

Working Medical Expenses with COLA Instructions

Objective: This job aid is intended to give instructions on how to work cases affected by mass change with related medical expenses. The medical expenses may be current ones that need adjusted or pending medical expense changes or add-ons. As COLA was delayed until 6/1/2017, there are different scenarios a worker may come across when working the reports and adjusting a case.

A) Prior Tasks/Medical Expenses (excluding Health Insurance Premiums) received for LTC cases:

When manually processing a case for COLA, the worker will need to determine if there are any pending medical expenses that need applied. There may be tasks for these expenses, listed as: Expense Change or Incoming Documents. There may also be expenses in ImageNow that need to be applied. Once these are identified the worker will need to follow the steps below.

1. **Tasks:** Claim all tasks related to the pending medical expenses.
2. **Verify Expenses:** Verify through ImageNow and P-1 Medical Necessity form whether these are allowable medical expenses.
 - a. If the expense is not allowable, do not enter the expense on the Expenses page. If the expense has not been data accepted, the worker will need to reject this data. If the expense has been added through data acceptance, the worker will need to remove this expense and a V008 sent with the form for LTC medical expenses submitted are not allowable from the Standard Text for Copy and Paste.
 - b. If the expense is allowable, but is not an ongoing expense and has already been used, do not enter the expense on the Expenses page. If the expense has not been data accepted, the worker will need to reject this data. If the expense has been added through data acceptance, the worker will need to remove this expense and a V008 sent with the form for LTC medical expenses submitted have already been used from the Standard Text for Copy and Paste.
 - c. If the expense is allowable and has not been used, proceed to Step 3. If it's a change to an ongoing expense, skip to step C.
3. **Add New Expenses:** The expense will be added to the Expenses page based on the type of expense that was reported. A one-time expense will be applied with a Begin Date of the first day of the come-up month and an End Date of the last day of the come-up month (unless the amount of the expense exceeds the liability).

B) Prior Tasks/Medical Expenses (excluding Health Insurance Premiums) received for MDN cases:

The same rules apply to a Medically Needy case as listed above with two significant changes.

Change #1: When applying a one-time expense to a spenddown, the expense MUST be end-dated for the last day of the month that the worker is applying the one-time expense in. If the End Date is not given, that one-time expense would be incorrectly applied for each individual month of the base period. The worker should double check that any one-time expenses include End Dates on the Expenses page.

It is possible that there will be one-time expenses that had been used previously listed on the Expenses page. If the worker comes across a case where a one-time expense that was previously used is listed on the Expenses page with no End Date, and the worker will add an End Date (giving timely and adequate notice) to that expense record. Add any overpayment calculated to the overpayment spreadsheet.

If the previously applied expense was applied to a spenddown that remains unmet, the worker will add an End Date for the last day of the month in which the expense was applied. EDBC will be run for all months from the month the expense was applied through current and a NOA will be sent for the increased spenddown amount.

Change #2: If an expense is identified as allowable, but needs to be BENE billed, the worker will not add this expense to the Expenses page. The worker will enter the BENE bill allowable amount into the MMIS.

C) Insurance Premiums – LTC and MDN

1. Medicare Part D Premiums:

The current Medicare part D premium that is recorded on the Medicare Expense page will remain unless or until the consumer reported a new Medicare Part D premium for 2017. When you manually process a case for COLA, if there are no pending tasks for changes in the Medicare Part D premium, no changes will be made to this premium amount. If the consumer reported a change, verification may need to be requested. Once proof is received, the premium would be allowed for the month after report. For a change reported after COLA has been run, the change will be worked just like any other medical expense.

The Medicare Expense page will be updated with a new Medicare Expense record using a Begin Date of the first of the month after the month the new Medicare part D premium will be allowed. The previous Medicare Expense record will be end dated with a date of the last day of the month prior to the new premium.

Note: Medicare part D premiums applied to a consumer already eligible for buy-in will NOT be reduced by the premium benchmark. The premium benchmark was applied at the time of application and once the consumer is buy-in eligible, the amount reported as the part D premium is the amount the consumer actually pays.

2. Medicare part B Premiums:

If manually processing a case for COLA and it includes a Medicare part B premium on the Medicare Expense page that is listed as 'Self' pay, the worker will need to check how many months that premium has been applied. If the premium was applied as 'Self' pay for more than 2 months, the worker will add a new Medicare Expense record, giving timely and adequate notice. If the case is for a LTC recipient, the worker will calculate an understated liability. If the case is for a spenddown recipient, the case will be added to the overpayment spreadsheet.

The new Medicare Expense record will be added beginning the month after the worker has ended the previous record. This record would list the same information for Part A and Part D (unless the Part D premium is also changing) but would show 'State' for Part B.

3. Blue Cross & Blue Shield (BCBS) Medicare Supplement Premiums:

If you are manually processing a case for COLA and it includes a BCBS premium, unless the consumer has reported a change in their premium and it has been verified, the expectation is that this case will be part of a report received from BlueCross BlueShield and the new rate added by temporary staff. If the consumer reported this change prior to 6/1/17 and provided documentation, the change will be applied the month after the month of report.

Note: Hospital Indemnity, Security Plan, Hospital Confinement, and Secure Hospital Indemnity plans are not allowable as a medical expense.

4. Other Health Insurance Premiums (including BCBS insurance which is not a BCBS Supplement):

If manually processing a case for COLA and it includes an ongoing insurance premium (Aetna, United Healthcare, etc.) not related to Medicare or a BCBS Medicare Supplement, the premium will remain unless or until the consumer provides verification of their new health insurance premium for 2017. When processing the case, if there are no pending tasks for changes to the other health insurance premium, no changes will be made to this premium amount. If the consumer provides this verification after the COLA has been run, it will be worked just like any other medical expense. A new Expense Amount Detail record will be added on the Expense page using the new insurance premium. The Begin Date will be the first of the month after the month the new premium amount was reported. By adding this record, the previous insurance premium records will automatically end date with a date of the last day of the month prior to the new premium.

Note: If the expense needs to be applied to more than 6 previous months, more steps are necessary. In this case, the total amount of the difference between the previously reported expense and the current expense for all expenses that are farther than 6 months back will need to be applied as a one-time expense to the come-up month. (Example: The consumer reported in 6/16 that their insurance premium was raised to \$208 from \$168. We are working this case in 3/17. The expense should have been applied to 7/16. Instead, 7/16, 8/16, and 9/16 are more than 6 months prior to our change. The difference between the old and new premium is \$40. $\$40 \times 3 \text{ months} = \120 . The \$120 will be applied as a one-time expense in the come-up month of 4/17.) Anything less than or equal to 6 months will be applied to the month after it is reported and a notice sent for the new monthly amount as well as a notice detailing the retro liability change for any LTC cases.