

Phyllis Gilmore, Secretary

Sam Brownback, Governor

MEMORANDUM

To: EES Program Administrators & Staff
KanCare Clearinghouse Staff

Date: November 7, 2013
November 25, 2013 (revised)

From: Sandra Kimmons, DCF Benefit Sections
Manager
Jeanine Schieferecke, KDHE-DHCF
Senior Eligibility Manager

RE: Mass Change Instructions on January
2014 OASDI/SSI Cost-of-Living
Adjustments (COLA)

The purpose of this memo is to provide implementation instructions for the January 2014 COLA mass change. As these instructions do not involve policy changes and are entirely procedural, we are releasing the instructions as a memorandum rather than through the normal policy development process. By using this format, we are able to provide more timely finalized procedures. Please make sure all appropriate staff receives this material.

- 1. Dual Systems** – Similar to previous years, the initial mass change process for all affected assistance programs will occur in the KAECSES system. The Social Security (SSA) COLA update was completed in KAECSES earlier than usual this year on the evening of 11/6/2013. The new benefit amount will be stored in KAECSES and processed for January 2014 once rollover occurs. **Rollover will occur the evening of 11/22/2013.**

Should the KEES conversion process occur prior to the completion of the regular mass change procedure, staff will be given additional instruction on how to use KEES to update medical cases that still need attention. The cash and food assistance programs will continue to be processed in KAECSES and follow the same general procedures employed in previous years.

A. Cash and Food Assistance – The cash and food assistance programs will be processed according to the procedures outlined in the sections below. Since all of these cases will continue to be fully processed in KAECSES, no special or additional procedures have been developed. Implementation of KEES (including disabling the medical program functionality in KAECSES) should not affect the COLA update process for any of cash or food assistance programs.

B. Medical Assistance – Depending on the extent and the timing of the KEES implementation, the medical assistance programs may require partial processing in both the KAECSES and the KEES systems. If all mass change case updates are completed before the conversion, no further case action is necessary. However, if the case is not fully updated before the

conversion, additional processing in KEES will be required to complete the change. In that event, as indicated above, staff will be given additional guidance.

2. OASDI/SSI Cost-of-Living Adjustments – A 1.5% increase in the OASDI/SSI benefit levels will take effect beginning with the January 2014 payment. SSI maximum benefits will increase \$11.00 for an individual, \$16.00 for a couple, and \$5.00 for an essential person. The Medicare Part B premium will remain the same at \$104.90/month. The standard Medicare Part A premium will decrease by \$15.00 to \$426.00/month. In addition, the Medicare Part D low-income premium subsidy amount (benchmark) for Kansas will decrease from \$36.04 to \$34.21/month.

A. SSI Information – The new SSI benefit level for both an individual and an eligible couple exceeds the independent living protected income level (PIL) for a one and two-person plan. However, these SSI recipients will continue to be eligible for automatic medical and will not be subject to a spenddown (other than a special spenddown) as long as they remain in independent living.

The new SSI benefits will be transmitted via the SDX interface. The following are the new benefit amounts effective January 2014.

(1) Eligible individual in own home (includes individuals in a public community-based facility serving 16 or fewer individuals).	\$ 721.00
(2) Eligible individual with eligible spouse in own home.	\$1,082.00
(3) Eligible individual in Medicaid-approved institution.	\$ 30.00
(4) Eligible individual with eligible spouse (both in Medicaid approved institution).	\$ 60.00
(5) Eligible individual in household of another.	\$ 480.67
(6) Eligible individual with eligible spouse (both in household of another).	\$ 721.34
(7) Essential person increment (converted recipients only).	\$ 361.00

B. OASDI Instructions – The new OASDI benefit will be automatically calculated based on the SSA income amount reflected on the prospective or medical UNIN screen for the December 2013 benefit month. The January 2014 SSA income amount will be determined by increasing the December 2013 KAECSES SSA amount by 1.5%. All calculated amounts will be truncated by dropping the cents. No automated updates of SSA income through BENDEX or TPQY will occur. This update occurred the evening of 11/6/2013.

Unless the new OASDI benefit was based on an incorrect December 2013 benefit amount, the calculated amounts are to be regarded as correct even though the amount may be different from the actual OASDI amount due to truncation. Staff are not required to update the amounts that are calculated until the next scheduled review or Interim Report (for affected food assistance cases). Staff are discouraged from correcting these calculated amounts from EATSS. Corrections should be handled at the next review, Interim Report or

reported case change, whichever comes first.

Special Note – Because SSA benefit amounts were updated for January 2014 the evening of 11/6/2013, local staff will be responsible for manually calculating (or verifying) and entering the increased SSA benefit amount for the benefit month of January 2014 on all new cash, medical, and food assistance approvals processed after 11/6/2013. If other verification is not available at the time of processing, the new SSA amount should be calculated as described in the previous two paragraphs. The case should be copied into January 2014 and benefits for January 2014 authorized with the new SSA amount entered on the appropriate income screen. In addition, open spenddown cases with a new base period beginning January 2014 should have the new SSA benefit amount calculated and entered as indicated above.

3. **Mass Change Instructions for the Medical Programs** – A mass change run will be performed on the evening of 11/22/2013 which will incorporate a benefit adjustment for OASDI recipients. The MA, MS, MP, and CI programs will be affected. The amount of the OASDI benefit will be automatically calculated by increasing the amount currently reflected in KAECSSES by 1.5%. Benefits will be adjusted for all individuals in active status including those with a "DI" SEPA code. This new benefit will then be processed for the MS and CI programs for the January 2014 benefit month with rollover the evening of 11/22/2013. The spenddown and patient liability/client obligation/participant obligation amounts will be adjusted accordingly. SSA income records on cases which are not authorized for January 2014 at the time of the mass change run will be updated but not processed and will require further action on the part of staff.

- A. **MA and MP Programs** – A new SSA benefit amount will be calculated and entered on UNIN on current cases but no further processing associated with this change will occur. For MP programs, both KanCare 19 and KanCare 21 eligibles will be impacted. This action may help prevent changes of coverage between KanCare 19 and KanCare 21. Staff are cautioned that the next time they access the PLID screen in KAECSSES on these cases, income will be recalculated to incorporate the new SSA amount and a new poverty level percent will be determined. For the MA programs, all program subtypes will be impacted. Because changes in income may impact eligibility for the MA programs, all cases with changes in OASDI income must be re-budgeted to reflect any changes in eligibility.

To assist with this, a printout identifying all open MA programs with OASDI or SSI income currently listed for at least one individual coded "IN" or "DI", will be produced. There are a minimal number of cases statewide, with the vast majority located at the KanCare Clearinghouse. Because of this, Clearinghouse staff are responsible for reviewing the list and referring any cases remaining in a local DCF office to the appropriate DCF email address for any necessary case action. The report will not be distributed to local DCF offices. Once reviewed, the case must be processed for any resulting change in spenddown for children or pregnant women or adjusted eligibility for any MA CM programs. The printout is sorted by area and reflects the location of the case as of 11/6/2013.

Cases copied past January 2014 will have the OASDI amount calculated and placed on UNIN for January 2014 but not February 2014 or later months. The case will not otherwise be processed or authorized and will not appear on the mass change report. Any changes must be made manually by the worker. These cases are identified by checking the current benefit month on the CR300 (Active Listing – Case Level) report.

- B. **MS and CI Programs** – An automated mass change notice will be sent to all affected

consumers informing them of changes in their eligibility and spenddown or patient liability amounts. Mailing of MS notices will be delayed as indicated in section 8 below. A mass change detail report (MR330) will also be available on SAR following the mass change run. The report lists all cases impacted by the change along with the old and new spenddown amounts, if appropriate.

- C. Spenddown Cases** – The impact of the mass change run is dependent upon the status of the spenddown. For all spenddown situations, the amount of remaining spenddown will be computed and communicated to the beneficiary. Any expenses listed on the medical expense screen will reduce the remaining spenddown amount. Unless action is taken to enter additional expenses, the new remaining spenddown amount will be sent to the MMIS where the new spenddown amount will be used for the remainder of the base period. This is true whether the spenddown was met or not met.

The date in which the new spenddown amount is effective is determined by the status of the spenddown and the date the MMIS receives the new spenddown amount. For cases with a previously met spenddown, the case will return to unmet spenddown status beginning in January 2014 if the benefit month of January 2014 is reauthorized by 12/13/2013 (MMIS met to unmet spenddown deadline). This is true whether the spenddown was met with expenses entered on the medical expense screen or through the MMIS. If the case is not reauthorized by the unmet spenddown deadline, the case will remain in met spenddown status through January 2014 and the new amount will be applied beginning in February 2014. Please make note that staff are NOT expected to reauthorize each spenddown case to ensure the new amount passes to the MMIS for January 2014.

For cases with a previously unmet spenddown, the new spenddown amount will be applied upon receipt by the MMIS. Again, this is dependent upon action taken on the case. When the month of December 2013 is reauthorized, the new amount will be sent that evening with a daily file to MMIS. For cases which are not reauthorized, the new amount will be sent with the monthly file sent to HP, the evening of 12/19/2013. Again, staff are NOT expected to reauthorize benefits for the sole purpose of sending these new amounts to the fiscal agent.

- D. MediKan Cases** – The MediKan program is excluded from the mass change run because, by rule, there should be no MediKan recipients with OASDI income.

- 4. Special Instructions for Long Term Care Cases** – The following processes apply to the long term care cases – Institutional, HCBS, MFP and PACE. The LOTC screen will be automatically updated to incorporate the new patient liability, client obligation or participant obligation amount with a 01/01/14 effective date. This update will occur the evening of rollover and will affect all cases in which there is an “NF”, “SH”, “PC” or “HC” living arrangement code, a Living Arrangement/Level of Care (LA/LOC) payment effective date that is prior to 01/01/2014, and a patient liability, client obligation or participant obligation reflected which is different than the amount appearing on the SPEN screen for January 2014. The long term care screen must be updated manually if all three of these conditions are not met. If the long term care screen is updated manually, a facility or care coordinator notice must be sent as well. Cases coded “TC” (Temporary Care) will not be updated by this process.

- A. HCBS Cases** – A special notice will be created with mass change to notify the care coordinator of the change in obligation. A notice will be produced for each HCBS recipient whose obligation amount was updated, as described in section 12 below. This notice will

provide the consumer name, case number, old and new client obligation amounts with effective dates, the consumer's address and the caseload number. Pen and ink changes may be made to the client obligation amount on individual notices if necessary. This notice is to be sent to the HCBS care coordinator and a new ES-3161 is not necessary for the COLA-related client obligation change. A copy of the notice is retained in the case file for documentation. The individual notices will be mailed to one designated Service Center in each region shortly after rollover. A list of the contact person for each region is included with this material. Notices are also available for viewing on SAR by entering report ID SWY03873-R17.

- B. Institutional and PACE Cases** – Individual notices will not be produced for nursing home, state institution or PACE cases. Instead, a report by caseload will be available on SAR. The report will list the consumer name and the new patient liability or participant obligation for January 2014. The report is sorted by zip code, with page breaks at each new zip + 4. This sorting method will produce a separate page for each individual facility.

For PACE cases in community living, each individual will generally appear on a single page (unless PACE participants share an address). For PACE cases in institutional living arrangements, the consumers in the facility appear on a single list. Special case manager notices are not produced for PACE cases as they are in HCBS. Eligibility staff may choose to copy the applicable page from the report in order to notify the PACE entity of the new participant obligation. The report must be reviewed prior to distribution to each facility or PACE provider. Pen and ink modifications may be made directly to the report if changes are made in the participant obligation amount due to changes in other income and/or insurance. A copy of the report must be retained for documentation purposes. The report will be available the day after rollover by entering SAR report ID SWY03873-R30.

- C. 300% Special Income Test** – The automated mass change run should not affect long term care cases concerning the 300% special income test. The income test is tied to the SSI benefit level. Since the SSA and SSI benefit levels both increase by the same percentage and at the same time, there should be no cases that fail the income test due solely to a SSA COLA increase. Any cases that fail as the result of changes in other income, such as a pension payment, will be identified at the time the other benefit is being updated.
- D. Cost of Care Test** – The automated mass change run should only affect long term care cases where the patient liability, client obligation or participant obligation was relatively close to the cost of care. Unless eligibility is re-determined for January 2014 after the mass change due to other reasons, it may be assumed the liability/obligation continues to exceed the cost of care. Otherwise, eligibility shall continue and this test shall not be applied until the next change or scheduled review, whichever come first.
- E. SSI Recipients** – Some residents of state institutions or nursing facilities who receive SSI income may also have a patient liability if the individual's countable income exceeds the \$62.00/month protected income level (PIL). Some individuals, especially those residents of mental health facilities (NF/MH), will also receive an increase in their SSI benefit beginning in January 2014. This increase must be considered when determining the patient liability in January 2014.

There is no automated determination available for this calculation in KAECSES, as these individuals are open on an SI program. As in previous years, a manual off-system budget

must be completed. The new patient liability amount shall be entered on the LOTC screen along with the effective date. Notification of the change to both the client and the facility must be sent. Documentation of the budget must be retained in the case file.

To assist staff in identifying affected individuals, a list of current SI recipients with a patient liability is included with this material under the title "Active SI Recipients With A Patient Liability".

- F. Special Program Eligibles** – Individuals eligible for Medicaid coverage through special, protected medical programs, such as the Adult Disabled Child, Pickle and Early Widows group are not subject to an HCBS client obligation. However, if a client obligation is computed in the automated mass change run process it will be applied to the LOTC screen and a care coordinator and consumer notice generated. Staff must take action to review these cases and adjust the client obligation as well as delete any notice created. Individuals identified as eligible for these special groups are listed on the "Cases That May Require Manual Processing Report".

- G. Income Allocation** – The cost-of-living adjustments may have an impact on the amount of income being made available to a community spouse through the spousal impoverishment provisions of KEESM 8144.2 and 8244.2 and the amount of any income allocation occurring under the provisions of KEESM 8143(4) and 8243(3). The adjustment could lower the amount being made available if the community spouse is also an OASDI recipient and the maximum permitted income allowance amount has not been reached. To assist in the review process, a report listing all cases with an "AI" or "AI/DI" code on EXNS will be provided. See section 12 below. These codes reflect all cases in which income is being allocated. This information is to also be used in reviewing spousal impoverishment allowances as described in the KEESM Revision scheduled for January 2014.

The following are the spousal impoverishment income limits effective January 2014. The maximum community spouse income allowance changes effective January every year. The minimum community spouse income allowance, the dependent family member allowance and the excess shelter deduction do not change until May each year.

(1) Maximum Community Spouse Income Allowance	\$2,931.00
(2) Minimum Community Spouse Income Allowance	\$1,939.00
(3) Dependent Family Member Income Allowance	\$ 647.00
(4) Excess Shelter Deduction	\$ 218.00

In addition, the minimum and maximum community spouse resource allowances (CSRA) are changing effective 01/01/2014. The minimum CSRA is increasing to \$23,448 and the maximum CSRA is increasing to \$117,240. These new amounts should not affect the mass change run, but should be applied to any new applications.

- H. Reports** – For control purposes, two separate reports are available on SAR. The first report, Exceptions to LOTC Updates, lists those cases which have LOTC data that was not updated either because a 01/01/2014 effective date already exists or the patient liability/participant obligation was not changed. Staff are to briefly review these cases to ensure accuracy. This

report will be available on 11/23/2013 by entering SAR report ID SWY03873-R25. The second report, HC Report, provides an alpha listing of HCBS consumers, by caseload, of all hard copy HCBS care coordinator notices sent to the designated regional DCF service center. Only consumers with a January 2014 client obligation change appear on this report. This report will be available on 11/23/2013 by entering SAR report ID SWY03873-R35.

5. Impact on Pickle and Presumptive Medical Disability Cases – Pickle and Presumptive Medical Disability (PMDT) cases will be impacted by the mass change run in the following manner.

A. Pickle Eligibility – Medical assistance recipients who may now qualify for Pickle status when the OASDI/SSI increases go into effect must be reviewed and have a determination completed in accordance with KEESM 2681. For cases that are manually processed in KAECSES, a revision to the Pickle Worksheet (ES-3104.6) which includes the new SSI benefit levels and COLA ratios effective January 2014 has been included with the KEESM Revision.

- (1) Individuals Who Lose SSI Eligibility Solely Because of the OASDI Increase – This group will qualify for Pickle status without a formal determination. Information to help identify these individuals will be available on the SSI Interface in December 2013. Based on the prospective budgeting methodology used by Social Security, individuals who lose SSI eligibility due to an increase in SSA will become ineligible for SSI effective January 2014. This information will be available through the SSA interface. The “SDX (Client SSN) SSI Begin/End” alert will appear on or about 11/26/2013 for all potentially affected individuals.

Medical eligibility for this group continues without a spenddown. The case must be transferred from SI medical coverage to Medically Needy. A new application may be requested if a current one is not already on file. A notice must be sent to the consumer addressing Pickle status and the future reporting requirements. Pickle eligibility will be retained in the future for this group barring any financial changes (i.e., increases in income other than OASDI, increased resources, etc.).

- (2) Individuals With Excess Income – Individuals who failed to qualify for Pickle status during the year because of excess income but who retain eligibility for medical assistance must be re-determined for Pickle eligibility as a result of the COLA increase. To aid in implementation, a report will be provided of all individuals with a "PP" (Potential Pickle) code on the PICK screen. See section 12 below.

Eligibility is to be completed on each individual identified. For those who qualify, Pickle status will begin as of January 2014 and a notice of approval is to be sent by staff. Pickle coding will also need to be revised accordingly. No notice is required for individuals who continue to have excess income. If approved, the case is to be retained on the MS program with the applicable Pickle code (EP) reflected. If denied due to excess income, the Pickle code "PP" is to be reflected.

- (3) Pickle Determinations on Medical Applications Processed After Mass Change – For all medical applications processed after mass change run on the evening of 11/22/2013, a Pickle determination will be required on both the old and the new worksheet using both the 2013 and 2014 SSI benefit amounts and COLA ratios if the individual meets all of

the screening criteria. The 2013 version of the worksheet is to be used to determine eligibility for all months prior to January 2014. The 2014 worksheet is to be used for January 2014 on forward. The reason for determining eligibility for each month is that the individual may have excess income prior to the January 2014 COLA but be eligible thereafter.

As noted in section 8 below, all current Pickle eligibles will receive a mass change spenddown notice unless action is taken to delete the notice prior to the delayed mailing. A Pickle case with no other changes should not receive a notice and eligibility staff should take action to delete the notice as referenced in section 12 below.

KanCare Clearinghouse staff are responsible for identifying potential Pickle eligibility for cases currently under their management. The Clearinghouse will refer the case to the appropriate DCF service center for a final determination. Any information pertinent to the determination shall also be included with the referral. Coordination between the offices will be necessary. Pickle eligible cases will be retained by DCF for case management. Cases screened for Pickle and found ineligible will be returned to the Clearinghouse if other family medical assistance programs are open.

B. Presumptive Medical Disability (PMD) Cases – Presumptive Medical Disability (PMD) cases may require manual re-processing. Individuals eligible for Tier 1 Medicaid under the SI-related group with incomes over the applicable protected income level (PIL) may be placed into spenddown status following the mass change. These individuals must be reviewed for potential eligibility under the SI-related group. A special report identifying all cases where an active “SI” or “SD” PRDD type exists is included with this material. The report is titled “Persons Coded IN For An Active MS with an SD or SI PRDD type” and is sorted by section-unit-caseload. See section 15 below for additional information on this report. PMD cases eligible under institutional, HCBS or Working Healthy (WH) program rules with proper KAECSES coding in place, will be mass changed according to the rules of the particular assistance program.

- (1) Case With a PRDD Type of “SI” – Cases with a PRDD type of “SI” must be reviewed to determine if the case was placed in spenddown status following the mass change run. If income remains below the new SSI standard income limits, the case remains eligible under the SI-related group and any notice produced by mass change must be deleted. If income exceeds the new SI-related standards, the case must be changed to a spenddown by changing the PRDD type code. The notice must be reviewed to determine if it accurately describes the change.
- (2) Cases With a PRDD Type of “SD” – Cases with a PRDD type of “SD” must also be reviewed. Cases must initially be re-determined for SI-related coverage with the new income standards. If the case is newly eligible for this coverage, action must be taken to shorten the spenddown base to end 12/31/2013. The consumer must be notified of the new spenddown amount and base period. A PRDD Type code of “SI” is then used for months beginning January 2014. Any notice produced by the mass change run must be deleted. For cases which remain eligible under the Medically Needy (MN) rules, the “SD” type code shall continue to be used on PRDD but the notice produced by the mass change run must be reviewed for accuracy.

6. QMB, LMB Processing – Cases processed in the SSA COLA mass change run will also include

QMB, but not the LMB and ELMB programs.

A. Qualified Medicare Beneficiary (QMB) – Cases processed in the SSA COLA mass change run will also be processed for QMB. Those individuals who meet the QMB criteria will automatically be authorized for QMB status effective January 2014 as part of the mass change run. The worker will need to send a notice to those individuals who become newly eligible informing them of the QMB benefits. These cases will be identified by a worker alert, "Eligible for QMB."

Some current QMB recipients will lose QMB eligibility during the mass change run if the countable income exceeds the poverty level standard. As reflected in KEESM 2671.3, the amount of the SSA COLA increase must be disregarded in determining QMB eligibility. Those cases which fail due to the COLA increase will be identified on the mass change detail report (MR330) as having "failed mass change". However, the fail message is not specific to these QMB cases as indicated in section 13 below and a case by case review is required.

If the individual is QMB eligible only because of the COLA disregard, it is not possible to authorize QMB coverage through the MSID screen. Instead, QMB must be authorized by using one of the following codes on the PICK screen in KAECSES.

QO: Used when the individual is seeking only QMB and no other coverage.

QS: Used when the individual has an active Medically Needy/spenddown case (regardless of met or unmet status of the spenddown).

QM: Used when the individual is also eligible for full Medicaid coverage, such as an individual also receiving HCBS services.

WQ: Used for those individuals also eligible for Working Healthy (WH).

In order for QMB coverage to continue, the code must be entered and the case reauthorized. These codes are to be removed if the client is ineligible for QMB when the new income levels are implemented, currently scheduled for May 2014.

B. Low Income Medicare Beneficiary (LMB) – No mass change processing will occur for either LMB or ELMB. These cases will need to be manually reviewed for eligibility based on the SSA COLA increase. As with QMB, the COLA amount is to be disregarded until the new poverty level standards are implemented, currently scheduled for May 2014.

C. Notices – Notices will not be produced or sent for QMB and LMB only eligibles. These cases may be identified by a KAECSES program subtype of "QO" or "LO". A separate notice must be produced and mailed for those individuals losing eligibility for these programs. Other changes may result in the production of a notice. All notices produced on these cases must be manually reviewed to ensure the beneficiary is receiving an accurate notice.

7. Impact on Working Healthy (WH) Cases – A new OASDI amount will be determined and reflected on the income screen for Working Healthy (WH) cases with the mass change run process. Both basic Working Healthy (WH) and the Medically Improved (WH/MI) group are included. However, as with the Medicare Savings Programs (MSP – QMB, LMB and ELMB) cases, no additional mass change processing will be completed for MS cases with a medical

program subtype of "WH". Presumptive Medical Disability (PMD) cases with a PMDD "WH" program subtype are also excluded. Notices will not be produced for these cases.

Although the increased income can potentially change Working Healthy (WH) eligibility, there are currently no open cases where income is at such a level that an individual would become ineligible only because of the OASDI increase. Because of this, action to adjust eligibility as a result of the new OASDI amount can be delayed until the next time a change is processed on the case, given timely and adequate notice criteria based on the date the other change is processed. In addition, such increases in income do not impact the premium level until the next appropriate review.

8. **Delay of MS Mass Change Notices** – Printing of the notices created as a result of the mass change run will be delayed. The delay will provide additional time to incorporate other changes that may impact the January 2014 liability, obligation or spenddown prior to consumer notification.

Following the mass change run, the notice history on each case will have the name of the notice produced, but no mail date. One of the following notices will appear.

MS Mass Change/Change in Medically Needy Plan

MS Mass Change in Patient Liability/HCBS Obligation

If other changes are made that result in changes to the information in the notice originally produced by the mass change run, the eligibility worker must delete that notice on the KAECSES NOHS screen. A new notice must then be sent describing both the COLA mass change and any other changes that occurred. The notice update function is not available on the notices created by the mass change run. Because the effective dates and spenddown/liability/obligation amounts are driven by notice keywords, these fields cannot be changed through a notice update on NOHS. If changes are necessary, the original mass change run notice must be deleted and a new notice generated.

The following mass change notices may be used by eligibility staff.

N753 – MS Mass Change – Change in Spenddown Amount. This notice is sent to Medically Needy (MN) individuals who have not met the spenddown in KAECSES.

N754 – MS Mass Change – Change in Met Spenddown. This notice is sent to Medically Needy (MN) individuals who have met the spenddown in KAECSES.

N756 – MS Mass Change – Liability/Obligation Changes. This notice is sent to individuals in long term care (LTC – Institutional, HCBS or PACE) who have a change in cost of care responsibility.

N971 – MS Facility – Mass Change. This notice may be sent to the facility to notify of a new liability amount. However, pen and ink changes to the system-generated facility reports described in section 4B above are preferable to generating a new notice.

If no further changes are made and/or the mass change run notice is not deleted, the system generated notice will be printed and mailed beginning **12/16/2013**. This mailing delay gives the

worker up till the close of business on 12/13/2013 to delete the MS mass change run notice.

The delay also allows staff to delete inappropriate or unnecessary notices. As indicated earlier, Pickle, QMB-only and LMB-only eligibles should not receive the spenddown notice produced by the mass change run. Also, other consumers receiving special medical benefits such as Adult Disabled Children (ADC) or Disabled Widow/Widowers should also not receive a mass change run notice. Except for cases with medical program subtypes of "QO", "LO" and "WH", spenddown-related notices will be produced for all of these cases and sent unless the worker deletes the notice. To aid in identifying these individuals, a report of cases with special medical indicators (e.g. "BC", "DW", "EW", "DC", etc.) on the KAECSES PICK screen will be produced as noted in section 13 below.

9. **Impact of OASDI Benefit Increases on Cash Assistance** – At the time of the SSA COLA mass change run described above, OASDI amounts reflected on cash assistance cases will also be automatically updated based on the calculation process described above.

The new calculated OASDI amount will be automatically incorporated and the cash benefit level recalculated for January 2014. Mass change notices will be produced on TANF cases where the January 2014 grant amount decreases. However, if the SSA increase results in a \$0 grant amount, the TANF cash case must be manually closed or suspended and a notice sent. The mass change detail report (MR 330) will list these cases as "failed".

The General Assistance (GA) program has been excluded from the mass change run process.

10. **Impact of the OASDI and SSI Benefit Increase on Food Assistance** – The SSA and SSI COLA increase effective January 2014 will also affect food assistance cases in the following manner.

- A. **OASDI Increase** – At the time of the COLA mass change run as described above, OASDI amounts will be automatically updated prospectively based on the calculation process as previously described. SSI amounts reflected on food assistance cases will also be automatically updated prospectively based on the January 2014 SDX COLA tape in a separate process the evening of 11/25/2013 but will be handled in the same way as OASDI. SSA benefits for January 2014 will then be processed for all food assistance cases. The mass change run process will incorporate the new calculated OASDI amount and recalculate the food assistance benefit level for January 2014. The mass change run process will result in a mass change notice being created (see subsection C below). If the OASDI increase results in a \$0 benefit amount, the worker will need to manually close or suspend the case and send their own notice unless the household also receives SSI and is categorically eligible (see subsection B below).

If a case is not authorized for December 2013 as of rollover the evening of 11/22/2013, the January 2014 OASDI amounts will be computed and stored but will not be processed until the case is copied forward and authorized for January 2014. Cases copied past January 2014 will have the OASDI amount calculated and placed on UNIN for January 2014 but not for February 2014 or any later month.

Staff should also review the mass change detail report for unexpected changes to food assistance benefit amounts which may signify cases needing correction.

- B. SSI Increase** – A separate mass change will be processed the evening of 11/25/2013 using the January 2014 SDX COLA tape to update SSI amounts reflected on food assistance cases.

It should be noted that the gross SSI benefit from the SDX COLA tape is used to compute January 2014 food assistance benefits. However, there are some SSI cases in which the benefit has been reduced due to an overpayment recovery. Per KEESM 6410(41)(a), if the overpayment is not a result of fraudulent activity, the recovery is to be taken into consideration and only the net benefit counted. As the SDX tape identifies benefits reduced due to overpayment recovery, a report will be provided listing all food assistance cases in which the gross SSI benefit has been reduced for this reason. The net benefit amount will also be provided. Staff must then review these cases to determine which recoveries result from non-fraudulent overpayments and adjust the food assistance calculation accordingly.

The mass change detail report needs to be carefully reviewed to determine if any cases failed the mass change run. If the household is categorically eligible, the procedures in KEESM 2512(2)(b) must be followed to insure that the household receives the correct amount of benefits to which it is entitled. In prior years, some categorically eligible cases had to be reprocessed to insure the continuation of the \$15 minimum benefit. It will therefore be necessary to carefully monitor the mass change detail report, reviewing all cases that fail the mass change run for potential categorical eligibility.

- C. Delay of Food Assistance Mass Change Notices** – Again this year, all food assistance mass change notices created by rollover and also those created when SSI mass change runs the night of 11/25/2013 will not print at the time of creation. This will help prevent two or more notices being sent to the consumer for a January 2014 change (one or two for mass change purposes and another one reflecting other changes).

Following rollover, the notice history (NOHS) for each effected food assistance case will display the name of the notice produced but no mail date. The name of the mass change notice is **FA – Change in Benefits**. It is important to note this applies to all FA mass change notices created by November's rollover, including those for cash grant income changes.

After SSI mass change runs the night of 11/25/2013, another food stamp mass change notice without a mail date will be displayed on NOHS for those effected FS/SSI households. It is very likely that FA households with both SSA and SSI income will have two (2) FA - Change in Benefits notices listed on NOHS without mail dates.

If the worker takes action to make other changes to the case for January 2014 benefits after the 11/25/2013 mass change run, the worker should delete the system created FA mass change notice(s) on NOHS and send a notice which describes the mass change (i.e., COLA change, cash change and other related changes as well as the additional action taken). It is not possible to change the notices created by mass change because the effective dates and benefit amounts are system keywords and those fields cannot be changed through a notice update on NOHS. If changes are necessary, the original notice(s) created by mass change must be deleted and a new notice created. To assist staff, a worker generated mass change notice has been created. This notice includes wording about the OASDI and the SSI increase, the "generic wording" about cash assistance payments and a space for additional worker explanation. This notice is **F745 – FA Mass Change/Benefit Change**.

If no further changes are made and/or the mass change notice is not deleted, the system generated notice will print and mailing begins **12/13/2013**. For those cases with two (2) FA mass change notices, prior to printing and mailing, KAECSES will delete the FA mass change notice created first and send only the last created FA mass change notice. This second system notice will reflect benefits calculated using both SSA and SSI COLA increases plus other system generated mass changes. The delay in mailing FA notices gives workers until the close of business on **12/12/2013** to make necessary changes and/or delete the mass change notice(s). The above dates apply to only FA mass change notices.

11. Changes in Other Benefits and Expenses – Other changes are also anticipated to take effect January 1, 2013. Following are instructions on making these changes:

A. Other Government Payments – For changes in other cash benefits, primarily VA, Railroad Retirement, and Civil Service Retirement, take action to affect benefits no later than the benefit month of February, 2014. If the consumer reports the change in time to affect benefits for the month of January 2014, staff must act on the change when it is reported. If such a change is not reported, staff must obtain the information during the month of January 2014 so that the new amount can be reflected no later than the benefit month of February 2014. Any assistance provided in January 2014 because of these guidelines would not be regarded as an overpayment. A report will be provided listing all cases with VA, Railroad Retirement, or Civil Service retirement income as noted in section 13 below.

For Medically Needy (MN) cases, if an increase in the spenddown results, the new spenddown amount will be sent to the MMIS and applied beginning February 2014 if the month of January 2014 has been reauthorized. If the month of January 2014 has not been reauthorized, the new spenddown amount will be sent to the MMIS with first medical card cutoff, and will not be applied until March 2014 because of 10 day adverse action deadline.

B. Medicare Premiums – The Medicare Part B premium amount will impact food assistance benefits for some households. Medicare expenses will be automatically updated with the standard Part B premium amount for the month of January 2014. On the night of rollover all ME MC expenses listed on EXNS which are greater than \$0 will be updated with the premium amount. Medicare premiums listed on MEEEX are not included and must be manually reviewed and updated.

C. BC/BS Premium Changes – Premiums for Blue Cross/Blue Shield (BC/BS) Plan 65, Disability and Step plans may also change for January 2014 and can impact the spenddown or patient liability/client obligation/participant obligation for medical purposes as well as the amount of food assistance benefits for certain households. BC/BS of Kansas will notify KDHE-DHCF of the new rates. The rates will be sent to eligibility staff when available. This information is considered reliable. Do not contact BC/BS to verify individual premium amounts. If the new premium amount is questionable, it is to be verified by the consumer.

To help identify cases with BC/BS coverage, a report will be provided identifying persons who have BC/BS listed on the EXNS screen in KAECSES or the MMIS Third Party Liability screen as indicated in section 13 below.

D. Medicare Part D and Medicare Advantage Plan Expenses – Premiums for both Medicare Advantage plans (a.k.a. Part C or Medicare Managed Care) may change in 2014. These changes could impact some food assistance and some medical cases. No automated

processing will occur for these changes as the premiums and levels of coverage vary significantly based on the carrier, plan, level of coverage, etc. However, consumers may report changes in premiums which must be considered. The consumer is responsible for providing verification of any changes.

All changes listed in this section are to be reflected no later than the benefit month of February 2014. If the customer reports the increase in time to affect benefits for the month of January 2014, staff must act on the change accordingly. If such change is not reported, staff should attempt to obtain the information from the consumer during the month of January 2014 so that the amount can be reflected no later than the benefit month of February 2014. For medical assistance purposes, if the increase was not budgeted in time for January 2014, the amount of the increase for that month is to be reflected in computing the February 2014 patient liability/client obligation/participant obligation for long term care cases or reflected in the remainder of the 6 month base period for independent living spenddown cases.

12. **Note Concerning Mass Change Reports** – There will be two sets of mass change reports produced in November 2013 – one for SSA and rollover and one for SSI. A description of these reports, the programs affected, and dates of each are as follows:
- A. MR330 – Mass Change Detail** (AF/GA/FA/Medical) - Regular monthly mass change with rollover lists all cases. Changes listed will be a result of standard monthly processing based on child support or income changes, as well as SSA COLA increases. PA and FA cases for the entire state will be listed first, followed by medical cases for the state.
- Report Available: 11/23/13
SAR Report ID: SWM03828-B59
- B. MR330 – Mass Change – Detail (FA Only)** Lists all cases with SSI income processed in December mass run.
- Report Available: 11/23/13
SAR Report ID: SWY0382P-R22
- C. CR350 – NF Facility Report** Mass Change Detail report that sorts by facility within a caseload and provides an alpha list of all NF individuals in that facility which have a January 2014 liability change and lists the new amount. NF sort is done using zip +4 criterions. This report also includes PACE consumers.
- Report Available: 11/23/13
SAR Report ID: SWY03873-R30
- D. CR351 – HC Report** Mass change detailed reported which provides an alpha listing of all HCBS consumers in a caseload with an HCBS obligation change.
- Report Available: 11/23/13
SAR Report ID: SWY03873-R35

- E. Exceptions to LOTC Update – (Medical Only)** Lists all NF and HCBS cases in which LOTC was not updated.

Report Available: 11/23/13
SAR Report ID: SWY03873-R25

A listing of all reports connected with the mass change run is attached for ease of reference with instructions on how to process reports on SAR.

Listed below are the messages which may appear on the mass change reports and what they indicated in the last mass change.

(1) FAILED (DEAUTHORIZED)

- The COLA increase caused the case to have excess income for the indicated program. Worker action is needed and categorically eligible FA needs to be determined.

(2) NO SELECT, NOT AUTHED

- The cases were not authorized at the time of the mass change.
- The override spenddown field on SPEN was set to "Y" for independent living cases. The override is valid only for certain LTC situations.

(3) UNABLE TO PROCESS

- January 2014 may be the second month for postpartum status. The worker must review the case.
- The MS household size reflected more than two "DI" participation codes. The worker must review the case.
- The case may have more than one SSA amount reflected. The worker must review the case and update the amounts.

13. Cases That May Require Manual Processing – As mentioned in several sections above, a report will be provided identifying several pieces of case information including special medical indicators, income types, and BC/BS coverage. One report will be provided incorporating all this information. Separate columns will identify:

- Any "PP" indicator as well as other special medical indicators for deleting notices.
- If there is any VA, VC, RR, or CR income.
- If there is any allocated income.
- If there is a special medical indicator (SMI); consider if action needs to be taken to delete any client obligation created.

- Whether there is BC/BS Plan 65 or Plan D coverage.
- HCBS consumers with a patient obligation.

This report is being emailed to the DCF EES Program Administrators and KanCare Clearinghouse Manager with this memo.

- 14. FA Cases Where an SSI Overpayment Recovery Is Occurring/Review for Proper Use of Net or Gross SSI Amount on UNIN** – This report lists all clients with an FA participation code other than “CO”, “CN”, or “OU” where an SSI overpayment recovery is occurring determined by the presence of an amount in the SDX overpayment recovery field on the SDX file. This report is being produced to help staff identify cases in which countable income needs to be adjusted to reflect a net SSI benefit amount.
- 15. Persons Coded IN for an Active MS With an SD or SI PRDD Type** – This report lists all consumers who are coded “IN” on SEPA for an active MS program if there is an “SD” or “SI” PRDD type on the PRDD screen. The report also lists the GA program subtype for any active GA program on the same case number. This report will be distributed to the DCF EES Program Administrator with this memo. The report should be used to determine if the “SD” or “SI” PRDD type remains appropriate.
- 16. Errors or Problems Identified** – Any errors found or other problems identified with the COLA mass change run process are to be reported to Help Desk. It is also important that the problems be reported and documented by running screen prints of appropriate items before making corrections.

If you have any questions concerning this memo or the mass change run process, please contact the appropriate program manager. For system problems or concerns, contact the Business Help Desk through Outlook.

Allison Miller, KDHE-DHCF Family Medical Eligibility Program Manager
(785) 291-3881 or AMiller@kdheks.gov

Tim Schroeder, KDHE-DHCF Elderly & Disabled Medical Eligibility Program Manager
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Judy Kennedy, DCF TANF Program Manager
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Susan Craig, DCF Food Assistance Initiatives Manager
(785) 296-3374 or Susan.Craig@dcf.ks.gov

LISTING OF REPORTS CONNECTED WITH MASS CHANGE

REPORT NAME	REPORT DATE	SAR ID	MAIL DATE
MR330 (PA/FA and Medical)	SAR 11/23/13	SWM03828-B59	NA
<p>Lists cases affected by standard monthly processing as well as all cases with SSA income processed for January. Cash and FA cases for all will be listed first with medical cases at the end of the report. Review each case where message indicates mass change was not completed. When reviewing cases which failed mass change:</p> <ol style="list-style-type: none"> 1. Determine if QMB continues with COLA exempted and if so, reauthorize QMB status. 2. Manually close cash cases with excess income and send notice. 3. Review \$0 benefit FA cases for categorical eligibility. If categorically eligible, reprocess to provide \$15 benefit. If not categorically eligible, manually close case and send notice. 			
HCBS Notices	SAR 11/23/13	SWY03873-R17	11/25/13
<p>One copy for each HCBS case where client obligation was updated on LOTC. One to go to the HCBS care coordinator and the other for the case file. If changes in BC/BS rates or other income changes, make pen and ink changes on the notice before sending to the care coordinator or filing. Mass change notice must be deleted and new notice sent.</p>			
CR350 - NF Facility Report	SAR 11/23/13	SWY03873-R30	NA
<p>Available for print on SAR. No hard copy mailed out centrally. Sort by caseload and NF provider using zip +4 criterion. Lists the consumer and the new patient liability amount. Workers should make pen and ink corrections to the liability amounts and send amended report to appropriate facility. The consumer's system generated MS mass change notice should be deleted and a new notice sent.</p>			
CR351 - HC Report	SAR 11/23/13	SWY03873-R35	NA
<p>Alpha listing by caseload of all HCBS consumers with a client obligation change. This report captures all HCBS consumers with a January 2014 obligation change, and lists the same cases in which a hard copy care coordinator notice was printed and mailed to regional DCF offices for distribution.</p>			

Exceptions to LOTC Updates SAR 11/23/13 SWY03873-R25 NA

Lists NF and HCBS cases where LOTC was not updated because a 01/01/14 effective date already existed or patient liability/client obligation did not change. Also lists cases which have two individuals in NF which must be processed manually. Staff need to review these cases and take appropriate action.

MR 330 (FA Only) SAR 11/26/13 SWY0382P-R22 NA

List cases with SSI income processed for January 2014. Review "Failed" FA cases for categorical eligibility. If categorically eligible, reprocess to provide \$15 benefit. If not categorically eligible, manually close case and send notice.

**FA CASES WHERE AN SSI OVERPAYMENT RECOVERY IS OCCURRING
Electronic Copy – Not on SAR (sent on or around 12/11/13)**

This report lists all clients with an "IN" participation code for FA when an SSI overpayment recovery is occurring based on an amount in the SDX overpayment recover field on the SDX file. The amount shown in the **NET-SSI** column reflects the **GROSS** benefit amount minus the **RECOUP** (recoupment) amount.

Report Format:

CASE: Case Number
CASE NAME: Case Name
CLIENT: Client Name
GROSS: Gross SDX SSI Amount
RECOUP: SDX SSI Recoupment Amount
NET: Gross SDX SSI Amount Minus the SDX SSI Recoupment Amount

**MA Cases with OASDI/SSI Income – Not on SAR (sent on or around 11-06-13)
Electronic Copy sent only to the Clearinghouse. Clearinghouse staff will contact individual workers if any of the effected cases are outside the Clearinghouse.**

Lists all cases with open MA programs and at least one person coded "IN" or "DI" on the MA program with OASDI or SSI income on UNIN. For MA spenddown cases, re-budget by accessing MAID and SPEN. Send appropriate NOA. For MA CM cases, re-budget through the MA CM worksheet and adjust eligibility if necessary.

**Active SI Recipients with a Patient Liability – Not on SAR (sent on or around 11-06-13)
Electronic Copy sent to the field.**

Lists all recipients coded “IN” for an active SI program who also have a patient liability amount on LOTC.

Report Format:

CASE: Case Number
CLIENT: Client Name
PL: Patient Liability Amount
PROGRAM: Program

Cases That May Require Manual Processing For 01/2014 – Not on SAR Electronic Copy Attached

Lists all cases with special medical indicators on the PICK screen, VA, VC, RR, or CR coded on the UNIN screen, BC/BS coverage, and Medicare coded on the EXNS screen.

Column Titles and Definitions:

- NAME:** Case Name.
- CASE:** Case Number.
- CLIENT:** Client Name.
- MED:** Medical program for which the consumer has an “IN” participation code.
- SUB:** Program subtype. This in conjunction with the SMI code of “DC” can help identify those HCBS individuals who should not have an obligation, but mass change may have created one. Workers need to check LOTC, change obligation to zero and contact the care coordinator as appropriate.
- FA:** FA if the person has “IN” participation code for the FA program.
- SMI:** Any special medical indicator (SMI) on the PICK screen or QMB/LMB indicators. Cases should be reviewed to see if PICKLE eligibility is met or to delete mass change notices.
- AI:** Cases with “AI” or “AI/DI” codes on EXNS. To help staff identify cases where income allocation may need to be adjusted.
- VA-VC:** VA or VC income appears on UNIN. To help staff identify cases where benefit levels may need to be adjusted due to annual increases.
- RR:** RR income appears on UNIN. To help staff identify cases where benefit levels may need to be adjusted due to annual increases.
- CR:** CR income appears on UNIN. To help staff identify cases where benefit levels may need to be adjusted due to annual increases.
- BC-EX:** BC/BS insurance coverage is listed on EXNS. To help staff identify cases in which premium amounts may need to be adjusted due to annual increases.
- MC-SUP:** This column displays a “Y” if there is an active Medicare Supplemental policy on the MMIS TPL file. To help staff identify cases in which premium amounts may need to be adjusted due to annual increases.

INSTRUCTIONS FOR ACCESSING REPORTS ON SAR

1. Log on to SAR as follows:
 - a. From Welcome screen enter "SAR1."
 - b. On User Definition Panel screen, enter Top Secret User ID and password.
 - c. On Primary Selection screen, enter SAR report ID.
 - d. On Report Selection List, enter an "S" in the SEL field to the left of the report.
 - e. On the View Selection screen, enter an "S" in the SEL field to selected the Native Browse Description. Areas may also choose their own customized view if one is listed.
 - f. Pressing enter on View Selection will result in SAR PAGE 1 of the selected report being displayed.

2. Locate your section, unit or caseload of the report as follows:
 - a. In the COMMAND field in the top left corner of your screen, type F 'SECTION: 271' substituting your section number and press enter. When using the find (F) command, you must type the string of characters you want to find exactly as it appears on the report.
 - b. When the report for your section is displayed, the scroll keys (F8=down, F7=up, F11=right, and F10=left) or the find (F) command can be used to locate the report for your unit or caseload.

SPECIAL NOTE: When accessing the MR330 Mass Change Detail Report for cash, FS and medical programs, cash and FS cases will be listed first for all Areas in the State followed by medical programs which were mass changed for all Areas in the State. Because all cash/FS cases are listed first, it is necessary to use the find (F) command first to locate cash/FS cases listed for your section, then use the find (F) command a second time to locate medical cases for your section.

3. To print pages of reports for your section, unit or caseload:
 - a. Note the first and last SARPAGE numbers on the left side of screen which includes the part of report to be printed.
 - b. Return to Report Selection List by pressing F3.
 - c. Enter a "J" in the SEL field for the report selected.
 - d. On the Deliver Re-Print Attributes screen in the PAGE field enter individual page numbers separated by a comma (like 1,3,5) to print specific pages, or enter first page number and last page number separated by a colon(1:5) to print a range of pages like pages 1 thru 5. Press enter.
 - e. On the View Selection screen, enter an "S" in the SEL field for Native Browse or the view for

your Area. Press enter.

- f. Type "SUB" to submit print job on the COMMAND line of the Report Selection screen and press enter.
- g. On the Batch Job JCL screen, press enter to submit print request, or enter "End" on command line to cancel.
- h. The message ***Job Submitted*** will appear and the designated pages of the report will begin printing.
- i. Press enter until you return to the Report Selection List screen.
- j. Press F3 to return to the Primary Selection screen to enter another Report ID, or press F3 twice to log off SAR.