

Implementation Guide: Medicaid State Plan Eligibility Individuals in Institutions Eligible under a Special Income Level

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Individuals in Institutions Eligible under a Special Income Level

POLICY CITATION

Statute: 1902(a)(10)(A)(ii)(V)

Regulations: 42 C.F.R. §435.236, §435.622, §435.1005

BACKGROUND

Overview

This reviewable unit (RU) describes the optional Medicaid eligibility group for individuals who are living in a medical institution and who have income below a specified income level. It provides the criteria under which individuals may be covered under this group and the income and resource standards used.

Section 1902(a)(10)(A)(ii)(V) of the Social Security Act (the Act) gives states the option to extend Medicaid eligibility to certain individuals who are in an institution for at least 30 consecutive days and who have income under a special income level (this group is commonly referred to as the “special income level group”). A state generally may elect to cover in this group children, people with disabilities or blindness, and people 65 years old and older.

Institutionalization

To qualify for the special income level group, an individual must be continuously institutionalized for 30 days. It is not necessary that the individual be in the same institution for the consecutive 30 day period. For example, an individual who is in a hospital for seven consecutive days and then transferred to a skilled nursing facility for the next 23 days would meet the 30 day requirement. However, if the same individual left the hospital and returned home for two days before moving to the skilled nursing facility, the 30 day clock would start over on the first day in the skilled nursing facility.

Additionally, while an individual may not qualify for the special income level group until day 30 of institutionalization, the individual’s effective date of eligibility is retroactive to the first day of the 30 day period of institutionalization. For example, if an individual enters an institution on April 1 and is continuously institutionalized through at least April 30th, the individual’s Medicaid eligibility would be effective on April 1st.

Financial Eligibility

Each state establishes its own income standard for the special income level group. As described at 42 C.F.R. §435.1005, income eligibility is capped at 300 percent of the SSI federal benefit rate (FBR) for an individual. The FBR is the maximum amount the SSI program will pay to an individual who has no other income. States may set their income standard at the maximum of 300 percent of the SSI FBR; they may also establish a lower income standard based on either a percentage of the SSI FBR or fixed dollar values.

The income standard established for this eligibility group is a gross income standard. This means that all of the individual's income is counted, with no deductions such as those that would normally be applied when determining eligibility for a cash assistance program. The income counting rules of the most closely related cash assistance program are used, but without the income disregards. A 209(b) state may elect to apply its more restrictive requirements, in lieu of using the income counting rules of the most closely related cash assistance program. But like other states, otherwise applicable income disregards may not be applied.

The 300 percent SSI FBR income cap is a hard cap. States that use 300 percent of the SSI FBR as their income standard cannot apply less restrictive income methodologies under section 1902(r)(2) of the Act. However, a state that uses a lower income standard may apply less restrictive income methodologies as long as application of the less restrictive methodology does not result in the grant of eligibility to an individual whose gross income exceeds 300 percent of SSI FBR.

The resource standard for the special income level group is the same standard used by the most closely related cash assistance program. For example, if the individual is 65 years of age or older, the resource standard would be the standard used by the SSI program. A state may use its authority under section 1902(r)(2) of the Act to apply less restrictive resource methodologies.

REVIEWABLE UNIT DEPENDENCIES

Many RUs in MACPro are dependent upon other RUs. Each time a primary RU is changed, there could be an effect on other, secondary RUs which are dependent on the primary. For example, in the **Mandatory Eligibility Groups** RU, there is a question as to whether the state covers the Adult Group. If **Yes** is selected, and if a box is checked to include the Adult Group in the submission package, then the **Adult Group** RU will be included by the system in the package and the user can navigate to it to complete it. If **No** is selected, the **Adult Group** RU will not be included in the package. In this example, the **Mandatory Eligibility Groups** RU is the **Primary RU** and the **Adult Group** RU is the **Secondary RU**. The **Adult Group** RU is considered to be dependent on selections made in the **Mandatory Eligibility Groups** RU.

Whenever a change in a primary RU may affect a secondary RU, you either need to revise the secondary RU (if it is already in the package) or add the secondary RU to the package so that it can be updated in the same submission package as the primary RU.

The following table explains the dependent relationships for the **Individuals in Institutions Eligible under a Special Income Level** RU:

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability	Individuals in Institutions Eligible under a Special Income Level	<u>For States Only:</u> Unless the Eligibility Determinations for Individuals Age 65 or Older or Who Have Blindness or a Disability RU (primary) has either been approved in MACPro or is included, completed and validated in the submission package, the Individuals in Institutions Eligible under a Special Income Level RU (secondary) cannot be displayed.	If the secondary RU will not display because the primary RU is neither approved in MACPro nor included in the package: <ul style="list-style-type: none"> • Add the primary RU to the package, complete it and validate it. • Alternatively, remove the secondary RU from the package.

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability	Individuals in Institutions Eligible under a Special Income Level	For States Only: The selection of 209(b) State , or SSI Criteria or 1634 State as the basis for the eligibility determination in section A of the Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability RU (primary) affects the requirements displayed in C of the Individuals in Institutions Eligible under a Special Income Level RU (secondary) with respect to financial methodology.	<ul style="list-style-type: none"> You must complete, save and validate the primary RU before you can complete the secondary RU. Once the primary RU is approved in MACPro, it does not have to be included again in a submission package unless the basis changes, in which case the secondary RU also has to be included again.
More Restrictive Requirements than SSI under 1902(f) - (209(b) States)	Individuals in Institutions Eligible under a Special Income Level	For 209(b) States Only: Unless the More Restrictive Requirements than SSI under 1902(f) - (209(b) States) RU (primary) has either been approved in MACPro or is included, completed and validated in the submission package, the Individuals in Institutions Eligible under a Special Income Level RU (secondary) cannot be displayed.	<p>If the secondary RU will not display because the primary RU is neither approved in MACPro nor included in the package:</p> <ul style="list-style-type: none"> Add the primary RU to the package, complete it and validate it. Alternatively, remove the secondary RU from the package.
More Restrictive Requirements than SSI under 1902(f) - (209(b) States)	Individuals in Institutions Eligible under a Special Income Level	For 209(b) States Only: The More Restrictive Requirements than SSI under 1902(f) - (209(b) States) RU (primary) must be approved or included in the same package in order for the user to view it from the Individuals in Institutions Eligible under a Special Income Level RU (secondary).	<p>Click on the View... link to see the most current version of the primary RU.</p> <ul style="list-style-type: none"> If the primary RU has been included in the package, that version will display. If the primary RU has not been included in the package, the latest approved version will display.

INSTRUCTIONS

A. Characteristics

There are statements (A.1. and A.2.) describing the characteristics of this eligibility group.

B. Individuals Covered

At B.1., select *Yes* or *No* to indicate if the state covers all individuals who meet the characteristics in section A.

- If *No* is selected at B.1., at B.2., select one or more of the six options to describe the individuals who are covered in this eligibility group.
 - If B.2.e. *All Individuals under age 21, or a lower age* is selected, choose one of the four options to indicate the age of the children covered.
 - If B.2.f. *Reasonable classifications of children* is selected, enter reasonable classifications by selecting the *Add Classifications* button. See the **Reasonable Classifications of Children – Under Age 21, 20, 19 or 18** implementation guide for the instructions on how to complete the screen.
 - Once this screen has been saved, select the *Edit Classifications* button to add or remove a classification.
 - Once the reasonable classifications are finalized, continue to the next section.

C. Financial Methodologies

For 1634 and SSI Criteria States and for Territories Only

- At C.1., there is a statement that the methodologies of the most closely related cash assistance program are used in calculating household income for this eligibility group except that income disregards are not applied.
- At C.2., there is a statement that the methodologies of the most closely related cash assistance program are used in calculating household resources for this eligibility group.

If you wish to view the approved methodologies for income and resources, select the ***View approved version of Non-MAGI Methodologies*** link.

- The **Non-MAGI Methodologies** RU will appear if there is an approved version in the MACPro system.
- If there is no approved version of the RU in MACPro, a screen will appear with the following message: “There is no approved version of this reviewable unit in MACPro available to display.”
- Select the ***Individuals in Institutions Eligible under a Special Income Level*** link to return to the **Individuals in Institutions Eligible under a Special Income Level** RU.
- At C.3., select *Yes* or *No*, to indicate if less restrictive methodologies are used in calculating countable income.
 - If *Yes* is selected, click on the **Add/Modify Less Restrictive Methodologies** button.

- When you have completed these screens, the less restrictive methodologies selected will be inserted into the **Individuals in Institutions Eligible under a Special Income Level RU**. (See the implementation guides, **Less Restrictive Income Methodologies – Selection** and **Less Restrictive Income Methodologies** for how to complete these screens.)

For 209(b) States Only

- Select option **C.1.** or **C.2.** to indicate the methodologies used in calculating countable income and/or resources.
 - If **C.1.** is selected, there is a statement that the methodologies of the most closely related cash assistance program are used in calculating household income for this eligibility group except that income disregards are not applied.

If you wish to view the approved methodologies for income and resources, select the ***View approved version of Non-MAGI Methodologies*** link.

- The **Non-MAGI Methodologies** RU will appear if there is an approved version in the MACPro system.
- If there is no approved version of the RU in MACPro, a screen will appear with the following message: “There is no approved version of this reviewable unit in MACPro available to display.”
- Select the ***Individuals in Institutions Eligible under a Special Income Level*** link to return to the **Individuals in Institutions Eligible under a Special Income Level RU**.
- If **C.2.** is selected, there is a statement that more restrictive requirements than the most closely related cash assistance program are used in calculating household income and resources, except that income disregards are not applied.

If you wish to view the more restrictive requirements:

- If the **More Restrictive Requirements than SSI under 1902(f) – (209(b) States)** RU is included in this submission package, select the ***View current version of More Restrictive Requirements than SSI under 1902(f) – (209(b) States)*** link to view the version included in this package.
- If the **More Restrictive Requirements than SSI under 1902(f) – (209(b) States)** RU is not included in the package, select the ***View approved version of More Restrictive Requirements than SSI under 1902(f) – (209(b) States)*** link to view the approved version.
- The appropriate **More Restrictive Requirements than SSI under 1902(f) – (209(b) States)** RU will appear for viewing.
- Select the ***Individuals in Institutions Eligible under a Special Income Level*** link to return to the **Individuals in Institutions Eligible under a Special Income Level RU**.

- At **C.3.**, select **Yes or No**, to indicate if less restrictive methodologies are used in calculating countable income.
 - If **Yes** is selected, click on the **Add/Modify Less Restrictive Methodologies** button.
 - When you have completed these screens, the less restrictive methodologies selected will be inserted into the **Individuals in Institutions Eligible under a Special Income Level RU**. (See the implementation guides, **Less Restrictive Income Methodologies – Selection** and **Less Restrictive Income Methodologies** for how to complete these screens.)

D. Income Standard Used

- Select option **D.1.** or **D.2.** to indicate the income standard used for this group.
- If **D.2. *Other lower income standard*** is selected, choose **D.2.a.** or **D.2.b.** to indicate the amount of the standard. Enter the percentage or dollar amount in the text box provided.

E. Resource Standard Used

There is a statement that the resource standard is the one used for the most closely-related cash assistance program.

F. Additional Information (Optional)

Except in limited circumstances, this field remains blank. Please consult with CMS before adding any additional information concerning this RU.

REVIEW CRITERIA

The less restrictive methodologies entered must be sufficiently clear, detailed and complete to permit the reviewer to determine that the state’s description meets applicable federal statutory, regulatory and policy requirements.