



# The Indiana Family and Social Services Administration

## 2014 ABD Medicaid Eligibility Changes (1634 Transition)





# Introduction

**June 1, 2014:**

Indiana implements eligibility changes to the aged, blind, and disabled (ABD) Medicaid program



## Key Outcomes:

1) Comprehensive coverage for more Hoosiers

- Fill coverage gaps
- Ensure consistent provider reimbursement

2) Simplified disability eligibility process

- One application for Medicaid & Social Security disability benefits

3) Efficient use of Hoosier taxpayer dollars

- Leverage federal programs
  - Marketplace subsidies
  - Medicare Savings Program match

# Background & Program Changes

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graph LR; A[Program Changes & Improvements] --> B[Transition Plan]; B --> C[Application Process Changes]
```

Program  
Changes &  
Improvements

Transition  
Plan

Application  
Process  
Changes



# 209(b) and 1634: What Does It Mean?

- Federal government allows states options for determining Medicaid eligibility for the aged, blind & disabled population
- Indiana is currently a 209(b) State
- In 2013, the Indiana General Assembly passed legislation to transition the State to 1634 status (IC 12-15-2-3.5)

<b>Policy Difference</b>	<b>Current Status: 209 (b)</b>	<b>Future Status: (1634)</b>
SSI (Supplemental Security Income) Recipients & Medicaid Enrollment	<ul style="list-style-type: none"><li>• No automatic enrollment</li><li>• Separate application to Medicaid required</li></ul>	<ul style="list-style-type: none"><li>• Automatic enrollment</li><li>• No separate application</li></ul>
Spend Down Program	<ul style="list-style-type: none"><li>• State is required to operate a spend down program.</li></ul>	<ul style="list-style-type: none"><li>• State is <u>not</u> required to operate a spend down program</li></ul>

# Transition Plan for Current Members



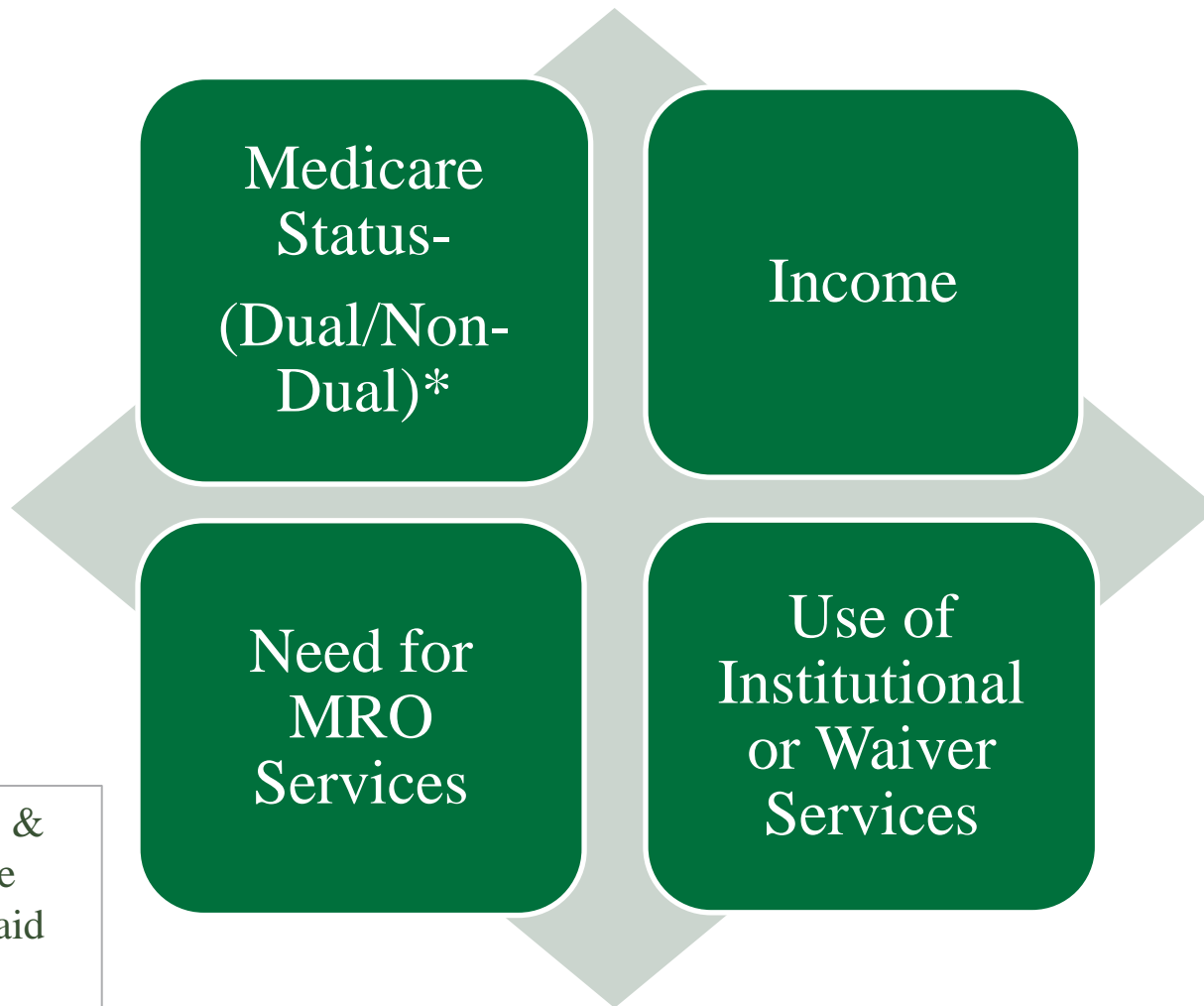
Program  
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# Future Coverage Opportunities for Current Members



\*Dual = Medicare & Medicaid coverage  
Non-Dual=Medicaid coverage only



# Future Coverage for Institutionalized and Waiver Members

- Institutionalized and waiver spend down members able to keep coverage
  - If member income is at or below threshold:
    - No change or member action required
- If member income exceeds threshold:
  - Member must establish a Miller trust
    - Without Miller trust, member loses eligibility

	Monthly Income Limit
Individual	\$2,163

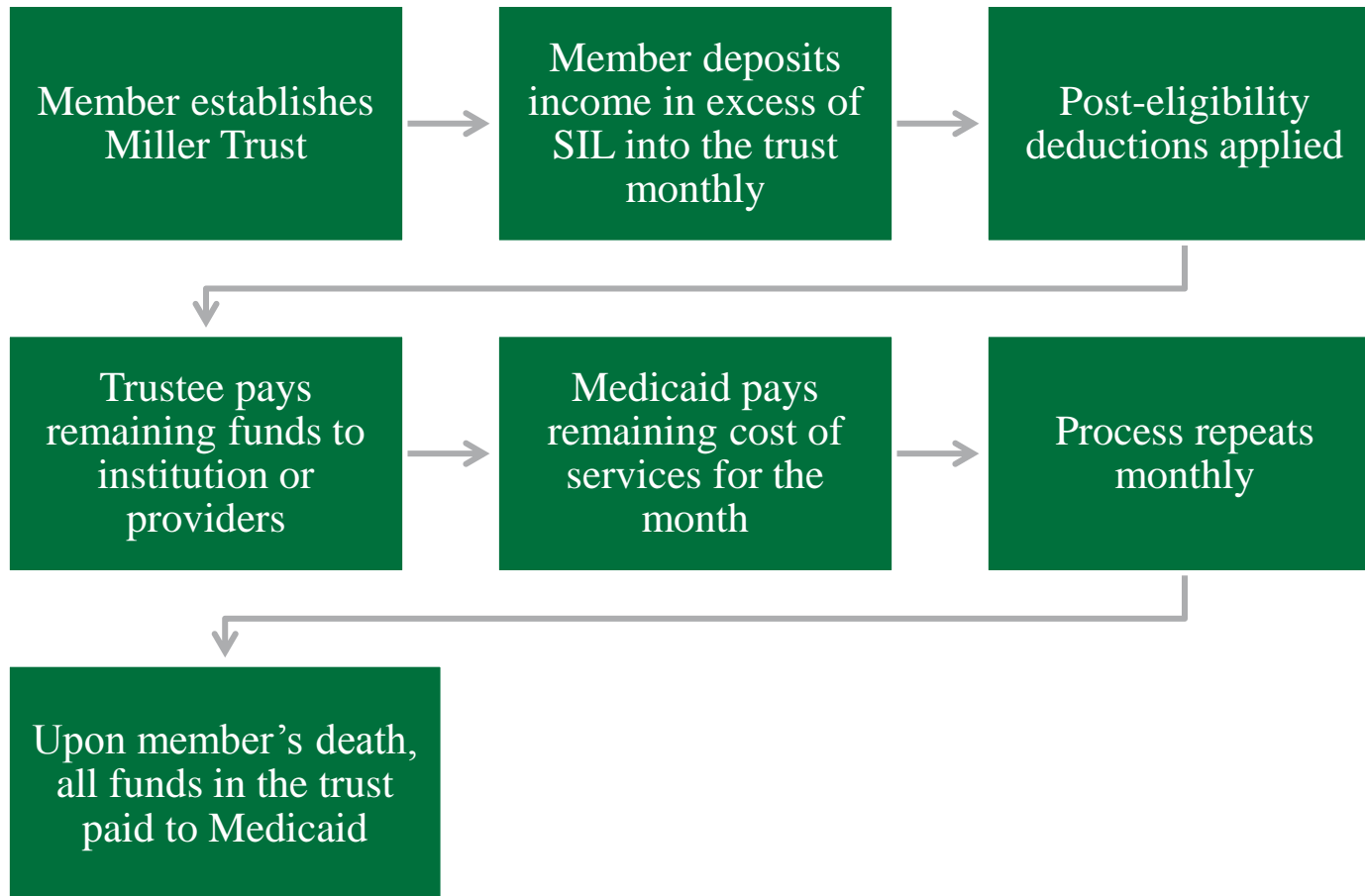
- Monthly income limit = 300% of the maximum Federal SSA Benefit Rate.
  - Also known as the SIL: Special Income Limit



# Miller Trust Background

- A Miller Trust is a legal structure that allows income in excess of the eligibility limit for institutional and waiver services to be disregarded.

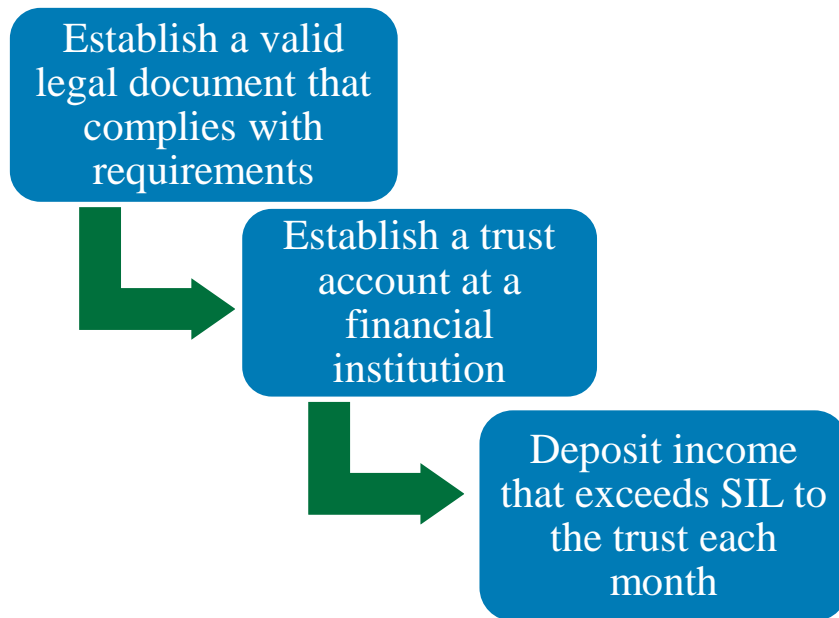
## How a Miller Trust Works







## How Does a Member Establish a Miller Trust?



- Resources being developed:
  - Miller trust instructions & template
  - Referral list for free or low-cost legal assistance:
    - Local Area Agencies on Aging
    - Local elder law attorneys
    - Legal Aid
    - Indiana Legal services
- 3,423 members over the SIL (December 2013)
  - 3,197 institutionalized members
  - 226 waiver members
  - Some may already have Miller trusts



# Transition Plan Summary

Impacted Group	Transition Plan	Member Action Recommended
SSI Recipients not enrolled in Medicaid	State enrolls in full ABD Medicaid	None
Individuals <=100% FPL not enrolled in full Medicaid*	State enrolls in full ABD Medicaid	None
Duals 100%-185% FPL*	State enrolls in Medicare Savings Program	None
Duals >185% FPL*	Refer to State Health Insurance Assistance Program (SHIP)	Contact SHIP to learn about supplemental coverage options
Non-duals >100% FPL*	Refer to Marketplace	Enroll in Marketplace coverage & affordability programs

\*Only those enrolled in spend down or a Medicare Savings Program will be automatically transitioned; new members will have to apply for coverage



# Transition Plan Summary, cont.

Impacted Group	Transition Plan	Member Action Recommended
Individuals with SMI >100% FPL	BPHC program for coverage of MRO services	Apply through Community Mental Health Center <ul style="list-style-type: none"> <li>• Providers notified of changes and will assist</li> </ul>
Institutional and Waiver Beneficiaries <Special Income Limit	No changes in coverage	None
Institutional and Waiver Beneficiaries >Special Income Limit	Communication, outreach, & resources <ul style="list-style-type: none"> <li>• Establish Miller trust to maintain eligibility</li> </ul>	Establish Miller trust before June 1, 2014 to maintain eligibility



# Member & Provider Communications

## Member Notices

- General:
  - 1634 late February
- Specific (1915(i), early February; 1634, early April):
  - Recommended action (if any)
  - Instructions for reporting changes in circumstances
- Final (mid-May):
  - Notification of appeal rights
  - Notification of new status/disenrollment

## Web Resource Center

- Member Frequently Asked Questions (FAQ's)
- Eligibility screening guide
- Instructions & template for developing Miller trust

## Provider Bulletin and FAQ's

- Issued mid-April

\*All dates are estimated.



## **Current Members & SSA Disability Determinations**

- Current members auto-transitioned without regard to status with SSA
- When due for an Medical Review Team (MRT) progress report:
  - State will require member to apply to SSA for disability determination
  - Current members may initiate SSA application process *before* next scheduled progress report

# Process Changes for Future Applicants

How the ABD Medicaid application process will change in Indiana post-transition

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graph LR; A[Program Changes & Improvements] --> B[Transition Plan]; B --> C[Application Process Changes];
```

Program  
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# Disability Medicaid Application Process Post-Transition

## Application to SSA for Disability Benefits

### Exceptions:

- Direct application to IN Medicaid without SSA determination if:
  - Applicant is a child
  - Applicant has a recognized religious objection to applying for federal benefits (e.g., Amish)

### SSI Eligible

- State auto-enrolls in Medicaid

### SSDI-Eligible

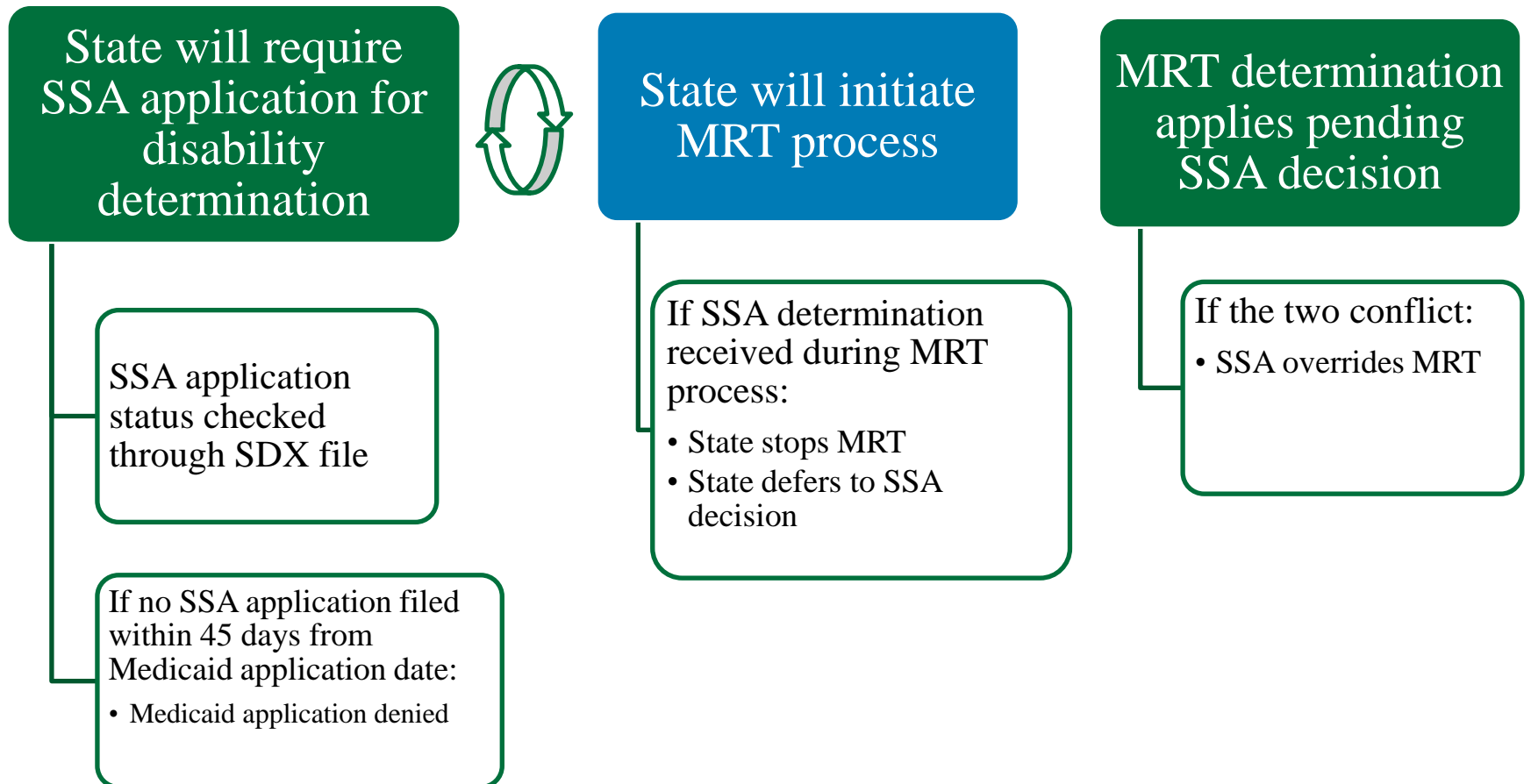
- Apply to Indiana Medicaid for verification of other eligibility factors
- Will not undergo MRT process

### SSA Denial (determined non-disabled)

- Generally Medicaid ineligible
  - State will not initiate MRT process for applicant except in two cases (to be discussed)



# Medicaid Applications without SSA Disability Determination







## Exceptions to SSA Denial

Applicant with an SSA denial may undergo MRT process in the following circumstances:

- Change or worsening of old condition since SSA denial OR
- A new condition, AND
  1. More than 12 months have passed since denial
    - State will require applicant to re-apply/appeal to SSA

**OR**

2. Fewer than 12 months have passed since denial **and** SSA has refused to consider new evidence



## Post-Transition Appeals

- Applicant should appeal to SSA if:
  - Applicant has an SSA disability denial
- Applicant should appeal to Indiana Medicaid if:
  - MRT determined applicant non-disabled
  - Application denied for reasons other than disability (i.e., excess income or resources)

# Conclusion



# Impacts of 1634 Transition and Associated Changes

- More comprehensive coverage for spend down members
  - Full Medicaid for members up to 100% FPL
  - Premium & cost-sharing support for Medicare recipients < 150% FPL
  - Premium support for Medicare recipients > 150% FPL
- Simplified eligibility processes
- Ability to cover more low income Hoosiers:
  - 14,000 current SSI recipients not currently enrolled in Indiana Medicaid
  - Future SSI recipients
  - About 28,000 Medicare recipients not enrolled in spend down or the Medicare Savings program
- Efficient use of Hoosier taxpayer dollars
  - \$35.7 million savings in SFY 2015
  - Similar savings in future years



# Transition Timeline

January 30  
Stakeholder Meeting & 1634 Web site launch

Late February  
1634 Initial Member Notice

Early April  
Issue Provider Bulletin & FAQs

Mid-March  
Miller Trust Notice

June 1:  
Go Live

Early February  
1915 (i) Member Notice

Early April  
1634 2<sup>nd</sup> Member Notice

Mid-May  
Final Member Notice

**TECHNICAL IMPLEMENTATION & STAFF TRAINING**

\*All dates are estimated.

## For More Information

- Online
  - <http://www.fssa.in.gov> under “Resources”
  - <http://www.indianamedicaid.com> on the “Members” and Providers” pages

- Contact:

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