



Policy Memo	
KDHE-DHCF POLICY NO: 2017-12-02	From: Jeanine Schieferecke
Date: December 14, 2017	KEESM Reference: KFMAM Reference:
RE: Implementation of 2018 SSA COLA	Program(s): All Medical Assistance Programs

The purpose of this memo is to provide implementation instructions for the 2018 Social Security Cost of Living Adjustment (COLA) mass change. Social Security announced that recipients of OASDI and SSI benefits will receive a 2% increase in benefit levels for 2018. The Medicare Part B premium will also be adjusted for some individuals. These increases are effective January 1, 2018. As a result, Medicaid eligibility must be redetermined for all recipients who receive these benefits.

Note that Job Aids referenced in this memo can be found in the Eligibility Processing section of the Appendix on the KDHE Policy website: [KDHE Policy Memos](#)

1. BACKGROUND

This change is expected to impact over 80,000 Medicaid recipients and household members who receive SSI or Social Security benefits. To effect the changes related to the COLA, KEES will execute a mass update over the weekend of December 1-3, 2017. The mass change process systematically computes and budgets new income amounts, benefit levels and other changes related to the COLA. The systematic update will allow for more efficient processing and will also enable staff to focus manual effort on high priority cases. This memo provides information and instruction for both the automated updates as well as manual processing that may be necessary in order to accurately redetermine coverage and benefit levels.

2. KEES UPDATES

The COLA MASS Change process in KEES will identify and update all cases with new or changing SSI income, medical conditions records, Social Security income amounts, and Medicare expense amounts. Most cases impacted will then be selected for batch EDBC. All program blocks on the case will be impacted. Note that some cases will be excluded from the batch EDBC, as indicated below. Only those cases that have a change identified because of the COLA changes will be

impacted; cases that are not impacted by the COLA will not be redetermined. Pending program blocks will not be impacted.

A. Mass Change Components:

The following components are included as part of the KEES Mass Change process:

- Social Security income change
- KEES tables updated with new limits
- Update SSI income Records from the SDX COLA file
- Create Medical Condition Records
- Other Income and Expense Changes
- Batch EDBC – recalculating benefits
- Coordination with Reviews
- Generate Notices – Delayed Mailing
- Facility and LTC Provider Notification Process
- Manual Processes required for incorrect cases

B. Data Clean-up:

Keep in mind that data in KEES will significantly impact the outcome of the resulting in redetermination. Cases that have not undergone conversion cleanup since KEES implementation, have experienced an overridden EDBC, or have incomplete data records may be adversely impacted by the mass change and will require special attention. These include cases with overdue action. When the KEES rules execute the new determination may result in ineligibility.

A significant number of cases have been identified for Pre-COLA Clean-Up work designed to target specific issues. These reports are used to identify cases where an incorrect outcome is likely. However, in order to minimize the negative or unexpected impact of a large batch job, it is crucial that staff follow instructions issued by KDHE Policy and the KEES BST when processing cases in KEES.

3. SSI CHANGES

Social Security will adjust SSI benefit levels by 2% for individuals and couples beginning January 1, 2018. The following are the new benefit amounts:

Type	Previous Benefit	Benefit Eff 01-01-18
Eligible Individual in Own Home	\$735.00	\$750.00
Eligible individual with Spouse in Own Home	\$1,103.00	\$1,125.00

Eligible Individual in Medicaid-approved Institution	\$30.00	\$30.00
Eligible Individual with Eligible Spouse both in Medicaid –Approved Institution	\$60.00	\$60.00
Eligible Individual in Household of Another	\$490.00	\$500.00
Eligible Individual with Eligible Spouse both in Household of Another	\$735.33	\$750.00

This will also adjust the 300% SSI limit for LTC from \$2205 to \$2250.

A. KEES INCOME RECORDS – SSI

As part of the Mass Change process, SSI income records will be automatically updated with information from the SDX COLA file. This file, received from Social Security in late November 2017, provides income amounts for all SSI recipients in the state. KEES will use the information to update income information using the following rules:

1. PERSONS WITH AN ACTIVE SSI INCOME RECORD AND A NEW SSI INCOME AMOUNT ARE ON THE FILE.

The income amount will be updated with the new income amount detail record effective 01-01-2018

Note: As all of these individuals should be currently eligible with an SSI aid code, no change in coverage level is expected.

2. PERSONS WITHOUT BOTH AN ACTIVE SSI INCOME RECORD AND AN SSI INCOME AMOUNT ARE ON THE FILE:

A new SSI income record will be created with an effective date of 01-01-2018. A new Medical Condition of ‘SI Disabled’ will also be created with an effective date of 01-01-2018.

Note: These are likely new SSI recipients and coverage will likely be adjusted.

3. PERSONS WITH AN ACTIVE SSI INCOME RECORD AND NO SSI RECORD OR AN SSI RECORD INDICATING \$0 INCOME ARE ON THE FILE:

No adjustments will be made to the SSI income record for these individuals. A report will be created and cases must be manually reviewed. These individuals must be reviewed to determine if they are still considered SSI recipients.

Note: These are likely people who will lose eligibility for SI-related medical.

If a new Income Record is added, it is added with an Income Type of 'Family Medical'. If it is updating an existing record, the current Income Type will be used. The current record will be automatically end dated with an effective date of 12-31-17 and the new record will begin 01-01-2018

Any New Medical Condition is added as 'SSI – Disabled'. The effective date of the new Medical Condition will be 01-01-2018.

4. SOCIAL SECURITY BENEFIT ADJUSTMENT

Any Social Security benefit amount listed on a current, active program or program person will be automatically updated with the COLA mass change update. The process will automatically calculate the new Social Security benefit amount based upon the amount that is active in the KEES system. The amount will be increased by the COLA 2% in 2018, and the resulting amount truncated. For cases selected for an EDBC run this amount will be used for subsequent benefit calculations. The following specifics apply to the SSA income adjustment:

- a. The new amount will be calculated for each active income record on KEES. Note the automated adjustment will not be updated for an individual who is not an active MEM or FRI on an active Program Block in KEES.
- b. For the benefit month of January 2018, continue to use the 2017 income amount until implementation of the COLA. However, cases have been identified where staff incorrectly updated the SSA income record with the 2018 amount. COLA is designed to update all SSA records, regardless of the effective date of the income record. If a case is identified where an update was made to an incorrectly entered income record, the case should be recorded on the Overpayment Spreadsheet. A report of these cases is being produced.
- c. For cases processed after the COLA run, the new amount is used for all months of 2018. For example, if processing a new application with a prior medical request received in March, use the 2018 amount beginning January 2018. The 2017 amount is used for December.
- d. In the event a case is missed with the mass COLA SSA update for 2018, staff are responsible for ensuring the income record has been updated with the new amount. Although staff are not required to routinely check all cases for update, if a case is found, the income record must be updated. Income should be obtained through normal verification processes, including TPQY. Or, if a current TPQY is not available immediately following the mass change, staff can calculate the new amount by multiplying the current SSA benefit amount by 1.02 and truncating to the whole dollar. For example, the current benefit in KEES is \$895. $\$895 \times 1.02 = \912.90 . The amount to be entered in KEES is \$912.00.

5. OTHER INCOME CHANGES – GOVERNMENT PAYMENTS

Other government-issued benefits are also anticipated to increase for January 1st. These include changes to Civil Service Retirement benefits, pensions, Veterans Administration benefits, Railroad Retirement benefits, and other unearned income. These changes must be completed and budgeted according to the information below.

A. RAILROAD RETIREMENT BENEFITS

KDHE has requested verification of new benefit amounts from the Railroad Retirement Board (RRB) for consumers receiving these benefits. Once received, the individual benefit letters that verify the new RRB amounts must be imaged to the case with a Document Type of 'Income'. In addition, a new income detail record amount must be created with an effective date according to the date of the action given timely notice requirements. New RRB amounts are to be budgeted no later than February 2018.

Note: The RRB has indicated the information will be provided to KDHE in late December. This means most consumers will have any increase budgeted beginning February, 2018. Income may be budgeted earlier if the change is reported by the consumer and it is within timely notice requirements.

B. VETERANS INCOME

KDHE has requested verification of new Veterans benefit levels from the Veterans Administration. However, it is unclear if the VA will provide updated benefit amounts for 2018. If information is received from the VA as a response to the request, the individual benefit letters that verify the new amount are imaged to the case file with a Document Type of 'Income'. A new income detail record must be created with an effective date according to the date of the action given timely notice requirements. If VA does not respond, it will be necessary for the consumer to report the new amount. All VA income amounts are to be budgeted no later than February 2018. If benefit changes were not reported timely by the consumer, staff must obtain verification of the new VA benefit at the next scheduled review. In these situations, staff must evaluate the case for a potential overpayment.

C. CIVIL SERVICE AND OTHER BENEFITS

Although other benefits may also increase, there are no centralized actions planned to obtain the new information. Consumers are expected to report any changes in benefit levels according to the Change Reporting rules. Benefit changes in January must be reported and implemented no later than February 2018. If the benefit changes were not reported by the consumer timely, verification must be obtained no later than the next review. In these situations, staff must evaluate the case for a potential overpayment.

6. MEDICARE EXPENSE UPDATES

The standard Medicare Part B premium for 2018 will remain the same, \$134/month, for persons who have less than \$85,000/year. (\$170,000 for couples). Persons with higher incomes may pay a higher premium. Some individuals may continue to pay a reduced premium due to the 'hold harmless' provision that established a Medicare Part B premium below the standard. This was due to a low SSA COLA in 2017 that capped an individual premium increase to the amount of the SSA increase. Those individuals will see an increase in their Medicare Part B premium this year. Example: An individual with a premium of \$104.90 in 2016 would have a standard premium of \$134/month in 2017. Her Social Security was \$1000 in 2016. She received a \$3 COLA in 2017. Because she only received a \$3 COLA increase, the Medicare premium cannot increase more than \$3, resulting in a Medicare Part B premium of \$107.90 in 2017. Her 2018 Social Security increase will be \$20.00. Meaning her Medicare Part B premium will rise to \$127.90, an amount below the standard.

Note that the premium for all persons on Buy-In is the standard premium of \$134/month regardless of the 'hold harmless' rules.

COLA Mass change will automatically adjust all Medicare Part B premiums to \$134 effective January 2018. The batch will replace any existing Medicare premiums at or below \$135 with the base premium amount. Records with higher premiums will remain untouched by the batch. All batch records will be created as 'State Pay'.

Although the new amounts will be updated on all cases with an active Medicare Expense record, because the Medicare premium amount only impacts the budget when Medicare Buy-In is not anticipated, this is expected to impact few cases. Staff are required to verify the correct Medicare Part B premium is allowed the next time the case is touched.

The Mass Change process will not impact the Part D premium on KEES. However, staff must ensure the correct Medicare Part D premium is allowed. A current recipient is responsible for reporting any change in their part D premium. The premium the individual will pay as an LIS eligible is allowable. When that amount is not available, the current premium less the Part D Benchmark is allowed. The benchmark is only allowed on initial applications where Buy-in has not yet occurred. In 2018 the Part D Benchmark is \$31.43/month. This is allowable beginning with the first month the individual is eligible for Medicaid or an MSP program.

7. OTHER INSURANCE PREMIUM CHANGES – INCLUDING BC/BS OF KS PREMIUMS.

Recipients enrolled with BCBS of KS members will be included in a data match to obtain new, individual rate information. The individual rates are expected to be available the first week of December 2017 and will be made available to staff at that time. These will need to be budgeted for January 2018. As a reminder to staff, information is to be recorded as a 'Health Insurance Premium' and Expense type of 'BC/BS'. The details of the exact type of coverage the individual has are then recorded in the description field (e.g. Plan F with Dental Rider). The specific rate information shall be recorded with an effective date of 01-01-2018, unless the client has reported

the information previously as described above. Please note BC/BS of Kansas City premiums will not be included

In addition, KDHE is attempting to obtain and distributed the 2018 Medicare Supplemental rates for BCBS of KS. This information will be distributed when it is available. For new applicants and individuals who were not identified as part of the match, verification of the new premium must be obtained from the consumer. It is usually necessary to verify the specific Supplemental Plan the consumer has (Plan A – N) in order to determine the new premium amount. The new premium is generally allowable beginning the month following the month of report. Until the new rate chart is available, consumers must report any change in the premium amount directly in order for the increase to be budgeted.

Verification of any premium change for BCBS of Kansas City or any other carrier will be obtained from the consumer. Any increase is generally allowable the month following the month reported.

8. BATCH EDBC

The COLA Mass Change process will identify all Medical Program blocks impacted by the income and/or Medicare updates described above and process an automatic Batch EDBC. The Batch EDBC will run with a special EDBC run reason of 'COLA' for the month of January 2018. As a result of the Batch EDBC, changes in coverage, including aid codes, base periods and cost sharing could result as follows:

A. NEW ELIGIBILITY:

New or different eligibility could occur as a result of the Mass Change. This could mean a change in Aid Code and/or Benefit Plan. Careful attention should be given to any case experiencing a change in either. *A report of all cases determined suspect* will be provided. Note: The batch should not result in brand new eligibility for any individual. For example, a person should not move from a FRI to a MEM due to the mass change.

B. CONTINUOUS ELIGIBILITY PERIOD:

Program blocks with expired CE periods are being excluded from the batch EDBC, so new CE periods should not result from the COLA batch EDBC. For programs within an existing CE, the Batch EDBC will execute, and any coverage change that occurs will follow existing KEES rules and is considered appropriate.

C. COST SHARING:

When income is recalculated, cost sharing responsibilities will likely change too. Cases could experience a change in spenddown amount, patient liability, client obligation, participant obligation, or premium. Cases with correctly entered Income Allocation, Medicare Expenses and other Medical Expenses may also impact cost sharing. New cost sharing amounts are calculated with the Batch EDBC and will be communicated to the member and LTC entity.

Special attention should be given to any case that has a large cost sharing change. *A report will be provided.*

D. DISCONTINUANCE:

The EDBC should not result in any member being discontinued. The batch is programmed so that a Read Only EDBC is the outcome for any case that resulted in a discontinued program or individual. *A report of these cases has been provided.* Note these cases are generally the result of incorrect or inconsistent data in KEES. Instructions provided for the Pre-COLA clean up can be used when processing these cases Post-COLA. If an actual discontinuance results, the person/program may be discontinued, but must be given timely and adequate notice.

9. NOTICES

As part of the EDBC Batch process, a notice will be generated for any identified change. These will include changes in aid code and benefit plan as well as new base periods and changes in cost sharing. The Batch EDBC should generate notices from the change only when there is a change in coverage. Notices are to be generated for the recipient as well as any appropriate Administrative Role when a change has occurred as a result of the mass change. Notices will not be generated for any facility, HCBS MCO or PACE entity (See Section 10.C below).

A. SPECIAL PROCESSES

Special processes have been developed for notices generating from the COLA batch to provide for the following concerns:

1. The COLA is running in early December and the change is effective 01-01-2018; additional changes may take place in the interim that require action. Multiple notifications may confuse the recipient.
2. Notices that are generated from the batch may be incorrect and require changes.

B. DELAYED MAILING

Notices produced from the batch run will not be mailed immediately. Notices will be held for a later release to give staff time review and delete any incorrect notices. Although COLA notices will generate and be viewable on the Distributed Documents page, notice mailing will occur in December.

Notices generated from the batch will be placed in an 'ON HOLD' status. This will allow the user to review the notice and, if necessary, delete the notice and generate an appropriate notice. Staff will not be able to modify the COLA notice, but must delete a bad notice. Once deleted, a change notice will usually generate upon running EDBC and, if the resulting notice is appropriate, a COLA-specific fragment is added to the notice. The Standard Text for Copy

and Paste spreadsheet has been updated with the new fragment. Additional information regarding the specific steps will be provided in training material.

Staff will have through COB December 13 to delete any notice. After that date, any notice that is in On Hold status will be targeted for mailing. Staff cannot delete any notices after this date. Notices will be sent to the Central Printer for mailing. Mailing is expected to take several days, but will be complete prior to negative action deadline.

Note: Notices recreated through a 'normal' EDBC by a human will not be held. Those notices will be mailed according to the general mailing schedule.

C. FACILITY NOTICES

As indicated above, individual facility notices are not generated out of the batch. Facilities will be notified of any liability change through a special report. On or about December 22, a list of all recipients with a liability change as a result of Mass Change will be included on a special report. Each facility will receive a special report. The report will list the new liability for each resident and the effective date. A similar report will be provided for each MCO for HCBS and PACE cases. The reports will be mailed from Central Office. Because these reports are generated based on the LTC provider listed on the LTC Data Details page, it is critical that staff ensure the provider listed on the LTC Data Details page is correct.

10. JOURNAL

As part of the COLA batch process, an automated journal entry will be written to the case. The journal entry reads:

'As part of the COLA Batch process, updates were made to the COLA specific Data Collection records and a Batch EDBC was ran, accepted and saved'.

Staff should create journal entries for any additional action taken that may be related to COLA.

11. SPOUSAL IMPOVERISHMENT/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/income allocation provisions. If the community spouse is also an OASDI recipient, the increase could impact the amount being made available if the maximum permitted income allowance amount has not been reached. KEES will recalculate the amount of the allocation automatically. However, there are a number of issues to consider:

- a. The SSA income of the community spouse must be adjusted with the mass change. However, the incomes may not all be automatically adjusted with the mass change. Staff are responsible for ensuring the community spouse SSA income has been adjusted

effective 01-01-18. The new amount can be obtained from EATSS, the case file or can be computed as per 4(c) above.

- b. If the community spouse has other income, staff should check the case record to determine if any new amounts have been reported and utilize those amounts in the budget. Other income must be verified at the next review.
- c. Cases where conversion clean-up has not been completed must be reviewed to ensure the correct information is recorded in KEES. The appropriate clean-up steps must be completed at this time. For cases that don't appear to have requested income allocation, it is appropriate for staff to assume this is correct unless a non-zero patient liability/obligation results from the mass change. In these cases, it is necessary to research the case file, including OneNote, to determine if an allocation request was made.
- d. All cases potentially eligible for allocation must be manually reviewed by staff. A report is provided.
- e. The new spousal impoverishment standards were implemented earlier in the year. The following are currently in effect:
 - A. Maximum Community Spouse Income Allowance \$ 3,090
 - B. Excess Shelter Deduction \$ 218
 - C. Maximum Community Spouse Resource Allowance: \$ 123,600
 - D. Minimum Community Spouse Resource Allowance: \$ 24,720

12. PROGRAM SPECIFIC INSTRUCTIONS

A. PROTECTED MEDICAL GROUPS

KEES has been updated with new multipliers for the Protected Medical Groups for 2018. Cases that are correctly coded in KEES should be redetermined as part of the mass change. In addition, cases may be newly approved for a PMG group as part of the mass change. In these situations, any existing medically needy base period will end.

Cases where conversion clean-up has not been completed or where improper KEES coding is present may experience a change in coverage. This will generally require manual processing. Although the mass change results may have placed them in a new aid code, this result is incorrect in most cases. Staff must review these cases and ensure KEES is properly updated. For converted cases, information regarding the original determination will be necessary to complete this step. *A report, PMG Cases that switched aid code or lost PMG coverage as a result of the Mass Change* is provided.

B. MEDICARE SAVINGS PROGRAMS

For all MSP, the amount of the COLA increase is not included in any determination for the first quarter of the calendar year, or until the new poverty levels are implemented for the calendar year. KEES accommodates this policy and will apply a disregard for any MSP budget determined through an online or batch EDBC.

In addition, new Resource limits for these programs are also effective January 1, 2018. The levels in KEES will be updated to reflect the new standards.

Single Person: From \$7,390 to \$ 7,560

Couple: From \$11,090 to \$11,340

Determinations for the benefit month of January 2018 and later will be made using the new resource standards.

C. WORKING HEALTHY

Except at review, increases in income do not impact a Working Healthy case. Because of this, changes to Working Healthy cases due to the COLA are rare. However, the poverty level increases the Working Healthy upper income standard as well as the premium income levels. When cases are selected for the batch EDBC the income standards based on the new FPL's will be used. This could result in some Working Healthy cases with a decrease in premium. Because the notice informing the client of the new premium may not be accurate, all Working Healthy cases must be reviewed. Eligibility will need to be adjusted for cases with a premium increase. A new notice will need to be created for cases with a premium decrease. A report, *'Working Healthy cases with a premium change'*, will be provided.

D. MEDICALLY NEEDED

Income and Medicare expense records will be updated for all Medically Needed cases. However, cases that do not have a current Medically Needed base are excluded from the EDBC portion of the batch. This is done to avoid establishing a new base period. Any case with an active Medically Needed program and a base period that expires on or before December 31, 2017 will appear on the *'Medically Needed Exclusion'* report and must be reviewed. Staff must determine if a new base period is appropriate for these cases using existing rules and processes. Some cases may also be up for review in January.

Note Regarding the Medical RMT: Any program block for an MSP only case that has an RMT of 'Medical' would likely have a new base period established when the Batch EDBC runs. Staff must take extra care to ensure the correct RMT is in place when completing any processing to avoid a similar change in the future.

All other Medically Needy cases should be updated by the batch and a new spenddown amount will be established. The new amount will include the new SSA benefit as well as any Medicare premium updates.

It is possible that some cases will actually be redetermined in the Medically Needy group following the execution of the EDBC. If the case was properly coded in KEES, this would be a rare occurrence. Because of this, cases with a change to a Medically Needy program must be reviewed. *These cases will appear on the report 'Suspect Cases'.*

E. LONG TERM CARE

When the COLA processes a long term care case, the EDBC process will recalculate both eligibility and the patient liability/client obligation/participant obligation. Most individuals are eligible under a 300 Aid Code and will have a new obligation established with the COLA updates. A case is identified as LTC by the presence of an active LTC record on the LTC Data Details page in KEES. If the information on this page is inaccurate or incomplete, unexpected changes could result. Medical expenses listed in KEES will also impact the outcome of both the EDBC and any resulting liability change.

- a. **MN3 Aid Codes:** For cases previously determined eligible under this group, the automated mass change process is expected to calculate correctly. Cases with incomes in excess of the 300% limit will recalculate and, if the cost of care listed on the LTC Data Details page exceeds the resulting liability, the case will continue eligibility with only a liability update. However, if, after the mass run, the liability is now greater than the cost of care, a change in coverage will likely result. These will most likely convert to a straight medically needy program. Staff must review each of these cases to ensure the action is correct.

Note: For these programs, it is critical that a Facility NOA/Form be sent by the worker as the special process noted above regarding the Facility Lists will not include cases that do not have a patient liability.

Cases newly determined eligible for the MN3 aid code are considered accurate if the cost of care on the LTC Data Details page is correct. However, because staff were not required to obtain this information for cases under 300% income threshold, it is highly unlikely the case is accurate. Therefore, it is necessary to review all cases newly determined eligible for MN3.

Lists of cases that are impacted by either issue will be included on a *special MN3 Report*. Staff must review these cases and make updates as necessary.

- b. **SSI Recipients:** The following LTC Populations will be impacted by COLA:
 - i. Some residents of state institutions or nursing facilities who receive SSI income may also have a patient liability if their income is above the \$62 PIL; primarily, residents of NF MH facilities who are between the ages of 22 and 64. The SSI income record will

be updated and eligibility will be recalculated for these individuals. Notices will be generated automatically through the mass update process. Cases that come out of the COLA with a patient liability inconsistent with their situation will be included on a special report of Suspect Cases. *A report of suspect SSI cases in a Nursing Facility with an obligation* is provided.

- ii. Persons in HCBS, MFP or Community-Based PACE who receive SSI do not have a client obligation. However, an existing defect in KEES will determine an obligation if income exceeds the PIL. These cases must be evaluated to ensure a Client Obligation is not established. In addition, if an obligation was previously set, an underpayment must be considered. *A report – SSI recipients in HCBS or TC – is provided and must be processed.*
- iii. Persons in a Temporary Care arrangement who receive SSI do not have a patient liability. An existing defect in KEES will determine a liability if income exceeds the appropriate PIL. These cases must be evaluated to ensure a Client Obligation is not established. In addition, if an obligation was previously set, an underpayment must be considered. *A report – SSI recipients in HCBS or TC – is provided and must be processed.*

13. CASES WITH UNEXPLAINED AID CODE OR COST SHARING CHANGES

For most cases, changes as a result of COLA will be relatively minor – small adjustments in Patient Liability or spenddown or a minor change in aid code. However, some cases will experience a significant change following execution of COLA. This may be a large change in cost share of hundreds, or even thousands, of dollars, incorrect eligibility or unexplained notices. These changes usually indicate a problem with data on the system. As previously indicated, this could be the result of incomplete conversion clean up. However, several other factors may also cause a case to experience unexplained changes. *Reports of various Suspect Cases is provided.* When reviewing these cases, several items must be explored to determine if additional action is needed:

- a. A case that experienced data changes but EDBC was not executed. This could include cases with expired expenses, income changes, updated medical conditions, etc. If this is the first time EDBC was executed following those updates, changes to coverage could be significant. In many instances, the resulting eligibility is correct based on the data. However, the notice of action may not fully explain the change. In these cases, it may be necessary to send a supplemental notice or make other adjustments.
- b. Incorrect RMT: If the RMT is set as Medical for a case, all programs will be considered and may actually be authorized from the mass change.

- c. Cases in Progress: Although the mass change will not execute against a pending case, cases that have incomplete process changes may be mass changed. These may include cases transitioning living arrangements, undergoing a change brought on by the new Protected Filing Date policy or other changes. Two actions are taken to help mitigate issues for cases in progress:
- KEES will exclude from processing all cases in the E and D State and Outstationed Worker Queue to avoid shifts in coverage prior to authorization. State staff must ensure they are considering the changes related to mass change when processing actions on or after November 30. *A Report is provided.*
 - An indicator has been added to all manual reports to show if there is an active task on the case. This will help identify work in progress by Maximus staff.

14. OTHER CASES THAT REQUIRE MANUAL PROCESSING

The following sections outline additional cases that will require manual processing:

a. Overridden Budgets: Cases with overridden budgets will produce a read-only EDBC as part of the mass change process. This means these cases will continue to receive coverage at the same level as prior to the mass change until the next time an on-line EDBC is executed. Overridden cases must be manually processed in order for the COLA increase and other changes to take effect. In instances where the override is no longer needed, simply reauthorizing coverage may be sufficient to properly work the case. However, if the override is still needed to ensure accurate results, the case must be manually processed. *A report of cases with Overridden Budgets is provided, with high priority given to Long Term Care cases.*

b. Skipped Cases: Cases may be skipped by the Mass Change if there are issues with the date on the case that will prevent the EDBC from executing. Staff must review these cases to determine the issue and make necessary corrections. However, coverage will continue at the same level as in place prior to the mass change. Manual processing is required and a report will be provided. This report will be combined with the report of discontinued cases noted in Item 8, Discontinued Cases. *Report of Discontinued Cases/Skipped Cases*

15. COLA CHANGES – COORDINATION WITH REVIEWS

December reviews (where coverage expires December 31, 2017) were processed on November 15, 2017. Notices and forms were mailed to consumers and administrative roles as required. Passive and Super Passive reviews were given updated information regarding benefits and coverage for January 2018. Pre-Populated reviews were instructed to return their review by December 1st or coverage would end December 31, 2017.

The review batch was processed BEFORE COLA mass change. This means the reviews were processed using the old income amounts – prior to the income update. When the COLA batch executed and new income amounts were determined, a new notice may have resulted. This will likely be different than the notice generated from the review batch.

The following outlines specific instructions for processing reviews associated with the COLA mass change.

A. PASSIVE REVIEWS

Passive Reviews are processed using the 2017 SSA income amounts, as the new income amounts will not have been added to the case prior to the Passive Review being processed in KEES. This could cause an increase in Passive Review Responses, as the consumers call to report the change in their SSA income amount.

If the only thing that the consumer is calling to report is a change in the SSA income amount, then it isn't necessary to record this as a PR Response because the income has now been updated in the system for 01/2018, processed, and a change notice sent to the consumer if applicable. A separate task is not required.

If other changes are reported in addition to the SSA income change, then it shall be recorded as a PR Response. In KEES, the Document Status on the Review and IR record must be updated from 'Sent' to 'Received' in order for it to be reported as a Passive Review Response. All changes reported shall be processed in the month of January 2018 to be consistent with the COLA change. However, if a change is reported prior to the end of November that will result in a positive change to the consumer then it shall be processed in the benefit month of December 2017 to be consistent with current policy.

As indicated above, two notices may be generated for a consumer regarding January benefits. The COLA notice will be the last one sent out and will be the most current, so no action is necessary on these cases unless the consumer has a change or there is another issue with the case. However, the consumer may receive two notices.

16. PRE-POPULATED REVIEWS

The Pre-Populated Review form was generated prior to the COLA change and therefore will display to the consumer their old SSA income amount. We should expect to see consumers reporting these changes when they return their review form.

It shall be a priority to process the returned review forms for any case that is included in COLA Mass Change. *A list of cases where a Pre-Populated review has been returned will be provided.*

If the Review is processed prior to the release of the COLA Mass Change notices, then a new notice is created and the consumer is notified of any applicable change as part of their Review notices. The COLA mass change notices can then be deleted.

If the COLA Mass Change notices have been sent prior to the processing of the review, and there is a change that impacts January 2018, it will be necessary to address this difference in a special notification to the consumer. An explanation can be appended to the Review notice.

17. PRE-POPULATED REVIEWS – REVIEW NOT RETURNED

Pre-Populated reviews that are not returned by the consumer may be processed manually for discontinuance. As indicated above, during the week of December 11, staff will be provided with a report of cases with a December review, affected by mass change that have not returned their review form. These programs will be discontinued effective December 31, 2017 for failure to return the review form. Staff will then delete the Mass Change notice generated for the case.

18. GENERAL PROCESSING GUIDELINES

When accessing a case that has been impacted by COLA, it is important that staff evaluate the updates made by COLA. The following general steps are applicable to cases subject to manual processing where a specific Job Aid is not available as well as other situations where action is taken on a case updated by COLA:

1. Evaluate changes in eligibility – the specific aid code(s) which the client was eligible as well as any change in coverage. Determine if the change is logical and is supported by the action. This information can be obtained from the Case Summary page.
2. Evaluate the income page to determine if new or changing updated SSI records were created. If more recent information is available from EATSS or is in the case file, it is likely the SSI income record is incorrect and must be updated.
3. Evaluate the income page to determine if the SSA income amount is correct. If the 2018 amount was entered on the income page prior to COLA, the amount of SSA income budgeted is likely incorrect and it must be updated. It is also possible the original SSA amount was incorrect and would still be incorrect following COLA. The record is dated 01-01-2018.
4. The Medical Condition page may have been updated by COLA if the individual was identified as an SSI recipient. This page should also be reviewed.
5. Ensure all Post-Conversion Clean-Up has been completed on the case. Refer to the KEES User Manual for instructions. Pay special attention to LTC data and the PMG questions on the income page.

6. Check the Medicare Expense page. COLA is updating the Medicare expense records for cases that have one of the two standard Part B premiums. These records are set with a payer of 'State'. This means the Medicare premium will not be allowed as an expense in the medical budget. If the worker is expecting an allowance, the payer must be adjusted.
7. Ensure the expense page correctly captures all expenses. If any medical expenses are listed on the Medical Expense page, staff should refer to existing Job Aids.
8. Check EDBC. Pay close attention to any base period as well as the eligibility that results. Staff may need to run EDBC to complete any changes made during the above review/clean up.
9. Always check the Notice of Action. Any incorrect notice must be deleted prior to 12-13-2017 and a correct notice generated.
10. Journal any actions – especially any changes that were made as part of the review.

19. SUMMARY – CASES EXCLUDED FROM COLA BATCH PROCESSING

The following is a complete list of all cases excluded from COLA Batch processing. Cases may be completely excluded or excluded only from one of the updates. Issues that require manual processing by staff are noted in Section 15 below.

- a. Medically Needy with an Expired Base Period: Cases that have a Medically Needy base expiring on or before 12-31-2017 will be updated with all steps (SSA income, SSI income, Medicare, Medical Condition) but will be excluded from the Batch EDBC. These cases will require manual processing.
- b. Cases with An Expired CE Period: Cases that have an expired CE period will be excluded from the batch to avoid an incorrect change in coverage. All steps (SSA income, SSI income, Medicare, Medical Condition) will be executed. Only the final Batch EDBC will be eliminated. No Manual Processing is required.
- c. Work In Progress – State and Outstationed Worker Queue: Cases in the State E and D and Outstationed Worker queues will be updated by all phases of the batch (SSA income, SSI, Medicare, Medical Condition) except the EDBC Batch update. Manual Processing is required.
- d. Skipped/Potentially Discontinued Cases: Any case or person that would have discontinued by the batch EDBC will be excluded from automatic EDBC update. Coverage is to remain in effect until the case is reviewed. Some cases will indeed result in discontinuance following the review. Manual Processing is required.

- e. Presumptive Eligibility Cases: Any case with an open PE Block is excluded from the mass EDBC. Social Security/Medicare/SSI updates will occur. Manual processing is required.

20. SUMMARY - CASES THAT REQUIRE MANUAL PROCESSING

The following types of cases will require some form of manual processing. Reports will be provided along with instructions for processing. Additional instructions are provided as noted.

- a. Medically Needy with Expired Base Periods – These cases must be processed to determine if a new base period is appropriate. Staff should use existing processes to determine if a new base period is to be established. Although the SSA income should be updated as part of the COLA process, staff should check the income budgeted on the case when processing. Staff use existing processes to complete this work. Necessary case work must be completed prior to medical card cutoff for January, 2018.
- b. Protected Medical Group Cases – These cases are currently eligible for a PMG benefit are potential PMG cases. For current PMG cases, staff must ensure a valid ES-3104.6 is on file and ensure all coding in KEES is accurate. The Job Aid, *PMG and Using the ES-3104.6* is used for this process.
- c. Allocated Income – This report identifies all cases with a current income allocation. These cases must be reviewed to determine if the allocation is correct. The Job Aid, *Income Allocation*, is used for this process.
- d. Cases Where EDBC processed with Override – These cases will not execute properly out of the EDBC Batch due to an Overridden EDBC. These cases must be reviewed and manually processed to ensure correct eligibility is provided. The Job Aid, *EDBC Overridden*, is used for this process. Cases at greatest risk for error are identified as high priority cases.
- e. Cases with Income Over 300% SSI (MN3) – These are cases that are currently receiving coverage under the MN3 Aid Code or need to be considered for coverage under this category. These cases must be reviewed to ensure coding is correct, including the Cost of Care on the LTC Data Details page. The Job Aid, *Income over 300%*, is used for this process.
- f. Skipped/Potentially Discontinued Cases - Cases resulting in a denied or skipped EDBC are processed as Read-Only by the batch. This means the case will continue at current benefit levels until the next time it is touched. Many of these cases have inconsistent or incorrect data in KEES that is causing the problem. These cases should be reviewed to determine the issue. Some cases will indeed result in discontinuance following the review. Manual Processing is required.

- g. SSI Cases with HCBS or in Temporary Care – These cases are incorrectly determined with a liability or obligation. Staff must review and process to ensure the case does not have a liability. The Job Aid, *SSI Cases with HCBS or in TC*, is used for this process.
- h. Working Healthy With a New Premium – Working Healthy Premiums cannot increase outside of a review period and some cases may have incorrectly changed. In addition, the FPL caused a reduced premium for some cases. Staff must review all cases with a Working Healthy change.
- i. SSI Cases That Appear to be Losing SSI – This report identifies cases that appear to be losing SSI based on information received from SSA. Staff must research these cases and take appropriate action. These cases will continue to receive coverage at previous levels until action is taken
- j. Suspect Cases - Those with unexplained aid code changes, large liability fluctuations or other suspect results from the Mass Change. All cases must be researched to determine if changes must be processed. Various reports may be provided
- k. MediKan Cases - MediKan cases that switch to SSI are considered correct because the SSI information comes directly from Social Security. However, cases with changes to other Aid Codes or a Share of Cost must be reviewed.
- l. State Queue Cases – These cases were withheld from the Batch EDBC because action is necessary by State Staff. Process according to existing instructions.
Note: a special report will not be provided as existing processes will be used to identify these cases.
- m. Outstationed Worker Cases – These cases were withheld from the Batch EDBC because action is needed by State Staff. Process according to existing instructions.
Note: a special report will not be provided as existing processes will be used to identify these cases.
- n. SSI cases in an NF with an Obligation – The EDBC batch will redetermine a patient liability for these cases and generate a notice. However, cases with inconsistent results will require manual review. Staff must ensure the case is processed correctly.
- o. Family Medical Suspect Cases – This is a list of Family Medical cases that have a suspect change- generally a suspicious share of cost or aid code change. These cases must be reviewed to determine if the action was correct and rework the case as necessary.
- p. BC/BS Recipients - A report of Medicaid recipients and their total premium who are currently enrolled in a BC/BS of Kansas Medicare supplemental plan will be generated. The expense page must be updated and EDBC run, as indicated above, with the new information. Updates based on the report are effective January 1, 2018. Persons who

have coverage through BC/BS of Kansas and are not included on the report must report the increase to the agency in order for the premium amount to be budgeted.

- q. Railroad Retirement Recipients - A report of all individuals who have Railroad Retirement benefits currently budgeted was sent to the RRB. Upon receiving updated information from RRB, the new income amounts will be provided to staff to update the budget. This information is not expected to be available until late December, so these changes will be budgeted for February eligibility.
- r. VA Benefit Recipients - A report of all individuals who have Veterans Benefits currently budgeted was sent to the VA. Upon receiving updated information from VA, the new income amounts will be provided to staff to update the budget. As VA has not acknowledged the request to date, the information is not expected to be available through a centralized process. Updates are dependent upon client report.
- s. Pre-Populated Review Cases - A report of cases with a pre-populated review that have been impacted by the batch update will be provided. These cases should be prioritized when processing reviews that expire in December. This is to avoid incorrect notices if a change occurs during the review process.

21. CONCLUSION

For questions or concerns related to this document, please contact one of the KDHE Medical Policy Staff listed below.

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