

K A N S A S

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TO: EES Program Administrators and Staff HealthWave Clearinghouse Staff	DATE: May 31, 2006
FROM: Jeanine Schieferecke	RE: Implementation of New Long Term Care Protected Income Level

The purpose of this memo is to provide instructions for implementation of the new protected income level for institutional long term care cases. KEESM [8160](#) and [8172](#) are updated in Revision 28 to reflect this change.

Senate Bill 62, approved by the 2006 Kansas Legislature, authorizes an increase in the LTC protected monthly income level from \$30.00 to \$50.00 beginning 07-01-2006. The legislation also provides a second increase to \$60.00 beginning 07-01-2007. For two or more persons the income standard is changing from \$60.00 to \$100.00 effective July 1, 2006 and will be \$120.00 beginning July 1, 2007. Future cost of living increases are also provided for subsequent years. Finally, the new law also establishes a special state payment for SSI recipients receiving a \$30.00 monthly payment. The special SSI State Supplement would raise the individuals income to the level of the current institutional income standard. DHPF is working with SSA, SRS and KDOA to develop this new program and staff instructions will be released when the program is operational. No implementation date has been determined.

To implement the new standard, the KAECSES table will be updated on May 31, 2006. The new standard will be reflected for both MS and CI programs. For MS programs, a special emergency mass change has been scheduled to implement the new standard for existing cases. The process will be very similar that used for COLA mass change each winter. Cases processed after May 31 will be processed using the new income level.

A. Emergency Mass Change

The mass change will run the weekend of June 3-4, 2006. This mass change will rebudget all MS programs and incorporate the new LTC standard. The new standard will be applied to all MS programs with a medical program subtype of AC. Other income and expenses currently included in the budget will not be adjusted. Any resulting patient liability obligation will be computed and reflected on the SPEN screen for the benefit month of 07/2006.

Because the mass change will reprocess all MS cases, some HCBS, Working Healthy and independent living cases may be adjusted because of this update.

The MR330, Mass Change Detail, will be available following the mass change. All

cases impacted by the mass change will be listed. This report is accessible on SAR by entering SWY03854-158. It will be available 06-05-2006. Staff should be prepared to review this list and identify those cases which may require manual intervention, such as those cases copied past 07-06.

B. LOTC Update

The KAECSES LOTC screen will be automatically updated to incorporate the new liability amount with an effective date of 07-2006. This update will also occur over the weekend of June 3-4. All cases with an effective date prior to 07-2006 and a liability different than the amount appearing on SPEN in July will be updated. The LOTC screen must be updated manually if these conditions are not met. LOTC will not update if a later effective date is present on LOTC.

C. Facility Notices

Individual facility notices will not be produced with the mass change. Instead, a report by caseload will be available on SAR. (CR350). The report will list the client name and the new patient liability for July. The report is sorted by zip code, with page breaks at each new zip + 4. It is expected this sorting method will produce a separate page for each individual facility. For PACE cases, each individual will be listed separately. 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 liability amount due to changes in other income and/or insurance. A copy of the report must be retained for documentation. The report will be available on 06-05-06 by entering SAR report ID SWY03873-R30.

D. Control Reports

For control purposes, two additional 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 07-01-06 effective date already exists or the patient liability/obligation was not changed. Staff are to briefly review these cases to ensure accuracy. This report will be available 06-05-06 by entering SAR report ID SWY03873-R25.

The second report, HC Report - CR351, provides an alpha listing of HCBS clients, by caseload. Only clients with a July obligation change because of this emergency mass change will appear on the report. We anticipate few, if any, obligation changes so **case manager notices will not be printed**. Staff need to use this report to identify HCBS cases with changes and notify the case manager using an ES-3161 as appropriate. This report will be available on 06-05-06 by entering SAR report ID SWY03873-R35.

E. Mass Change Notices

Printing of the notices created as a result of mass change will be delayed. The delay will provide additional time to incorporate other changes that may impact the July obligation prior to notifying the consumer.

Following mass change, 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/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 run, the eligibility worker must delete the mass notice on the KAECSES NOHS screen. A new notice must then be sent describing both the increase in LTC Standard and any other changes. The notice update function can not be used on the notices created by mass change. Because the effective dates and spenddown/patient liability amounts are driven by notice keywords, these fields cannot be changed through a notice update on NOHS. If changes are necessary, the original notice created by mass change must be deleted and a new notice generated.

Special notices have been developed for this special mass change. The following mass change notices will be available for use on May 31, 2006:

N756 - MS Mass Change - Liability/Obligation Change
S756 - SI Mass Change - Liability/Obligation Change
C756 - CI mass Change - Liability/Obligation Change
N971 - MS Facility - Mass Change
S971 - SI Facility - Mass Change
C971 - CI Facility - Mass Change

If no further changes are made and/or the mass change notice is not deleted, the system generated notice will be printed and mailed beginning 06/15/06. This mailing delay gives the worker until the close of business on 06/14/06 to make any necessary changes and/or delete the MS mass change notice.

F. CI and SI Cases

CI and SI programs will not be included with the mass change. However, the new \$50.00 is applicable to these cases too. A report of all open CI and SI programs with a patient liability will be produced on or about June 9, 2006 to assist with this process. The list will be sent to the EES Report Distribution List. Each case on the list must be reviewed and reprocessed to determine the new patient liability. SI programs will require a paper budget. LOTC must be updated and appropriate client and facility notices must be sent. Most cases will experience a decrease in patient liability and adequate notice is sufficient in those situations. The notices referenced in item (F) above may be used for these situations.

If you have any questions about the information in this memo, please contact me at (785) 296-8866 or through GroupWise. For questions regarding the system, including the mass change, please contact SRSTSC. Your cooperation and support with this process is very much appreciated.

JS:jmm

