

TO: Local District Commissioners, Medicaid Directors and IM Directors

FROM: Betty Rice, Director
Division of Consumer and Local District Relations

SUBJECT: Clarification of Residency Rules for Residents of Certain Adult Care Facilities

EFFECTIVE DATE: Immediately

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This message is to clarify the recent change in law affecting the rules for determining which local district is fiscally responsible (DFR) for Medicaid for residents of certain adult care facilities.

As stated in GIS 02 MA/006, effective March 1, 2002, individuals residing in certain adult care facilities (Congregate Care Level II-adult home, enriched housing program or residence for adults) remain the fiscal responsibility of the social services district from which the individual was admitted. This responsibility continues until there is a "break in need".

Individuals who were residing in an adult care facility on or before March 1, 2002 and were receiving Medicaid, continue to be the responsibility of the district in which the facility is located. For individuals who were residing in an adult care facility prior to March 1, 2002, but whose application was still pending as of March 1, 2002, the district from which the individual entered the facility is responsible for providing Medicaid.

Listed below are some examples to help clarify this new policy.

Example 1: In November 2001, an individual moved from Suffolk County to an adult care facility in Nassau County. An application was filed on 2/14/02, but a determination on the application was not made as of 3/1/02. Since the individual was not in receipt of assistance as of 3/1/02, s/he remains the responsibility of Suffolk County.

Example 2: On 2/25/02 an active recipient enters a nursing home in Schenectady County from an adult care facility in Albany County. Since the individual was in receipt of Medicaid on 3/1/02 and since there has been no break in need, s/he remains the responsibility of Albany County.

Example 3: An Erie County resident enters a VA hospital and from the VA hospital is placed in an adult home in Monroe County. In March 2002, the individual enters a nursing home in Monroe County and files a Medicaid application. The county of fiscal responsibility would be Erie County. As of the processing of the application, the individual does not gain residence in the adult home or the VA hospital. Therefore, the county from which the individual entered the VA hospital is responsible for providing Medicaid (Erie County).

Example 4: An applicant moved from Michigan to an adult home in Genesee County and then to an adult home in Monroe County. An application was filed on 3/18/02. Since the individual does not gain residence in the adult home in Monroe County, we look back to where the individual first established residence under the interstate residency rule. In this example, since the individual intended to establish permanent residence in the State and first resided in Genesee County, Genesee is responsible for providing Medicaid.

Transition Rule - In cases where a recipient entered an adult care facility in another district in 2/02 and the former district provided assistance for the month of move (2/02) and the following month (3/02), although the former district was providing coverage as of 3/1/02, the district where the adult care facility is located is responsible to provide continued assistance for the individual. Example 5 illustrates this policy.

Example 5: On 2/24/02 an Onondaga County recipient enters an adult care facility in Oneida. Onondaga County provided coverage through 3/31/02. Effective 4/1/02, Oneida County would be responsible for providing Medicaid to the individual.