

TO: Local District Commissioners, Medicaid Directors, Temporary Assistance Directors, Legal Staff, Fair Hearing Staff, Staff Development Coordinators

FROM: Judith Arnold, Director
Division of Coverage and Enrollment

SUBJECT: Increase in Medicaid Eligibility Resource Standards; Elimination of Drug/Alcohol Requirement for Medicaid

EFFECTIVE DATE: April 1, 2008

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The purpose of this General Information System (GIS) message is to advise social services districts of new Medicaid and Family Health Plus resource levels, and elimination of the drug/alcohol requirement for S/CC Medicaid eligibility, pursuant to Chapter 58 of the Laws of 2008; these changes are effective April 1, 2008. This GIS also provides instructions for processing cases with resources in excess of programmed levels.

Resource Standards

The new resource standards represent a significant change from previous levels, and are now the same for the following categories:

- o Under 21, ADC-related and FNP Parents
- o Singles/Childless Couples (S/CC)
- o Low Income Families
- o SSI-related
- o Family Health Plus (FHPlus)- with or without children
- o Medicaid Buy-In for Working People with Disabilities (MBI-WPD)

Effective April 1, 2008 the resource levels for these categories are as follows:

Household Size	2008 Resource Level
1	\$13,050
2	\$19,200
3	\$22,200
4	\$25,050
5	\$27,900
6	\$30,750
7	\$33,600
8	\$36,600
9	\$39,450
10	\$42,300
each add'l	\$2,850

The levels above must be used for eligibility determinations on or after April 1, 2008.

Note: Disabled Adult Children (DACs) and Pickle eligibles must continue to have resources at or below the SSI resource levels of \$2,000 or \$3,000, as applicable. In addition, Qualified Disabled and Working Individuals (QDWIs) and persons applying for or receiving COBRA Continuation Coverage must continue to have resources at or below \$4,000 or \$6,000, as applicable.

MBL is not currently programmed to reflect the new resource levels. Systems support is expected to be available in Summer 2008. Therefore, effective immediately and until systems support is available, districts must take the following steps for budgets with a from date of April 1, 2008 or later, if an applicant/recipient (A/R) has resources over the January 2008 levels:

- First, review the excess resource amount on the LIF/S-CC, Medically Needy, MBI-WPD, or FHPlus budget output screen;
- Second, compare the excess amount to the difference between the old and new levels (see Attachment 1) or look at the total amount of resources and compare to the revised resource standards.
- Third, for cases that are Medicaid eligible under the new standards, but that show excess resources on the Medicaid budget, enter only \$111.11 as the resource amount for the resource type(s). This number will show the case as resource-eligible and make cases easily identifiable in the future.

A/Rs who are resource-eligible for Medicaid but whose budgets show excess resources should be placed in the appropriate Medicaid eligibility category, not in FHPlus unless they are income-eligible for FHPlus.

When an A/R is ineligible due to excess resources using the new levels, workers will need to use manual notice LDSS-3973, Notice of Decision on Your Medical Assistance Application. For the MBI-WPD program, denial and discontinuance manual notices are attached to this GIS message.

Note: The correct FHPlus resource levels are already programmed for households of 1 and 2. Therefore, if the applicant or recipient is S/CC and is denied for both Medicaid and FHPlus (Reason Code U35), a CNS notice may be used, since it informs the A/R that he/she was evaluated for FHPlus.

For Medicaid eligibility on a Temporary Assistance (TA) case, TA resource levels are no longer used. When denial/closing codes U40, U41, U42, U44 and U16 are used on Family Assistance or Safety Net cases for individuals with category code 09, a separate determination is not generated automatically at this time. Therefore, until the system change is programmed to refer these individuals for a separate Medicaid determination, **staff must manually ensure that Medicaid is continued or determined for individuals not TA eligible due to resources**. Reason Code Y99 should be used to process these TA/MA cases and staff must send a manual notice until system changes are made.

Additional instructions for processing cases in New York City are forthcoming.

The charts attached to this GIS message illustrate the new resource levels effective April 1, 2008, the current programmed resource levels and the allowable excess amount. If the excess amount on the MBL output screen is equal to or less than the excess amount listed in the last column of the attached charts, the A/R is eligible.

In addition to the resource level change, the Medicaid income levels for household sizes three and higher have changed effective April 1, 2008. If districts have an ADC-Related adult in a household of three or more who is not eligible for FHPlus and qualifies for Medicaid with a spend-down, call your local district liaison for instructions.

Elimination of Drug/Alcohol Requirement for Medicaid

Also effective April 1, 2008, drug/alcohol requirements are eliminated for Medicaid eligibility for Medicaid applications, recertifications and undercare case processing. **Drug/alcohol screenings, assessments, mandated drug and alcohol treatment**, and monitoring of compliance with such treatment **are no longer a condition of Medicaid eligibility.**

Therefore, A/Rs **must not be denied Medicaid benefits** due to previous drug/alcohol requirements, or any continuing drug/alcohol requirements associated with Temporary Assistance. Additionally, Welfare Reform Exception Code 83 should no longer be used for these individuals. The LDSS must continue to enter Code 83 for managed care enrollees in Temporary Assistance cases, but only where appropriate. Further instructions on this change, including systems support, will follow.