



Iowa Department of Human Services

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GENERAL LETTER NO. 8-F-87

ISSUED BY: Bureau of Financial, Health and Works Supports
Division of Adult, Children and Family Services

SUBJECT: Employees' Manual, Title 8, Chapter F, **COVERAGE GROUPS**, pages
164, 169, 174, 178, 189, 205, and 214, revised.

Summary

Chapter 8-F is revised to:

- ◆ Update the income limits of the following coverage groups:
 - Qualified Disabled Working Persons (QDWP)
 - Qualified Medicare Beneficiaries (QMB)
 - Specified Low-Income Medicare Beneficiaries (SLMB)
 - Expanded Specified Low-Income Medicare Beneficiaries (E-SLMB)
 - Medicaid for Employed People with Disabilities (MEPD)
 - Medicaid for Kids with Special Needs (MKSIN)
- ◆ Update the +4 on the MEPD Lockbox zip code.
- ◆ Remove instructions for local offices to keep a supply of MEPD premium envelopes.

Effective Date

March 1, 2015

Material Superseded

This material replaces the following pages from Employees' Manual, Title 8, Chapter F:

<u>Page</u>	<u>Date</u>
164, 169, 174	April 4, 2014
178	January 30, 2015
189	April 4, 2014
205	February 21, 2014
214	April 4, 2014

Additional Information

Refer questions about this general letter to your area income maintenance administrator.

Size of Family	200% of Poverty Level
Individual	\$1,962
Couple	\$2,655

Compare the net countable income to the individual limit when income is not deemed from the ineligible spouse to the eligible spouse.

To determine net countable monthly income, follow SSI policies. See [8-E, INCOME POLICIES FOR SSI-RELATED COVERAGE GROUPS](#). Allow the earned and unearned deductions. Consider the income prospectively.

- ◆ The person is **not** eligible for any other Medicaid benefits. If a person is eligible under another coverage group, the person is not eligible for QDWP.
- ◆ The person meets all other general eligibility requirements as other SSI-related Medicaid members (except for substantial gainful activity).

1. Mr. Z, aged 45, is currently receiving Medicare Part A benefits. His income does not exceed 200% of poverty, and his resources do not exceed twice the SSI resource limit. If all other program requirements are met, Mr. Z's application may be approved for the QDWP group.
2. Ms. Y, aged 42, had been receiving social security disability benefits since age 30. She was found not to be disabled four years ago when her income from earnings exceeded the substantial gainful activity level, even though her medical condition remained unchanged. Her disability benefits stopped three years ago, but her Medicare coverage continued without any charge for Part A.

Her extended Medicare Part A without a premium is now ending. Ms. Y chooses to purchase Medicare Part A after her extended benefits end. She applies for Medicaid under QDWP. She has her three minor children living with her.

The worker determines that Ms. Y would be eligible for Medicaid under FMAP-related Medically Needy with no spenddown. She is not eligible for the QDWP coverage group. The application is processed for Medically Needy. Medicaid does not provide for payment of the Medicare Part A premium.

4. Ms. W, age 78, applies for Medicaid on February 1. She is living in her own home. She receives social security benefits but never applied for Medicare. Since Ms. W has a work history, she is eligible to enroll in Part A at any time.

The IM worker refers Ms. W to the Social Security Administration to apply for Medicare Parts A and B. If Ms. W enrolls for Medicare, the worker continues determining eligibility for Medicaid.

Determine the person's net countable income following SSI policies. Allow the earned and unearned income exclusions. Consider income prospectively. Compare the person's net countable income to 100% of the federal poverty level. Current monthly limits are:

Size of Family	100% of Poverty Level
Individual	\$981
Couple	\$1,328

Exclude the social security cost-of-living (COLA) increase received in the current calendar year for January through the month following the month in which the federal poverty level is published. Central office will notify you when to recalculate the poverty level using the social security COLA increases received in January.

Mrs. J receives \$671 from social security and \$175 gross earned income per month. On January 1, her social security increases to \$710 and her gross earned income increases to \$175 due to increased hours. The federal poverty level is published in January. For the months of January and February, Mrs. J's social security COLA increase is disregarded.

Income is considered as follows for January and February (the social security COLA is disregarded):

\$ 671	Gross social security income
— <u>20</u>	Income exclusion
\$ 651	Countable social security income

Relationship Between QMB and Other Coverage Groups

Legal reference: P. L. 100-360, 441 IAC 75.1(29), 76.2(2)

An applicant who is eligible under more than one coverage group can choose under which coverage group eligibility is determined. Screen all applications for QMB and for eligibility under another coverage group.

Explain the options under each group so the applicant can make an informed choice. Medicaid provides for some services not covered under Medicare, such as dental expenses and some prescription drugs.

When a person is approved for an SSI or FIP cash grant, and is entitled to Medicare Part A, the person is eligible for QMB the following month.

Because QMB provides only limited Medicaid coverage, the relationship between QMB and other coverage groups is complex, especially in two areas:

- ◆ When a client is concurrently eligible for QMB and Medically Needy, the client is entitled only to QMB benefits until spenddown is met. Once spenddown is met, the client is entitled to all Medicaid benefits that are payable under Medically Needy.
- ◆ When a QMB client is also eligible for full Medicaid benefits and is living in a skilled nursing facility, client participation is not charged until Medicare coverage is exhausted. See [8-1, Client Participation](#).

Specified Low-Income Medicare Beneficiaries (SLMBs)

Legal reference: 441 IAC 75.1(34)

Limited Medicaid benefits are available to a person who meets all of these conditions:

- ◆ Is entitled to Medicare Part A, which provides benefits for hospital care.
- ◆ Has net countable monthly income that exceeds 100% of the federal poverty level for the family size but is less than 120% of this level.

For family size:	Income is over:	But is less than:
Individual	\$981	\$1,177
Couple	\$1,328	\$1,593

Expanded Specified Low-Income Medicare Beneficiaries (QI-1)

Legal reference: 441 IAC 75.1(36)

Medicaid will pay the cost of the Medicare Part B premiums for “expanded specified low-income Medicare beneficiaries” (expanded SLMBs). NOTE: Medicare refers to the E-SLMB group as “qualifying individuals 1” (QI-1) or a “Medicare Savings Program.” People applying for E-SLMB may refer to the coverage group as QI-1 or as the Medicare Savings Program.

Part B premiums are the **only** service Medicaid covers for this group. Medicare copayments, deductibles, and Part A premiums are not covered. People eligible only for the E-SLMB coverage group do not receive a *Medical Assistance Eligibility Card*.

These limited Medicaid benefits are available to a person who meets all of the following conditions:

- ◆ Is entitled to Medicare Part A, which provides benefits for hospital care.
- ◆ Has net countable monthly income of at least 120% of the federal poverty level for the family size but less than 135% of this level.

For family size:	Income is at least:	But is less than:
Individual	\$1,177	\$1,325
Couple	\$1,593	\$1,793

To determine net countable monthly income, follow SSI policies. See [8-E, INCOME POLICIES FOR SSI-RELATED COVERAGE GROUPS](#). Allow the earned and unearned deductions. Consider the income prospectively.

- ◆ Has resources that do not exceed twice the maximum allowed by the SSI program. Resources are treated according to SSI policies. The resource limits for the SLMB group are \$7,280 for an individual and \$10,930 for a couple. (See [8-D, General SSI-Related Resource Policies](#).)
- ◆ Meets all other SSI-related Medicaid nonfinancial eligibility requirements except for disability determination and age.
- ◆ Is not eligible for any other Medicaid coverage group. (If a person is approved for Medically Needy with a spenddown, the person can receive E-SLMB until the spenddown is met.)

Allow all disregards and exemptions that are allowed for other SSI-related Medicaid coverage groups, including:

- ◆ \$20 general income deduction,
- ◆ \$65 earnings income deduction, and
- ◆ 50% exclusion from the balance of earned income.

MEPD Monthly Income Limits: 250% of Poverty Level								
HH Size	1	2	3	4	5	6	7	8
Limit	\$2,453	\$3,319	\$4,186	\$5,053	\$5,919	\$6,786	\$7,653	\$8,519
Additional person: \$866 each								

Procedure:

Always use form 470-3686, *MEPD Income Worksheet*, to determine if the family monthly income is less than 250% of the federal poverty level (FPL). Entries in the Automated Benefits Calculation (ABC) system will **not** calculate income for MEPD.

Convert weekly income to monthly income by multiplying by 4.3. Convert biweekly income to monthly income by multiplying by 2.15. The *MEPD Income Worksheet* template will:

- ◆ Total the unearned income of all family members and allow one \$20 general income deduction.
- ◆ Total the earned income of all family members and allow the \$65 earnings income deduction, and then make a 50% remainder deduction from the total earned income.
- ◆ Subtract any other applicable deductions, including impairment-related work expenses, as entered on the worksheet.
- ◆ Add the net unearned income and net earned income, and compare the sum to 250% of the federal poverty level for the family size. After you click on the "Calculate" button, the following information will display:
 - The total countable family income.
 - The amount of FPL for the family size (not eligible if over 250%).
 - Monthly MEPD premium amount.
 - MEPD poverty level (as calculated for MEPD eligibility).
 - Whether the person is income eligible.

Procedure:

The MEPD member returns the coupon from the *MEPD Billing Statement* with the payment in the prepaid envelope provided by the Department. The address on the billing coupon is:

Iowa Medicaid Enterprise
MEPD Premium
P. O. Box 10339
Des Moines, IA 50306-9948

If a member brings the premium payment to the local office, do not accept it. Instead, reprint the billing statement for the member so the member will have a coupon to mail in with the payment. See [14-C, STMT = MEPD Billing Statement Screen](#).

If an MEPD member asks questions about the posting of premium payments, do not tell the member to contact Member Services. Member Services **does not process** the payments. Instead, contact the DHS, SPIRS Help Desk for assistance.

Comment:

See [6-Appendix, MEPD Billing Statement](#)
See [14-C, STMT = MEPD Billing Statement Screen](#)

4. If the review is overdue:
 - ◆ Immediately request form 470-3912, *Disability Report for Children*, form 470-4459 or 470-4459(S), *Authorization to Disclose Information to the Iowa Department of Human Services*, and supporting documents from the parents.
 - ◆ After the information is received, make the referral for a disability determination to DDS.

When the child has not been determined to be disabled by the Social Security Administration, the Department must complete the disability determination process. See the *Disability Determination Checklist*, RC-0103, and procedures in [8-C, When the Department Determines Disability](#), for instructions on making the referral.

Family Income Limits

Legal reference: 441 IAC 75.1(43)

Policy:

“Family” includes the MКСN child and family members who **live** with the MКСN child and who are **not** on full Medicaid under another case. Family members include:

- ◆ The parents of the MКСN unmarried child, including stepparents.
- ◆ All siblings under 19 and unmarried.
- ◆ Any children of the MКСN child.
- ◆ The spouse of the MКСN child.

Follow SSI-related income policy to determine income. If the MКСN child is married, do not count the parents’ income. Monthly income limits are:

Household Size	300% of Poverty	Household Size	300% of Poverty
1	2,943	5	7,103
2	3,983	6	8,143
3	5,023	7	9,183
4	6,063	8	10,223

If the family size is over 8, add \$1,040 for each additional member.