**WISCONSIN DEPARTMENT OF HEALTH SERVICES**
**Division of Medicaid Services**
**1 W. Wilson St.**
**Madison WI 53703**

To: Medicaid Eligibility Users

From: Rebecca McAtee, Bureau Director
Bureau of Enrollment Policy and Systems

Re: **Medicaid Eligibility Handbook Release 20-01**

Release Date: 02/03/2020

Effective Date: 02/03/2020

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|---|---|---|
| **EFFECTIVE DATE** | | The following policy additions or changes are **effective 02/03/2020** unless otherwise noted. **Underlined text denotes new text. Text with a strike through it denotes deleted text.** |
| **POLICY UPDATES** | | |
| **7.2.4.1** | **Stand-Alone Documentation of Citizenship** | Added REAL IDs for citizenship verification |
| **7.2.4.3** | **Evidence of Identity** | Added REAL IDs for citizenship verification |
| **15.1.2** | **Special Financial Tests for Disabled Minors** | Updated amounts for COLA Ops Memo |
| **15.6.6** | **Verification** | Removed specification for completed and signed IRS form to completed IRS form |
| **16.2** | **Assets Availability** | Added note for HRAs |
| **16.7.2** | **Loans, Reverse Mortgages, and Promissory Notes** | Updated Chapter Title |
| **18.4.1** | **Spousal Impoverishment Assets Introduction** | Updated value calculations for vehicles |
| **18.4.3** | **Calculate the Community Spouse Asset Share** | Updated amounts for COLA |
| **18.6.2** | **Community Spouse Income Allocation** | Updated amounts for COLA |
| **22.1.7** | **Notify Members** | Updated notification sent to members |
| **22.1.8** | **Disclosure Form** | Updated procedure for filling out disclosure form |
| **22.2.2.3** | **Liable Individual** | Clarified information for spousal libaility |

The information concerning the Medicaid program provided in this handbook release is published in accordance with: Titles XI and XIX of the Social Security Act; Parts 430 through 481 of Title 42 of the Code of Federal Regulations; Chapters 46 and 49 of the Wisconsin Statutes; and Chapters HA 3, DHS 2, 10 and 101 through 109 of the Wisconsin Administrative Code.

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| **22.2.2.2** | **Overpayment Amount, Family Care** | Updated policy for MCO |
| **22.2.2.2.1.2** | **Family Care** | Updated policy for OM on LTC |
| **25.0** | **Special Status Medicaid Introduction** | Renumbered from 25.1 to 25.0 |
| **25.1** | **503 Eligibility (in Contents)** | Moved 25.1 and added Special Status Medicaid section |
| **28.6.2** | **Group A** | Updated Group A eligibility based on LTC |
| **32.6** | **Medicare Savings Programs** | Updated amounts for COLA |
| **37.3** | **HCBW Medicaid CARES Processing for the CLTS Waiver Program** | Added process for CLTS applicants in single household |
| **39.4.1** | **Elderly, Blind, or Disabled Assets and Income Table** | Updated amounts in tables |
| **39.6** | **Cost-of-living Adjustment** | Updated amounts for COLA |

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# 7.2 DOCUMENTING CITIZENSHIP AND IDENTITY

### 7.2.4.1 Stand-Alone Documentation of Citizenship

Stand-alone documentation is a single document that verifies citizenship, such as a United States Passport. Stand-alone documentation of citizenship is the most reliable way to establish that the person is a U.S. citizen. If an individual presents a stand-alone document, no other citizenship verification is required. See the chart below or Process Help Section 68.3 Acceptable Citizenship and Identity Documentation for a list of stand-alone documents.

An applicant or member who does not provide a stand-alone document must provide documentation of citizenship and identity.

| Stand-Alone Document | Description/Explanation |
|---|---|
| **Certificate of Naturalization** | Form N-550 or N-570. Issued by the Department of Homeland Security for naturalization. |
| **Certificate of Citizenship** | Form N-560 or N-561. The Department of Homeland Security issues certificates of citizenship to individuals who derive citizenship through a parent. |
| **A State-issued Enhanced Driver's License** | A special type of driver's license identified specifically as an "Enhanced Driver's License". It requires proof of U.S. citizenship to obtain. Five states currently issue enhanced driver's licenses (Minnesota, Michigan, New York, Vermont, and Washington), but more states are expected to issue these licenses in the future. Accept an Enhanced Driver's License issued by any U.S. state.<br><br>REAL IDs are not Enhanced Driver's Licenses. REAL IDs only provide documentation of identity, not citizenship. |
| **U.S. Passport** | The Department of State issues this. A U.S. passport does not have to be currently valid to be accepted as evidence of U.S. citizenship, as long as it was originally issued without limitation. Do not accept any passport as evidence of U.S. citizenship when it was issued with a limitation. Passports issued with a limitation may only be used as proof of identity. |
| **Tribal Identification Documents** | Documentary evidence issued by a federally recognized Indian tribe, which meets all the following criteria:<br><br>• Identifies the federally recognized Indian tribe that issued the document |

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| | • Identifies the individual by name<br>• Confirms the individual's membership, enrollment, or affiliation with the tribe<br><br>Such Tribal identification documents include, but are not limited to:<br><br>• A Tribal enrollment card;<br>• A Certificate of Degree of Indian Blood;<br>• A Tribal census document; and<br>• Documents on Tribal letterhead, issued under the signature of the appropriate Tribal official<br><br>A photograph is not required to be part of these documents. |

### 7.2.4.3 Evidence of Identity

If an applicant is unable to provide stand-alone documentation of citizenship (7.2.4.1), in addition to providing evidence of citizenship (7.2.4.2), they must also provide evidence of identity. The applicant may provide any documentation of identity listed in the chart below or Process Help, Section 68.3 Acceptable Citizenship and Identity Documentation to prove identity, provided such document has a photograph or other identifying information sufficient to establish identity such as name, age, sex, race, height, weight, eye color, or address.

In addition, you may accept proof of identity from a Federal agency or another State agency, including but not limited to a law enforcement, revenue, or corrections agency, if the agency has verified and certified the identity of the individual. If the applicant does not have any documentation of identity and identity is not verified by another Federal or State agency, he or she may submit an affidavit, signed under penalty of perjury, by a person other than the applicant who can reasonably attest to the applicant's identity. Such affidavit must contain the applicant's name and other identifying information establishing identity, as described above. The affidavit does not have to be notarized. The applicant may submit a Statement of Citizenship and/or Identity (F-10161) or another affidavit.

| Acceptable Documentation of Identity Only | Description/Explanation |
|---|---|
| **State or Territory Driver's license** | Driver's license issued by a U.S. State or Territory either with a photograph of the individual or other identifying information of the individual such as name, age, sex, race, height, weight or eye color. |

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| | REAL IDs only provide documentation of identity, not citizenship. |
| **Education Document** | For children under age 19, school records providing the name and other identifying information. School records would include, but not be limited to report cards, daycare or nursery school records. |
| **FoodShare Identification Requirement met** | Verifying the identity of the primary person is a requirement for a FoodShare application. Once this requirement is met for FoodShare, it is also met for the identity verification requirement for health care. |
| **Identification card issued by Federal, State, or local government** | Must have the same information as is included on driver license. |
| **Institutional Care Affidavit (Form F-10175)** | If the applicant cannot produce the accepted documents verifying identity, a signed Statement of Identity for Persons in Institutional Care Facilities (F-10175) may be used. A residential care facility administrator signs this form under penalty of perjury attesting to the identity of a disabled individual in the facility. |
| **U.S. Military card or draft record, Military dependent's identification card, or US Coast Guard Merchant Mariner card** | Must show identifying information that relates to the person named on the document. |
| **Medical record** | Doctor, clinic, or hospital records for children under age 19 only. |
| **Motor Vehicle Data Exchange** | This is a data exchange update with the Division of Motor Vehicles or when verifying an individual's identity through the DOT Driver License Status Check website. |
| **Multiple Identity documents** | An individual may provide 2 or more corroborating ID documents to verify his/her identity. Examples include marriage license, divorce decree, high school or college diploma, or an employer ID card. |
| **Other MA Program Verified Identity** | An individual has already provided proof of identity while they were receiving Wisconsin Medicaid outside of CARES. For example, use this for members previously enrolled through the Katie Beckett program. |

| | |
|---|---|
| **State ID Paid by Agency** | Must have the same information as is included on driver license. |
| **School Identification card** | School identification card with a photograph of the individual and/or other identifying information. |
| **Written Affidavit for Children (Form F-10154)** | If the applicant cannot produce the accepted documents verifying identity for children under 18 years of age, a Statement of Identity for Children Under 18 Years of Age (F-10154) is acceptable. The affidavit must be signed under penalty of perjury by a parent, guardian or caretaker relative stating the date and place of birth of the child.<br><br>The affidavit does not have to be notarized. |
| **Written Affidavit (Form F-10161)** | If the applicant cannot produce the accepted documents verifying identity, then a Written Affidavit may be used. If the documentation requirement needs to be met through an affidavit, the following rules apply:<br><br>• It must be signed by an individual other than the applicant, who can reasonably attest to the applicant's identity, and<br>• That contains the applicant's name, and other identifying information such as, age, sex, race, height, weight, eye color, or address.<br>• The affidavit must be signed under penalty of perjury.<br>• The affidavit does not have to be notarized.<br><br>A signed Statement of Citizenship and/or Identity (F-10161) may be used for individuals who are unable to obtain any level of acceptable documentation. |

# 15.1 INCOME INTRODUCTION

## 15.1.2 Special Financial Tests for Disabled Minors

A blind or disabled minor (or dependent 18-year-old) would have his or her Medicaid eligibility determined according to the following special procedures when the disabled minor fails BadgerCare Plus financial tests. This process essentially deems parental income to the disabled minor. The deemed parental income is added to the disabled minor's income when determining the disabled minor's financial eligibility for EBD Medicaid.

The disabled minor is a separate fiscal group of one. A child who is an SSI recipient is not considered to be a household member and therefore not included in any of the following procedures. The following procedures are also different from those used to test for HCBW Medicaid eligibility for the Children's Long-Term Support Waiver Program (see Section 28.14 Home and Community-Based Waivers Long-Term Care Children's Long-Term Support).

An ineligible child in this section is a minor child who is neither disabled nor blind.

An eligible child in this section is a minor child who is disabled or blind or both.

Calculate the countable income of everyone in the household using the following six steps.

1. For each ineligible child in the household:

    a. Subtract the ineligible child's unearned and earned income from the EBD Deeming Amount to an Ineligible Minor (see Section 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances).
    b. The remainder is the amount to be allocated to the ineligible child from parental gross unearned income. Subtract this amount from the parental unearned income.

    If there is not enough parental unearned income to allocate the whole amount, allocate the rest from parental gross earned income.

2. If there was any remaining parental unearned income from step 1(b), subtract $20, the general income exclusion, from the amount.

If there is not enough unearned income to subtract the full $20, subtract the rest of the $20 from the parental earned income.

3. Starting from what is left of the parental earned income, first subtract $65, and then subtract half of the remainder.

4. To this remaining parental earned income, add any parental unearned income remaining after steps 1(b). and 2. This is the total parental income.

5. From the total parental income, subtract the appropriate Parental Living Allowance (see Section 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances). Use the amount for an individual if one parent lives in the home or the amount for a couple if both parents, or one parent and a spouse, live in the household.

The remainder is the total parental income to be deemed to the eligible child(ren).

6. Divide the parental deemed income equally among the eligible children. Use the EBD-Related Determination Worksheet (Worksheet 06) (see Section 40.1 Worksheets Table of Contents) to calculate each child's Medicaid eligibility.

**Example 1:** Mr. and Mrs. Darwin have two children. Matthew, eight years old, is disabled, and is the eligible child. Jenny, 10 years old, is the ineligible child. Neither child has income. The Darwins have no unearned income. Parental earned income is $3,~~000~~006 a month.

EBD deeming amount to an ineligible minor (see Section 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances) = -$~~386~~392
---
Remaining earned income $2,614
General income exclusion -$20
Remaining earned income $2,594
Earned income exclusion -$65
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Remaining earned income $2,529
1/2 remaining earned income -$1,264.50
---
Parental living allowance -$1,157

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Income deemed to eligible child = $107.50

**Example 2:** Lawrence has three children. One is disabled. None have any income. His monthly income is $2,050 earned and $~~390~~402 unearned.

Unearned income = $~~390~~402.00

EBD Deeming Amount for two ineligible minors (see Section 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances) -$~~772~~784.00

After subtracting this from unearned income, there is $382 remaining allocation that can be applied to earned income.

Lawrence's earned income $2,050
Excess allocation -$382
---
Remaining earned income $1,668
General income exclusion -$20
---
Remainder $1,648
Earned income exclusion -$65
Remainder $1,583
1/2 remaining earned income -$791.50
Parental living allowance -$771
---
Income deemed to eligible child $20.50

# 15.6 SELF-EMPLOYMENT INCOME

## 15.6.6 Verification

Self-employment income information is not available through data exchanges and therefore must be verified (see Section 20.3.8 Income).

Completed ~~and signed~~ IRS tax forms (see Section 15.6.2.2 By IRS Tax Forms) are sufficient verification of farm and self-employment income. A completed and signed SEIRF (or SEIRFs) is also sufficient verification.

If a Program Add request is made on a case with self-employment income, use the existing SEIRF information, instead of re-verifying it, if all of the following are true:

- A recent determination was made.
- SEIRFs were used.
- No significant change has been reported by the individual.
- The business has not filed taxes in the meantime.

**Note:** It is not necessary to collect copies of supportive verification, such as receipts from sales and purchases. However, verification can be requested when the information given is in question (see Section 20.4.1 Questionable Items Introduction). If requesting verification, workers must document the reason for the request in case comments.

# 16.2 ASSETS AVAILABILITY

## 16.2.1 Assets Availability Introduction

An asset is available when:

1. It can be sold, transferred, or disposed of by the owner or the owner's representative, and
2. The owner has a legal right to the money obtained from sale of the asset, and
3. The owner has the legal ability to make the money available for support and maintenance, and
4. The asset can be made available in less than 30 days.

Consider an asset as unavailable if **either**:

1. The *member* lacks the ability to provide legal access to the assets, and
2. No one else can access the assets, and
3. A process has been started to get legal access to the assets.

**Or,**
When the owner or owner's representative documents that the asset will not be available for 30 days or more, and the process has been started to obtain the assets.

Use the criteria above to determine whether an asset was available in a backdate month unless an asset is deemed unavailable in the month of application because it will not be available for 30 or more days (considered unavailable in any or all backdate months).

**Note:** Employer Health Reimbursement Arrangements (HRAs) are not an available resource. DHS's Third Party Liability Unit will consider an HRA to be a potential source of payment for health care services covered by Medicaid.

**Example 1:** Sylvia has life insurance that she cannot convert to cash within 30 days. She has a letter from the insurance company stating when she will receive the money. It becomes available the day she receives the money. Enter an expected change in *CWW* with the date the asset is expected to be available.

**Note:** An unavailable asset may still be considered when determining whether an institutionalized person has divested (see Section 17.2.10 Unavailability).

# 16.7 LIQUID ASSETS

## 16.7.2 Loans~~,~~ (including Home Equity Loans), Reverse Mortgages, and Promissory Notes

The following information applies except as directed otherwise in Section 16.7.2.1 Reverse Mortgage and Section 16.7.2.2 Loans and Other Contracts Exchanged for Promissory Notes.

If an *AG* member receives a loan and it is available for current living expenses, count it as an asset. Do this even if there is a repayment agreement. If it is not available for current living expenses, *disregard* it.

If an AG member makes a loan (except a land contract), treat the repayments as follows:

1. Count any repayments toward the principal of the loan, whether it is a full payment, a partial payment, or an installment payment, as an asset.
2. Count any interest payment on the loan as unearned income in the month received and as an asset in the months following the month it was received.

# 18.4 SPOUSAL IMPOVERISHMENT ASSETS

## 18.4.1 Spousal Impoverishment Assets Introduction

Count the combined assets of the institutionalized person and his or her *community spouse*. (**Note**: *Disregard* prenuptial agreements. They have no effect on *spousal impoverishment* determinations.) Add together all countable, available assets (see Section 16.1 Assets Introduction) the couple owns.

Do not count the following assets:

- *Homestead* property. If the institutionalized person and the community spouse each own home property and meet the criteria in Section 16.8.1.3 Exempt Home Property, exempt the institutionalized person's home but not the community spouse's home.

> **Example 1:** One spouse is in a nursing home, the other lives in the community. They have lived apart for 10 years. The institutionalized person owns a home and intends to return. The community spouse owns a different home. The home that each spouse owns is the principal residence of that spouse. The institutionalized person's home is an exempt asset. The community spouse's home is not exempt.

If they both own homes and the institutionalized person's home is not exempt, count the institutionalized person's home but exempt the spouse's home. Both homes cannot be exempt simultaneously.

- One vehicle, regardless of value or purpose. If the *AG* has more than one vehicle, completely disregard ~~one~~the vehicle ~~totally~~with the highest equity value, regardless of ~~value or~~ purpose. Then, for the remaining vehicles, follow the *EBD* rules for vehicles (see Section 16.7.9 Vehicles [Automobiles]). Note: Do not allow additional vehicles to be exempted under Section 16.7.9, unless they meet the definition to exempt under the provisions for property essential to self-support, plan to achieve self-support or temporarily inoperable as outlined in the section.

  Example: Howard is applying for benefits. Howard is in an institution and Marianne is his community spouse. They own a boat with an equity value of $10,000 and an automobile with an equity value of $7,000. Because the boat has a higher equity value, it is disregarded. The automobile does not meet the criteria for exemption and so is a counted asset; count $7,000 in the asset assessment and the asset determination.

- All assets designated for burial purposes. Any unreasonable amount should be supported by documentation of the burial-related costs or contract.

  Do not allow applicants and members to simply state that they are setting aside an unreasonable amount of cash (e.g., $1,000,000) as their burial fund for unspecified funeral expenses. If they can document the funeral expense that they expect to incur, it can be totally exempt regardless of its cost.

  For example, ask the *member* to document that he or she has arranged to purchase a $100,000 casket or that a funeral home will provide them with a $75,000 funeral along with an itemized listing of the funeral goods and services that will be provided.

  This differs from EBD burial policies for non-institutionalized persons and institutionalized persons without a community spouse (see Section 16.5 Burial Assets).

- Household goods and personal items, regardless of their value.
- All assets not counted in determining EBD Medicaid eligibility.
- *IRA*s of an ineligible community spouse (see Section 16.7.20 Retirement Benefits).

## 18.4.3 Calculate the Community Spouse Asset Share

The community spouse asset share is the amount of countable assets greater than $2,000 that the community spouse, the institutionalized person, or both, can possess at the time the institutionalized person applies for Medicaid.

| **IF the total countable assets of the couple are:** | **Then the community spouse asset share is:** |
|---|---|
| $~~252,840~~257,280 or more | $~~126,420~~128,640 |
| Less than $~~252,840~~257,280 but greater than $100,000 | ½ of the total countable assets of the couple |
| $100,000 or less | $50,000 |

# 18.6 SPOUSAL IMPOVERISHMENT INCOME ALLOCATION

## 18.6.2 Community Spouse Income Allocation

To determine how much of the institutionalized spouse's income to allocate:

1. The community spouse maximum income allocation is one of the following:
    a. $2,818.34 plus excess shelter allowance (see Section 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances) up to a maximum of $3,~~160.50~~216.00.

"Excess shelter allowance" means shelter expenses above $845.50. Subtract $845.50 from the community spouse's shelter costs. If there is a remainder, add the remainder to $2,818.34 (see Section 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances).

Community spouse shelter costs include the community spouse's expenses for:

- Rent
- Mortgage principal and interest
- Taxes and insurance for principal place of residence. This includes renters insurance.
- Any required maintenance fee if the community spouse lives in a condominium or cooperative.
- The standard utility allowance established under FoodShare:

| **If the community spouse pays:** | **Add:** |
|---|---|
| Heat and utilities | Heating Standard Utility Allowance* |
| Utilities only | Limited Utility Allowance* |
| Telephone only | Phone Utility Allowance* |
| If the community spouse lives in a condominium or cooperative where the maintenance fee includes utility expenses, reduce the standard utility allowance by the amount of utility expenses included in the maintenance fee.<br><br>* See the FoodShare Wisconsin Handbook Section 8.1.3 Deductions for the current standard utility allowance amounts. | |

For *HCBW* cases, follow these rules to determine when to add the excess shelter cost to the community spouse income allocation:

- If the waiver person's community spouse lives with him or her, do not add the excess shelter cost to the income allocation.
- If the waiver person's community spouse does not live with him or her, add the excess shelter cost to the income allocation.

b. A larger amount ordered by a fair hearing decision or a court order. A court or fair hearing can increase the community spouse income allocation if it determines the spouse is not able to provide for his or her necessary and basic maintenance needs with the amount allocated.

2. The maximum allocated amount is the difference between the allowable community spouse income allocation and the community spouse's monthly gross income. Use the *EBD* income rules, but do not give earned income, unearned income, and work-related deductions.

The institutionalized spouse may choose to allocate less than the maximum amount.

# 22.1 ESTATE RECOVERY

## 22.1.7 Notify Members

~~Provide~~ A copy of the Wisconsin Medicaid Estate Recovery Program Handbook (P-13032) must be provided to every Medicaid member 54 1/2 years old or older or institutionalized at application, except members who are only applying for or a member of one of the Medicare Savings Programs. CARES will send this documentation automatically. Have each member or his or her representative read the notice of liability on the application form ("Estate Recovery"). He or she acknowledges understanding of this notice when signing the application.

## 22.1.8 Disclosure Form

~~Complete an~~The Estate Recovery Program ~~Disclosure form~~(ERP) must be provided with asset information whenever a Medicaid member:

1. Enters or resides in a nursing home, **or**
2. Enters or resides in an inpatient hospital and is required to pay a Medicaid cost of care liability, **or**
3. Becomes 55 years old.

~~Do this~~ This information must be provided even if he or she has zero assets.

~~Complete the form with information about the member, his or her spouse, and his or her children that are blind, disabled, or under age 21.~~

~~Attach a legible copy of the latest property tax bill or a copy of the property deed for any real property reported if possible. This may give ERP staff the property's legal description needed to file a lien.~~

~~Attach a legible copy of any documents relating to trusts created by the member or the member's spouse.~~

~~Request the member or his/her agent to sign the completed form. If he or she~~ CARES will ~~not sign the form:~~send this information automatically.

~~1. Sign the form at the "Member Signature" line.~~
~~2. Note near your signature that you reviewed the data with the person or his or her agent. Indicate:~~

~~a. That he or she did or did not agree the data was accurate.~~
~~b. The reason he or she did not sign.~~

~~In a mail-in application situation, document if the form was not returned or was returned without a signature.~~

~~Send the completed form to the ERP. File a copy in the case record.~~

~~You need not update this form unless there is a substantial change in circumstances (for example, an inheritance).~~

# 22.2 CORRECTIVE ACTION

### 22.2.2.2 Overpayment Amount

Use the actual income that was reported or required to be reported when determining if an overpayment has occurred. The amount of recovery may not exceed the amount of the Medicaid benefits incorrectly provided.

If a case was ineligible due to excess income, recover whichever is less of the following:

- Fee-for service claims and any HMO capitation payments Medicaid paid, or
- The amount the member would have paid toward a deductible (if eligible for a deductible)

To calculate the overpayment amount, use ForwardHealth interChange data from the Total Benefits Paid by Medicaid Report(s). The overpayment amount depends on the Medicaid category and whether the case is fee-for-service or enrolled in an HMO or MCO.

If a case or person was ineligible for reasons other than excess income or not eligible for a deductible, recover the amount of fee-for-service claims paid by the state and any HMO ~~or~~and MCO capitation rates the state paid. Use ForwardHealth interChange data from the Total Benefits Paid by Medicaid Report(s). Deduct any contribution made by the member (for example, premium or cost share) for each month in which an overpayment occurred from the overpayment amount.

For the overpayment amounts for institutional (Section 22.2.2.1 Overpayment Period~~(Section 22.2.2.1 Overpayment Period),~~), home and community-based waivers (Section 22.2.2.2.1.2 Family Care, Family Care Partnership, PACE, and IRIS~~waiver (Section 22.2.2.1 Overpayment Period),~~), Medicaid Purchase Plan (Section 22.2.2.2.4 [MAPP]), and deductible (Section 22.2.2.3 Deductible) cases see the appropriate sections.

#### 22.2.2.2.1.2 Family Care, Family Care Partnership, PACE, and IRIS

For Family Care, Family Care Partnership, PACE, or IRIS cases in which an omission of fact results in ~~a Family Care~~ either of the following conditions:

- The individual's income has been underreported, which has resulted in CARES calculating a cost share ~~or patient liability~~ that is less than it should be ~~or results in~~ .

- The individual's income has been underreported, which has resulted in CARES calculating no cost share ~~or patient liability~~for the individual when there should be ~~one, do the following:~~a cost share.

~~1. Follow the instructions in Process Help, Section 31.3.6.1Recalculate the cost share or patient liability for any past months that would have been affected.~~
~~2. Calculate the difference between the paid cost share or patient liability amount and the new cost share or patient liability amount for those months.~~
~~3. Send the member a notice indicating the correct cost share or patient liability for the months in question. Indicate on the notice the cost share or patient liability amount still owed to the MCO for each past month in question. Do not attempt to recover the overpayment.~~
~~4. Report the new cost share or patient liability amount to the MCO so it can collect the correct amount for future months.~~

~~It is the MCO's responsibility to collect the difference between the cost share already paid and the correctly calculated cost share amount. This amount is not an overpayment of Medicaid funds; it is the amount the member owes the MCO directly.~~

An individual may choose to continue to receive benefits pending an appeal decision. If the appeal decision is that the individual was ineligible, the benefits received while awaiting the decision can be recovered.

## 22.2.2.3 LIABLE INDIVIDUAL

Except for minors, collect overpayments from the Medicaid member, even if the member has authorized a representative to complete the application or renewal for him or her. Join liability for married couples is as follows:

- Legally married spouses living in the household at the time the overpayment occurred are jointly liable for overpayments.
- For cases for which spousal impoverishment rules have been applied, the legally married spouses who signed the application or renewal are jointly liable even though one of the spouses may be institutionalized.

**Example 8:** Sofie applied for Medicaid in December and at that time designated her daughter, Lynn, as her *authorized representative*. Lynn did not report some of her mother's assets when she applied, which would have resulted in Sofie being ineligible for Medicaid. Sofie was determined to be ineligible for Medicaid from December–March. Recover from Sofie any benefits that were provided to her from December–March. Even though Lynn failed to report the information as the authorized representative, Lynn is not liable.

**Example 9:** Mary and Herman are married, living together, and eligible for SSI-related Medicaid without a deductible. At their annual renewal, the IM worker discovers an undisclosed pension that would have pushed the couple above the income limit for the program, requiring them to meet a deductible before being eligible. Because they are married and were living in the same household at the time of the overpayment, Mary and Herman will be jointly liable for the entire overpayment that is calculated for the time period in question.

**Example 10:** Jill and Samuel are married and living together. Jill is eligible for SSI-related Medicaid. Samuel receives federal and state SSI. At renewal, the IM worker discovers that Jill receives disability income from her former employer. This income was not disclosed at application. Because they are married and were living in the same household at the time of the overpayment, both Jill and Samuel are jointly liable for any overpayment calculated for the benefits incorrectly paid to Jill.

If a minor received Medicaid in error, make the claim against the minor's parent(s) or legally responsible relative if the parent or legally responsible relative was living with the minor at the time of the overpayment.

# 25.0 SPECIAL STATUS MEDICAID INTRODUCTION

Federal provisions require *DHS* to continue to consider specified groups of former *SSI* beneficiaries as SSI beneficiaries for Medicaid purposes, as long as they would otherwise be eligible for SSI payments “but for” the income disregards required to be given in each special status group.

These “special status” Medicaid groups include the following:

- 503 cases (see Section 25.1 "503" Eligibility~~Section 25.1 "503" Eligibility)~~)
- *DAC* (see Section 25.2 Disabled Adult Child)
- Widows and widowers (see Section 25.3 Widows and Widowers)
- 1619 cases (see Section 25.5 1619 Cases)

When determining the eligibility for Special Status Medicaid applicants and members, the appropriate *COLA* and *OASDI* income disregards, as described in the policy for each group, must be given.

Each Special Status Medicaid group has a specific set of requirements that must be met before the member can be considered a Special Status MA member (see sections listed above). Simply losing SSI or receiving a DAC or Widow/Widower payment does not automatically qualify a member for a Special Status disregard.

# 25.1 "503" ELIGIBILITY

## 25.1.1 "503" Introduction

Federal law requires that the *IM* agency provide Medicaid eligibility to any person for whom the following conditions exist:

- He or she is receiving OASDI benefits.
- He or she was receiving *SSI* concurrently with OASDI but became ineligible for SSI **for any reason**.
- Total countable income, excluding the "503" disregarded income, is less than or equal to the categorical income limits for SSI-related Medicaid.
- Total countable assets must be below the categorical asset limits for SSI-related Medicaid.

**Note:** "Concurrent" includes situations in which OASDI eligibility is granted retroactively for months in which the person was also receiving SSI. It also includes situations in which *SSA* recovers the SSI payment because the OASDI payment covers the same time period for which the person received SSI. On the other hand, "concurrent" does not include situations in which SSI eligibility is granted retroactively for a period in which the person was also receiving OASDI benefits.

An assistance group with these two characteristics is often referred to as a "503" assistance group. The name comes from Section 503 of the law that implemented this policy (Public Law 94-566).

**Example 1:** Kathy received SSI and SSSS (Social Security Surviving Spouse) payments for five years. She lost her SSI payment due to an increase in unearned income when she began receiving a pension payment in January of this year. While an increase in the COLA was not the reason for her loss of the SSI payment, she is still entitled to receive a COLA disregard on any OASDI payments she receives because she received OASDI concurrently with SSI and lost SSI.

Kathy will receive COLA disregards on her SSSS payment in order to determine her eligibility for special status Medicaid.

## 25.1.2 Identifying a "503" Assistance Group

When a "503" assistance group applies for Medicaid, *disregard* all OASDI COLAs the assistance group has received since the last month he or she was eligible for and received both OASDI and SSI benefits.

To identify a "503" assistance group, complete the following steps:

1. Determine whether, after April 1977, there has ever been a month in which one of the following conditions existed for the applicant or member:

    - He or she was eligible for both OASDI and SSI (a person who received SSI fraudulently does not qualify as a "503" case).
    - He or she received an OASDI check or a retroactive OASDI check and a SSI check for the same month in which he or she was eligible for both OASDI (or retroactive OASDI) and SSI.

    a. If the answer to both questions is "No," the applicant or member is not considered a "503" assistance group.
    b. If the answer to either of the questions is "Yes," the applicant or member is no longer receiving SSI. Proceed to Step 2.

2. Determine if the applicant or member is now receiving an OASDI check.
    a. If the answer is "No," he or she is not a "503" assistance group.
    b. If the answer is "Yes," he or she is a "503" assistance group and will receive a COLA disregard. Enter “Y” on the Individual Nonfinancial>Prior SSI page in *CWW*.

If the applicant or member was receiving *SSI-E*, the state SSI-E will also be deducted (see Section 39.4.1 Elderly, Blind, or Disabled Assets and Income Table). SSI-E assistance groups are SSI recipients who receive a higher state supplement than regular SSI. People who receive SSI-E payments must live in one of the following:

- In substitute care
- At home and need more than 40 hours a month of primary long-term support services.

## 25.1.3 Calculating the Cost-of-Living Adjustment Disregard

To calculate the COLA disregard amount, do the following:

1. Find the assistance group's current gross OASDI income. The gross OASDI income is the amount of the OASDI check plus any amount that has been withheld for a Medicare premium plus any amount withheld to repay an earlier overpayment.

    Do not include in the gross income any Medicare Plan B premiums, which the state has paid for the assistance group.

2. On the COLA Disregard Amount Table (see Section 39.6 Cost-of-Living Adjustment), find the last month in which the person was eligible for and received a check for both OASDI (or retroactive OASDI) and SSI.
3. Find the decimal figure that applies to this month.
4. Multiply the person's current gross OASDI income by the applicable decimal figure. The result is the COLA disregard amount.

**Example 2:** Newby's current gross OASDI income is $820. He is not currently receiving SSI benefits. The last month in which he was eligible for both OASDI and SSI and received benefits from both was April 2013. On the COLA Disregard Amount Table (see Section 39.6 Cost-of-Living Adjustment), April 2013 falls between January–December 2013.

The decimal figure that applies to April 2013 is 0.031247. Multiply 0.031247 by $820 to find Newby's COLA disregard amount of $25.62. Subtract the $25.62 disregard amount from the $820 OASDI. Newby's income is then $794.38. This amount is below the EBD income limit of $816.78, which makes him eligible.

Periods of Medicaid ineligibility do not affect this disregard. When the person reapplies, give the disregard again.

# 28.6 HOME AND COMMUNITY-BASED WAIVERS LONG-TERM CARE ELIGIBILITY GROUPS AND COST SHARING

## 28.6.2 Group A

Group A members are waiver functionally eligible and Medicaid eligible via ~~*SSI* (including *SSI-E* Supplement and *1619a* and *1619b*) or a~~ any full-benefit Medicaid subprogram ~~(see Section 21.2 Full-Benefit Medicaid)~~ **other than HCBW Medicaid.** ~~This does not include someone solely eligible for any of the limited benefit Medicaid subprograms (see Section 21.3 Limited Benefit Medicaid).~~

- Group A members may be eligible for any of the full-benefit Medicaid programs, as listed in Section 21.2 Full-Benefit Medicaid, including those eligible for Special Status MA (see Section 25.0 Special Status Medicaid Introduction).
- Group A does not include someone solely eligible for any of the limited benefit Medicaid subprograms listed in Section 21.3 Limited Benefit Medicaid.

Group A members do not have a cost share.

Members who have met a deductible are eligible for community waivers as a Group A. The member remains eligible as a Group A until the end of the deductible period. At the next review the member will be able to make a choice between meeting the deductible to receive Medicaid (remaining a Group A) or becoming eligible for community waivers as a Group B or B Plus with a potential cost share.

Group A members are financially eligible with no cost share. They are only subject to the asset limit and any premiums associated with the full-benefit Medicaid source, if applicable. For example, if the member's Medicaid source is MAPP, s/he would be subject to the MAPP asset limit and premium calculated. If the member's Medicaid source is BadgerCare Plus, the member would not have an asset limit, but may still have a premium calculated.

**Note:** Group A members do not have an asset limit if they are Group A eligible via BadgerCare Plus, Adoption Assistance Medicaid, Foster Care Medicaid, Katie Beckett Medicaid, or Wisconsin Well Woman Medicaid since these programs do not have an asset test. All Group A members, including those who are eligible for Group A through BadgerCare Plus eligibility, are subject to the divestment policy described in Chapter 17 Divestment.

## 32.6 MEDICARE SAVINGS PROGRAMS ASSET LIMITS

| Asset Limits for *QDWI* | |
|---|---|
| **Group Size** | **Asset Limit** |
| 1 | $4,000 |
| 2 | $6,000 |

*QMB*, *SLMB*, and *SLMB+* have the same asset limit.

| Asset Limits for QMB, SLMB, and SLMB+ | |
|---|---|
| **Group Size** | **Asset Limit** |
| 1 | $7,~~730~~860 |
| 2 | $11,~~600~~800 |

Divestment of assets has no effect on QMB, SLMB, SLMB+, or QDWI eligibility.

View History

# 37.3 HCBW MEDICAID CARES PROCESSING FOR THE CLTS WAIVER PROGRAM

When a child who is functionally eligible for the CLTS program is referred to IM, he or she must first be tested for eligibility using HCBW rules. To be eligible for HCBW Medicaid, the child must be both Medicaid-eligible and functionally eligible. To determine eligibility for HCBW, only the child's income is counted. Effective 10/01/09, assets are no longer counted for disabled or institutionalized children. Since assets are disregarded, there can be no divestment in a HCBW Medicaid case for a child.

If an applicant or participant is ineligible for HCBW, he or she must then be tested for BadgerCare Plus.

HCBW requests must be processed differently depending on whether there are any other people on the case who are requesting health care. If the CLTS applicant is the only household member applying for healthcare, the packet provided by the CWA is all that is required to be submitted (see Sections 37.3.1 and 37.3.2). When the CWA submits the F-10129 to the IM agency, the primary person is required to provide a second signature. The primary person can chose to call the IM agency to provide a telephonic signature or mail a signed Application Summary (see Section 2.5.1 Valid Signature Introduction). See Process Help Section 9.7 Home and Community-Based Waiver Medicaid for Children's Long-Term Support for processing instructions.

# 39.4 ELDERLY, BLIND, OR DISABLED ASSETS AND INCOME TABLES

## 39.4.1 Elderly, Blind, or Disabled Assets and Income Table

The values in the following table were effective January 1, 2019.

| Group Size | | | | |
|---|---|---|---|---|
| **Category** | | **1** | | **2** |
| SSI-Related Categorically Needy Limits | Assets | $2,000.00 | Assets | $3,000.00 |
| | Income | $~~597~~605.78 (+ actual shelter up to $~~257~~261.00) | Income | $~~903~~915.38 (+ actual shelter up to $~~385~~391.67) |
| SSI-Related Medically Needy Limits | Assets | $2,000.00 | Assets | $3,000.00 |
| | Income | ~~$591.67~~$1040.83 (effective 9/1/2019) | Income | ~~$591.67~~$1,409.17 (effective 9/1/2019) |
| ***SSI* Payment Level** | | | | |
| Federal SSI Payment Level | Income | $~~771~~783.00 | Income | $1,~~157~~175.00 |
| *SSP* | Income | $83.78 | Income | $132.05 |
| Total | Income | $~~854~~866.78 | Income | $1,~~289~~307.05 |
| SSI Payment Level + E Supplement | Income | $~~950~~962.77 (Home Maintenance Maximum Allowance) | | $1,~~634~~652.41 |
| SSI E | Income | $95.99 | | $345.36 |

| | | | | |
|---|---|---|---|---|
| Supplement | | | | |
| Community Waivers Special Income Limit | Income | $2,~~313~~349.00 | | |
| Institutions Categorically Needy Income Limit | Income | $2,~~313~~349.00 | | |
| Substantial Gainful Activity Limit (non-blind individuals) | Income | $1,~~220~~260.00 | | |
| Substantial Gainful Activity Limit (blind individuals) | Income | $2,~~040~~110.00 | | |

## 39.4.2 Elderly, Blind, or Disabled Deductions and Allowances

The cost-of-living adjustments in the following table were effective January 1, 2019.

| **Description** | | **Amount** |
|---|---|---|
| Personal Needs Allowance (effective 7/1/01) | | $45.00 |
| EBD Maximum Personal Maintenance Allowance | | $2,~~313~~349.00 |
| EBD Deeming Amount to an Ineligible *Minor* | | $~~386~~392.00 |
| Community Waivers Basic Needs Allowance | | $~~951~~963.00 |
| Parental Living Allowance for Disabled | **1 Parent** | $~~771~~783.00<br>$1,~~157~~175.00 |

| | | |
|---|---|---|
| Minors | **2 Parent** | |
| *MAPP* Standard Living Allowance Standard Living Allowance = SSI + State Supplement + $20 | | $~~874~~886.00 |

The spousal impoverishment values in the following table were effective July 1, 2019.

| **Description** | **Amount** |
|---|---|
| *Community Spouse* Lower Income Allocation Limit | $2,818.34 |
| Community Spouse Excess Shelter Cost Limit | $845.50 |
| Family Member Income Allowance | $704.58 |

## 39.6 COST-OF-LIVING ADJUSTMENT

To calculate the *COLA disregard* amount, do the following:

1. Find the *AG*'s current gross *OASDI* Benefits income. The gross OASDI income is the sum of the following:

    - OASDI check.
    - Any amount that has been withheld for a Medicare premium.
    - Any amount withheld to repay an earlier overpayment.

    Do not include in the gross income any Medicare Plan B premiums that the state has purchased for the AG.

2. On the COLA Disregard Amount Table below, find the last month in which the person was eligible for and received a check for both OASDI and *SSI*.
3. Find the decimal figure that applies to this month.
4. Multiply the person's current gross OASDI income by the applicable decimal figure. The result is the COLA disregard amount.

| **COLA Disregard Amount** | |
|---|---|
| January to December 2019 | 0.015748 |
| January to December 2018 | 0.~~027237~~ 042556 |
| January to December 2017 | 0.~~046311~~061330 |
| January to December 2016 | 0.~~049164~~064137 |
| January to December 2015 | 0.~~049164~~064137 |
| January to December 2014 | 0.~~065058~~ 079781 |
| January to December 2013 | 0.~~078875~~093380 |
| January to December 2012 | 0.~~094272~~108535 |
| January to December 2011 | 0.~~125745~~139513 |

| | |
|---|---|
| January to December 2010 | 0.~~125745~~139513 |
| January to December 2009 | 0.~~125745~~139513 |
| January to December 2008 | 0.~~173672~~186685 |
| January to December 2007 | 0.~~192250~~ 204971 |
| January to December 2006 | 0.~~218055~~ 230369 |
| January to December 2005 | 0.~~248852~~ 260681 |
| January to December 2004 | 0.~~268599~~280118 |
| January to December 2003 | 0.~~283643~~ 294924 |
| January to December 2002 | 0.~~293533~~ 304659 |
| January to December 2001 | 0.~~311436~~ 322280 |
| January to December 2000 | 0.~~334721~~345198 |
| January to December 1999 | 0.~~350313~~ 360545 |
| January to December 1998 | 0.~~358651~~368751 |
| January to December 1997 | 0.~~371842~~381734 |
| January to December 1996 | 0.~~389545~~399159 |
| January to December 1995 | 0.~~405015~~ 414385 |
| January to December 1994 | 0.~~421221~~430335 |
| January to December 1993 | 0.~~435888~~444771 |
| January to December 1992 | 0.~~452318~~460493 |
| January to December 1991 | 0.~~471859~~480177 |
| January to December 1990 | 0.~~498918~~506809 |
| January to December 1989 | 0.~~521412~~528948 |

| | |
|---|---|
| January to December 1988 | 0.~~539819~~547066 |
| January to December 1987 | 0.~~558367~~565322 |
| January to December 1986 | 0.~~564035~~570900 |
| January to December 1985 | 0.~~577143~~583803 |
| January to December 1984 | 0.~~591443~~597877 |