

**TO:** Local District Commissioners, Medicaid Directors

**FROM:** Judith Arnold, Director  
Division of Coverage and Enrollment

**SUBJECT:** Notice Changes Concerning Transfer of Assets and Medicaid Waiver Applicants/Recipients

**EFFECTIVE DATE:** Immediately

**CONTACT PERSON:** Local District Liaison:  
Upstate (518)474-8887 New York City (212)417-4500

The purpose of this GIS is to advise social service districts of recent changes to a number of Client Notice System (CNS) and manual notices.

For local district staff and users of the Department of Health intranet, the updated manual notices are available on the, Office of Health Insurance Programs intranet website: <http://health.state.nyenet/revldssforms.htm>

Districts were advised in GIS 07 MA/018 that individuals applying for or receiving waiver services are not subject to a transfer of assets look-back period nor is the individual subject to a transfer penalty period. The change requires revisions to notices concerning transfer penalties and notices of decision for Community Coverage with Community-Based Long-Term Care. The following CNS and manual notices have been revised to reflect the recent changes:

#### Manual Notices

LDSS-4144 "Notice of Decision on Your Medical Assistance Application - Limited Coverage (Transfer of Assets Penalty)";

LDSS-4145 "Notice of Decision on Your Request For Coverage of Nursing Facility Services - Limited Coverage (Transfer of Assets Penalty)";

LDSS-4294 "Explanation of the Effect of Transfer of Asset(s) on Medical Assistance Eligibility";

LDSS-4489 "Notice of Acceptance of Your Medical Assistance Application (Community Coverage With Community-Based Long-Term Care)"; and

DOH-4321 & 4321S "Notice of Acceptance of Your Medical Assistance Application (Community Coverage Without Long-Term Care)".

**Note:** Districts must reproduce English and Spanish "Action Taken Notices" on legal size (8½ inches x 14 inches) paper, as a two-sided notice. It is particularly important that the fair hearing language be printed on the back of the notice (two-sided) to ensure the recipient is properly notified of fair hearing rights. At this time, not all of the manual notices have been updated in the Spanish version. As they are updated and made available on the intranet, you will be notified.

Updates to the Client Notice System (CNS) are effective December 14, 2007 for the following reason codes, which advise of action taken due to a transfer of assets:

- S02 - "Reduce MA to Limited Coverage, Transfer, Institutionalized Individual";
- S09 - "Reduce MA to Limited Coverage, Excess Income, Spenddown Met, Transfer Institutionalized Individual";
- S70 - "Accept Institutionalized Individual, Limited Coverage Due to Prohibited Transfer, No Excess";
- S71 - "Accept Institutionalized Individual, Limited Coverage Due to Prohibited Transfer, 1-Month Excess Income, Spenddown Met";
- S72 - "Accept Institutionalized Individual, Limited Coverage Due to Prohibited Transfer, 6-Month Excess Income and Resources, Spenddown Met"; and
- S75 - "Accept Institutionalized Individual, Limited Coverage Due to Prohibited Transfer, Excess Resources, Spenddown Met".

Additionally, the following CNS reason codes have been revised to include waiver services as services covered under Community Coverage with Community-Based Long-Term Care:

- S29 - "Continue MA Unchanged, Home Equity Interest Exceeds Limit, No Undue Hardship, Six-Mo Exc. Inc. and Res. Spenddown Met";
- S64 - "All Covered Care and Services to Community Coverage without Long-Term Care, Failure to Provide Documentation of Inc. or Res., No Spenddown";
- S83 - "Accept Institutionalized Individual, Ancillary Only, Failure to Provide Documentation of Resource, 1-Month Excess Income, Spenddown Not Met";
- S84 - "Accept Institutionalized Individual, Ancillary Coverage Only Failure to Provide Documentation of Resources, No Excess Income";
- S86 - "Community Coverage with Community-Based Long-Term Care to Community Coverage without Long-Term Care, Failure to Provide Documentation of Income/Resources At Renewal, No Spenddown";
- S87 - "Continue MA Unchanged, (Attestor or Current Documentor Failed to Verify)";
- S91 - "Accept Community Coverage Without Long-Term Care, Home Equity Interest Exceeds Limit, No Undue Hardship, Excess Income, Spenddown Met";
- X91 - "Accept Community Coverage Without Long-Term Care, Home Equity Interest Exceeds Limit, No Undue Hardship, 6-Month Excess Income/Resources, Spenddown Met";
- C24 - "Accept Community Coverage With Community-Based Long-Term Care";
- C26 - "Community Coverage Without Long-Term Care to Community Coverage With Community-Based Long-Term Care";
- C30 - "Accept Community Coverage Without Long-Term Care, Home Equity Interest Exceeds Limit, No Undue Hardship, No Spenddown"; and
- C31 - "Continue MA Unchanged, Home Equity Interest Exceeds Limit, No Undue Hardship, No spenddown".

**Client Notice System (CNS) - NYC**

New York City changes will be provided under separate cover.

Until changes can be made in the eMedNY system to pay for waiver services under coverage codes 19 and 21, districts must continue to authorize eligible waiver participants with coverage code 01 or 02, as applicable.

Districts should contact their local district liaison if they have any questions.