

Health Care Financing Administration

Center for Medicaid and State Operations 7500 Security Boulevard Baltimore, MD 21244-1850

June 13, 2000

Dear State Medicaid Director:

This letter provides guidance concerning (1) the recently updated Social Security Administration (SSA) list of children (commonly referred to as the Disabled Children's File) who lost Supplemental Security Income (SSI) due to a change in the SSI disability rules but whose Medicaid eligibility was protected by section 4913 of the Balanced Budget Act of 1997 (BBA), and (2) the use of the State Data Exchange (SDX) system in conducting ex parte redeterminations.

Disabled Children's Files/Section 4913 Lists

Our April 7, 2000 letter to State Medicaid Directors requires States to take steps to identify and reinstate individuals who have been improperly terminated from Medicaid. One of the first steps is to compare the SSA Disabled Children's File against State files to determine which, if any, of the children on the SSA list are not currently receiving Medicaid or are receiving Medicaid but are not identified as Section 4913 children. The letter states that we would work with the SSA to ensure that States have the information they need to identify these children.

I am pleased to inform you that the SSA released an updated Disabled Children's File to each State on April 14. This file, which supersedes previous files, lists those children in your State who were receiving SSI payments on August 22, 1996 and who, effective July 1, 1997 or later, lost the benefit because of a disability determination under the rules enacted in P.L. 104-193, the Personal Responsibility and Work Opportunity Reconciliation Act.

In addition to this State-only file, SSA has developed, and sent to you for the first time, on April 19, a National Disabled Children's File. This national list is intended to assist you in identifying Section 4913

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children who lost SSI in another State and, thus, would not appear on your State-only list. It consists of children in all States who were affected. It is an important tool that will help you to further identify and protect those children who may be new to your State and who you would otherwise not know are protected under section 4913.

We believe that both of these lists will be valuable to your effort to ensure that these children, if otherwise eligible, continue to receive Medicaid as mandated by section 4913 of the BBA.

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Pursuant to our April 7 guidance, States must promptly match the State list against their Medicaid rolls and report the results of the match to the HCFA Regional Office.

State Data Exchange (SDX) and Ex Parte Redeterminations

As outlined in the April 7, 2000 guidance, States must make all reasonable efforts to obtain relevant information from Medicaid files and other readily available sources (subject to confidentiality requirements) in order to conduct ex parte redeterminations. One of those sources of information is the SSA's SDX system.

Per our guidance, information the Federal government is relying on to provide benefits under other programs, such as SSI, should be considered an accurate source of identification for the purpose of ex parte reviews to the extent these programs require regular redeterminations of eligibility and prompt reporting of changes in circumstances. SSA has informed us that financial eligibility in SSI cases is normally reviewed at least yearly and that beneficiaries are required to promptly report changes in circumstances that occur between regularly scheduled redeterminations.

The SDX files are created by SSA for the purpose of furnishing to the States eligibility, payment, and demographic data relating to SSI claimants and recipients. These files include records where a change has occurred in any SDX-related data element, such as address information, SSI payment or eligibility amount, resource levels, and current earned and unearned income. Thus, the SDX system allows States to gather up-to-date information for individuals whose SSI benefits are being terminated. It contains basic beneficiary information, such as name, birth date, Social Security Number, and alien status, and many other data elements that can be useful to States in conducting ex parte redeterminations. A select portion of those elements is described in the Attachment.

The SDX system runs every day and, whenever a data element in a record changes, sends updated files the following day to the State's designated central electronic mailbox. The data in the records sent to the State is never any older than the last income and resource redetermination. The date of that redetermination and the date for the next one are noted in the record.

For each record, the State will receive at least one SDX update per year to reflect cost of living

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adjustments. In the event that the State needs access to a particular individual's SDX record, the State can force an updated SDX file by doing an electronic query of the system. This query will prompt the system to send the updated record to the State's central electronic mailbox the next day.

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Depending upon the data needs of your State, SDX files pulled down from the central electronic mailbox by the State unit responsible for receiving the information may be split up among different State agencies. In these cases, the State Medicaid agency may not be receiving the entire SDX record, but only a selected portion. If you believe that the information in the SDX record that is currently being used in your State for Medicaid purposes does not have enough information or sufficiently updated information upon which to base an ex parte redetermination, you should work with the unit in your State that is responsible for receiving the SDX records to ensure that the Medicaid eligibility unit is being given all of the fields that are

needed and that are available o the State to conduct the ex parte redetermination.

To help ensure that SDX information is being effectively utilized in conducting ex parte redeterminations and to ensure that States are performing the required computer match with the Disabled Children's files, HCFA and SSA have made a commitment to work with States to ensure that they have the information that they need.

If you have any questions regarding the format or transmission of the State-only or National Disabled Children's file or the SDX system, please contact John Bauer of the Social Security Administration at (410) 965-5463. If you have any questions regarding the State's use of the files or SDX information for Medicaid purposes, please contact your HCFA Regional Office

Sincerely,

/s/

Timothy M. Westmoreland
Director

[Attachment](#)

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cc: All HCFA Regional Administrators

All HCFA Associate Regional Administrators For Medicaid and State Operations

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Paul Swanenburg Chief, Data Exchange Branch Social Security Administration

Lee Partridge Director, Health Policy Unit American Public Human Services Association

Joy Wilson Director, Health Committee National Conference of State Legislators

Matt Salo Director of Health Legislation National Governors' Association

Select SDX Data Elements

The following lists and briefly describes key data elements in the SDX files sent to each State by SSA.

Current Records Indicator - This shows which SDX record is the most current record on the SDX file. This is useful when multiple transactions on a particular day have caused the generation of more than one record on the file for a particular Social Security Number.

Last Transaction Date - This is the date the last transaction was applied to the Supplemental Security Record (SSR). This element can be useful in determining when information, such as earned income, was updated.

Last Transaction Type - This reflects the last reported event. In cases where more than one reportable event; e.g., address change, returned check, or redetermination diary update, has occurred simultaneously, only the last change entered will be shown.

Redetermination Date - This reflects the completion date of the last SSI redetermination. This information is useful when checking income and resource information while conducting ex parte redeterminations for Medicaid.

Recipient Type Code - This indicates the type of recipient or other individual involved in the record; e. g., aged individual, blind individual, disabled individual.

Payment Status Code - This is made up of two elements, the first of which reflects the status of the SSI/ State Supplement payment and the second of which reflects the reason for the status; e.g., the recipient is

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eligible for SSI and/or a State Supplement and payment is due or the case is in hold status pending final disposition.

Denial Code - This shows the reason a claimant was initially denied for SSI/State Supplemental payments; e.g., cessation of the recipient's disability or the recipient's countable income exceeds Title XVI payment amount and his/her States payment standard.

Resource Codes - These codes provide information on an individual's resources, such as whether or not the individual owns a home, automobile, life insurance policy, or has income from rental property.

Earned Income Period - This is the month to which the earnings are to be charged. Earned income is shown on a monthly basis.

Earned Income Net Countable Amount - This is the current month's amount of earned income, after all exclusions are applied, used in determining eligibility. If the payment is based on factors in the current budget month, this amount is also used to compute the payment.

Unearned Income Frequency - This indicates whether or not unearned income is being received and the frequency of receipt; e.g., continuous monthly payment or one-time payment.

Unearned Income Type - This indicates the particular kind of unearned income the recipient is or was receiving; e.g., Social Security or workers compensation.

Unearned Income Net Countable Amount - This reflects the current month's amount of unearned income after all exclusions are applied. It includes income deemed available to the individual. It is used in determining eligibility and, if the payment is based on factors in the current budget month, for computing the payment.

Name of Ineligible Spouse or Parent - This reflects the name of the ineligible spouse or parent. Other data elements provide the Social Security Number and income and resource information for the ineligible spouse or parent. This can help make ex parte review simpler and potentially more useful.

Medicaid Eligibility Code - This shows the Medicaid eligibility status; e.g., eligible for Medicaid (1634 States only) or State determination, not SSA's responsibility.

Medicaid Effective Date - This reflects the most current period of eligibility or referral for Medicaid. For an interstate moves from a non-Federal Medicaid determination State to a Federal Medicaid determination State, this will be the date the beneficiary moved into the State. For an interstate move between two Federal Medicaid determination States, this date will not change unless eligibility factors cause a change in the Medicaid Eligibility Code. This data element is not filled if the record is going to a non-Federal Medicaid determination State.

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Medicaid Unpaid Medical Expense Indicator - In 1634 States, which have elected to share the cost of asking the unpaid medical expense question, this reflects whether the claimant incurred any medical expenses during the three months before the application file date (This is not updated after the initial posting).

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