

TO: Local District Commissioners, Medicaid Directors

FROM: Kathryn Kuhmerker, Deputy Commissioner
Office of Medicaid Management

SUBJECT: Revised Federal Poverty Levels for January 1, 2005

EFFECTIVE DATE: January 1, 2005

CONTACT PERSON: Local District Liaison: Upstate:(518) 474-8216
New York City: (212) 268-6855

This is to inform social services districts of revised federal poverty levels effective immediately. The estimated federal poverty levels were effective January 1, 2005 pending the actual poverty levels published in the Federal Register in February. The Department implements the estimated levels to ensure more stable periods of eligibility. However, the actual annual federal poverty line (FPL) is \$50 higher (\$4.00 monthly) than the estimated poverty line. Therefore, the actual FPLs are effective for all new applications and renewals immediately.

The new FPLs are effective with budget From Dates of January 1, 2005 or later. The revised figures will be available on MBL effective March 7, 2005. For all new and pending applications, income must be compared to the revised FPLs. A chart with the new FPLs is attached to this GIS.

All spousal impoverishment cases involving a family member entitled to the family member allowance, which were active on or after January 1, 2005, and which were budgeted using the estimated family member allowance, must be rebudgeted using the new family member allowance. In addition, the increased family member allowance must be used effective January 1, 2005 in determining any requested contribution of income from a community spouse or from a spouse living apart from an SSI-related applicant/recipient.

For undercare cases, a district specific report will be developed identifying cases that are either spenddown or have been denied, due to eligibility based on the estimated poverty levels. These cases will need to be rebudgeted using the new poverty levels.

Some cases with income slightly above the estimated poverty line may gain full Medicaid eligibility. Those individuals whose eligibility may be affected are:

Children under 19	Medicaid Buy-In for Working People with Disabilities
Pregnant Women/Infants	Qualified COBRA Continuation Beneficiaries
Family Health Plus applicants	
AIDS Health Insurance Program (AHIP)	Medicare Savings Programs: (QMB), (SLIMB), (QI-1), (QDWI)

A list of such cases and necessary action will be included in a letter to each district shortly.

Social services districts should revise the notice "Notice to Potential Qualifying COBRA Continuation Beneficiaries" for one and two person households to reflect the January 1, 2005 change in the federal poverty level to \$798 for an individual and \$1070 for a couple. This Notice can be found in 91 ADM 53. For other notices, usual procedures apply.

Effective immediately, in calculating a family member allowance for spousal impoverishment cases, social services districts must use \$1,604 (150% of the federal poverty level for a family of two, divided by twelve) instead of \$1,598 as previously directed in GIS 04 MA/032. If the family member has no otherwise available income, the family member allowance is \$535. For cases that have the lower amount budgeted, adjustments should be made at next contact or renewal.

An ADM is forthcoming on the 2005 Medicaid income and resource guidelines and federal poverty levels. Please direct any questions to your local district liaison.