049	$3,679	$4,310	$4,942

Resources - No resource limit

Income & Resource Criteria– Title XXI CHIP

Provides full medical coverage to child(ren) under age 19 without private health insurance and household incomes up to 209% of FPL.

Family Size	1	2	3	4	5	6
Monthly Income Limit*	$2,051	$2,776	$3,501	$4,224	$4,950	$5,675

Resources – No resource limit

* 2015 Figures includes 5% disregard

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Income & Resource Criteria – Pregnant Women Full Coverage

Provides full medical coverage to pregnant women. Postpartum and family planning to women for up to 60 days after the end of the pregnancy.

Limited coverage provides coverage of pregnancy related services. Postpartum and family planning to women for up to 60 days after the end of their pregnancy.

Family Size	2	3	4	5	6
Full Coverage Pregnant Women	$515	$591	$665	$741	$816
Limited Pregnancy Coverage	$1,833	$2,312	$2,789	$3,268	$3,747

Resources – No resource limit

Income & Resource Criteria – Automatic Newborn Coverage

Provides full medical coverage up to one year of age to a child born to a woman who was eligible for and receiving Medicaid at the time of the child's birth.

No income or resource criteria. Child remains eligible as long as the child is a resident of South Dakota.

Eligiblity Criteria – Long Term Care Related Programs

Income limit

- Individuals in a facility more than 30 days.
  Monthly income limit - $2,199 (300% of the Supplemental Security Income (SSI) standard benefit amount).
- Individuals confined less than 30 days.
  Monthly income limit - $753 (SSI standard rate + $20).

Resource Limit - $2,000 (transfer penalties may apply if resources are given away)

Additional Rules apply for individuals with spouses.

Eligiblity Criteria – Medicare Savings Programs

There are three different Medicare Savings Programs:

Qualified Medicare Beneficiary Program (QMB)

Pays for Part A (if not free) and B Premiums.
Individuals on this program will receive a Medical ID Card, but benefits are limited to payment for Medicare's deductibles, co-insurance and co-payments. If a service is not covered by Medicare this program will not cover either.

Specified Low-Income Beneficiary Program (SLMB)

Pays for Medicare Part B Premium.

Qualified Individuals Program (QI)

Pays for Medicare Part B Premium.

Eligibility Criteria – Medicare Savings Programs

Monthly Income limit

- QMB: Have income under 100% of the federal poverty level and be entitled to, but not necessarily enrolled in, Medicare Part A.
  $ 981 Single * $ 1,328 Couple*
- SLMB: Have income that exceeds 100% but less than 120% of the federal poverty level and be entitled to, but not necessarily enrolled in, Medicare Part A.
  $ 1,178 Single* $ 1,594 Couple*
- QI: Have income between 120% and 135% of the federal poverty level and be entitled to, but not necessarily enrolled in, Medicare Part A. QI recipients cannot be eligible for any other Medicaid program.
  $ 1,325 Single* $ 1,796 Couple*

*Includes $20 General Income Disregard

Resource Limit - $7,280 Single or $10,930 Couple

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