

A STATE DEPARTMENT OF SOCIAL
AND REHABILITATION SERVICES
Integrated Services Delivery
Docking State Office Building
Room 681 - West
Topeka, Kansas 66612

State Commissioner's Letter - 1023

December 14, 1999

(Code 1)

TO: Area Directors
Economic and Employment Support Chiefs
Economic and Employment Support Staff
Social Service Chiefs

**Re: Kansas Economic and Employment Support Manual (KEESM)
Revision No. 1**

PURPOSE OF LETTER

This letter transmits Revision No. 1 of the Kansas Economic and Employment Support Manual. This revision incorporates changes in the spousal impoverishment standards and numerous clarifications to policy.

BACKGROUND AND REASON FOR CHANGE

Based on a 2.4% increase in the consumer price index (CPI) from September 1988 to September 1999, the community spouse income and resource allowance standards under the spousal impoverishment provisions will be increased effective January 1, 2000. The minimum and maximum resources allowance will increase to \$16,824 and \$84,120 respectively and the maximum income allowances will increase to \$2,103. The minimum income allowance is unaffected by the consumer price index. These increases are required by federal law.

A new Application for Medical Assistance and Food Stamps (ES-3100.4) for the elderly and disabled is included. The revised application will permit applications for independent living medical programs to use a specialized, shorter application instead of the IM-3100. The application was designed to capture information for all elderly and disabled medical programs as well as food stamps.

Other changes in this revision include a clarification in determining the effective date of Nursing Facility payment when a current CARE assessment has not been completed, an increase in the HCBS income standards to \$687/month and changes to various forms including the Medical Assistance Budget form and the Spousal Impoverishment Income and Resource Assessment forms. Other policy changes and changes made to forms are noted below.

CHANGES AND REQUIRED ACTIONS

1. **KEESM 1114 - Child Care** - This section has been expanded to include the TC child care subtype. In addition, this section has been amended to reflect that Food Stamp Employment and Training Funds and TANF transfer funds are used to fund the Child Care Program.

2. **KEESM 1431 - Timely and Adequate Notice** - This section now includes wording to clarify that when a child care plan is closed and there is no negative impact on the client (e.g., services will be continued with a different provider), timely and adequate notice of the termination of the plan is not necessary. In these situations however, the client and provider should be informed of the plan closure date. Item (2) of this section has been amended to reflect that for all programs, closure notices must be mailed no later than the 20th of the month in 31 day months or the 19th of the month in 30 day months to be considered timely. Previously this sentence stated incorrectly that it did not apply to child care.
3. **KEESM 2510 - Categorically Eligible Households** - The first sentence of this section has been modified to correct an error from 10-99. Information in parenthesis was removed that indicated that 1619b SSI recipients were categorically eligible. They are not categorically eligible as the NOTE after the first paragraph correctly states.
4. **KEESM 2644 and 2780 - Continuous Eligibility** - These sections are being amended to clarify that eligibility shall continue even though a family fails to cooperate regarding a review resulting from a new child entering the household.

These sections are also being clarified to note that a new continuous eligibility period shall be established when an application is made for a new program or a request for assistance is made for a Medicaid or HealthWave eligible child who enters the home.

Also noted is the fact that if the family remains eligible based on an application for other program benefits or a review occurring prior to the end of a current continuous eligibility period but the income determination results in a change in category (Medicaid to HealthWave or vice versa), the family shall continue the current coverage until the end of the previously established continuous period. The one exception to this rule is where the change in category goes from HealthWave premium status to Medicaid status for all of the children.

KEESM 2644 (2) has been clarified to include TAF eligibility as establishing a new continuous eligibility period.

5. **KEESM 2651 - MA AF** - This section is being amended to clarify that the child must be under the age of 19. High school attendance is no longer a requirement for 18 year olds.
6. **KEESM 2672.1 - Partial LMB Program** - Effective January 1, 2000 the yearly reimbursement changes from \$26.76 to \$34.44.
7. **KEESM 2770 - Premium Requirement** - This section is being amended to make technical corrections and to clarify that the month of change for a child being added to a case (including a newborn) is the month the child begins to receive coverage.

This section is further amended to incorporate a policy eliminating premium requirements for families that have American Indian/Alaska Native children.

This is being implemented based on a directive from the Health Care Financing Administration. If an American Indian/Alaska Native child is a participating member of the household, the family will not be subject to a HealthWave premium. Further implementation instructions, along with a printout of current children coded "AI" with a premium in place will be provided.

8. **KEESM 2791 - Effective Date of Coverage** - The NOTE in this section is being modified to clarify that a late review is a review received after the last day of the month a review is due. The NOTE has also been modified to include instructions

that for reviews processed after the first medical card run, HealthWave coverage should be added via the HealthWave Change Referral Form as discussed in Policy Memo 99-10-12.

9. **KEESM 2793 - Newborn Coverage** - This section is being amended to clarify that children born to HealthWave recipient parents (either a mother and/or father) shall be added to the existing HealthWave case.

Also clarified is the fact that if adding the newborn results in all of the children becoming Medicaid eligible, the newborn and siblings would still be identified as HealthWave eligible until the next review. If there is any premium requirement, the premium would be eliminated in the month following the month of birth. The Policy Memo reference has also been corrected to 99-10-12.

10. **KEESM 2794 - Pregnant Women** - This section has been revised to clarify that a request for assistance must be made by the family of a child who was receiving coverage under the pregnant woman category in order to add the child to the currently open case of the child's siblings at the end of the postpartum period.

The Policy Memo reference has also been corrected to 99-10-12.

11. **KEESM 2833 - SS (Social Service) Child Care** - Item (1)(d) has been revised to clarify that citizenship requirements may be waived for the SS subtype if needed. Item (3) has been revised to clarify that a child who is an SSI recipient or who has been determined by the SSA to be eligible for an SSI payment or who qualifies for continuing SSI recipient status remains eligible under the SS subtype. Item (4) now clarifies that Special Needs and Special Purpose child care is available to children in all subtypes and should be authorized on a child-by-child basis.
12. **KEESM 2834 - IE EM (Employed Income Eligible) Child Care** - This section has been modified by removing references to Income Eligible/Training-Employed child care and putting them into a new section.
13. **KEESM 2835 - IE TC (Income Eligible/Training-Employed) Child Care** - This section is new and contains information regarding this child care subtype that was formerly found in Section 2834. This new section now clarifies that the IE TC subtype should be used when authorizing hours for education/training only and that two plans will be set up, one plan for the employment hours under the EM subtype and one plan for the education/training hours under the TC subtype. Due to these changes, IE ET (Income Eligible Education and Training) Child Care is now Section 2836.

14. **KEESM 3310.7- Disability Employment Services-TAF(and FS in Designated Counties)** - This section is being clarified to indicate that TAF or Food Stamp recipients being referred to Rehabilitation Services should not be assigned other EES components except EAP(Employment Assessment Process).
15. **KEESM 3310.9 - Employment Assessment Process-TAF Only** - This section is being modified to indicate that this component is available for applicants, rather than mandatory.
16. **KEESM 3310.30 - Welfare to Work (WtW)-TAF Only** - This section has been modified to indicate that newly approved TAF recipients should be referred to WtW no later than the end of the 60 day assessment period if they meet the eligibility requirements.
17. **KEESM 3410 - Support Services Specific to TAF Work Program Participation** - This section is being modified to indicate that work program support services are not available to fugitive felons, probation and parole violators, or persons who have been convicted as an adult of a drug-related felony.
18. **KEESM 3411 - Transportation** - This section is being modified to indicate that the transportation allowance may also be used to assist in employment retention by authorizing the equivalent of up to three months of transportation allowances to those recipients who lose cash eligibility due to employment.
19. **KEESM 4311 - Treatment of Assistance Plan** - This section is being clarified regarding inclusion of children in the Medicaid poverty level or HealthWave assistance plan. These instructions were previously contained in the Implementation Instructions for the 10/1/99 Policy Changes.
20. **KEESM 7640 - Termination of Child Care Plans** - This section has been modified for clarification. A sentence from the end of Section 7600 has been moved to this section to clarify that terminating a child care plan and closing a child care case are two separate actions that may or may not occur on the same date. A new sentence has been added to clarify that termination of a child care plan establishes the last day for which SRS will authorize payment for a particular child with a particular provider. A reference to Section 1431, Timely and Adequate Notice is also included. Refer to item 2 of this letter. Item (2) of 7640 has been modified to clarify when a provider is no longer eligible to accept payment. The information contained in the NOTE is elsewhere in the manual but was also included here for clarification.
21. **KEESM 8114 - Care Assessment Process and Eligibility for Payment** - This section has been created to describe screening criteria for individuals seeking NF payment. It clarifies that individuals are not eligible for Medicaid payment to an NF until the day a CARE assessment has been completed and the individual is found in need of NF Level of Care.
22. **KEESM 8115 - Resident Status Review** - This section has been renumbered because of the addition of a new section 8114.

23. **KEESM Section 8144 and 8244 - Spousal Impoverishment Resource and Income Standards** - Effective January 1, 2000, the minimum community spouse resource allowance will increase from \$16,392 to \$16,824 and the maximum resource allowance will increase from \$81,960 to \$84,120.

The Resource Assessment and Allowance Determination form in the Appendix Section is being modified to reflect the increase standards. Information brochures will be modified in the future to reflect the changes. Until new supplies of these materials are available existing supplies may be used if properly modified.

In addition, the maximum community spouse income allowance is increasing from \$2,049/month to \$2,103 month. Neither the minimum allowance nor the dependent family member allowance is changing. Current income allowance cases will be need to be reviewed during December and necessary adjustments made in the amount effective January 1, 2000.

24. **KEESM 8171 - Eligibility for Persons in a Non-Medicaid Approved Institution** - This section has been revised to establish that if status changes from a non-Medicaid institution to a Medicaid approved institution because NF care is now approved, financial eligibility changes in the calendar month of the change.
25. **KEESM 8172 - Eligibility for Persons in Medicaid - Approved Institutions** - Item (3) of this section has been revised to provide new instructions on information that must be incorporated on the LOTC screen in KAECSES.
26. **KEESM 8260 - Income Standards** - This section has been revised to incorporate the increase in the HCBS standard from \$671/month to \$687/month effective with the month of January 2000. Current HCBS cases will be automatically adjusted based on mass change instructions which will be issued separately to the field. The KAECSES protected income level table has been adjusted so that determinations for months prior to January 2000 will reflect the previous standard and determinations for months beginning January 2000 will reflect the new standard.
27. **KEESM 9621 - Cases Subject to A Shortened Review** - Item (4) of this section has been modified to allow Area discretion regarding procedures for payment of the last month of child care when transferring a case. All programs are considered one case for the purpose of case transfer. Coordination between Areas will be expected to insure prompt transfer and prompt payment of the last month of child care.
28. **KEESM 9773 - Review Periods for Medicaid** - This section is being amended to clarify that a review is required when a request for assistance is made for a new child who enters the home or for continuing assistance for an eligible child who moves to another household.
29. **KEESM 10011.1- Licensed Providers** - Item (5) of this section has been revised to clarify that Special Purpose Centers or Units are eligible for a special purpose child care payment rate based on the individual needs of the child.

30. **KEESM 10031.2 - Regulated Provider Responsibilities** - Item (8) of this section has been modified to include wording encouraging providers to develop contracts regarding payment policies and charges to parents. Providers should be referred to the local Child Care Resource and Referral agency for assistance in developing a contract to be used with all parents.
31. **KEESM 10032 - Non-Regulated Legally Exempt Providers** - A note has been added indicating that Out of Home Relative Provider Agreements should be maintained by the area in which the provider resides, and that a notice should be sent to the appropriate contracting Area when a client's case is closed.
32. **KEESM 10033 - SRS Staff Responsibilities Related to Regulated, Non-regulated Legally Exempt, and Out of Home Relative Providers** - Wording has been added to item (1)(f) to clarify that SRS cannot enter into a provider agreement with a person who is listed as a prohibited person in the Child Abuse/Neglect Registry.
33. **KEESM 10034.3 - SRS Staff Responsibilities Related to In-Home Child Care** - Item (1)(a) has been modified to clarify that SRS staff have the responsibility to provide client's with their responsibilities when using an In-Home provider. Item (e) has been modified to match the change to 10033 (1)(f) as noted in item 32 above.
34. **KEESM 10130 - Payment Codes** - The Child Care Funding Table has been updated to reflect the addition of the TC subtype.
35. **KEESM 10150 - SRS Rates** - Wording has been added regarding allowable charges by child care providers similar to that added to KEESM 10031.2 (8). Clients should be instructed to ask questions about extra fees for services when choosing a provider and prior to signing a contract.
36. **KEESM 10170 - Special Types of Payments** - Information has been added to this section regarding payment and licensing information when 24 hour care is requested.
37. **KEESM 10230 - Notices of Intent to Assess a Civil Fine** - This section has been modified to clarify that the change in assessing a civil fine not to exceed \$500 per violation is a change resulting from 1999 regulations.

FORMS SECTION

The following changes are being made to the Forms Section:

1. The **Home Child Care Provider Enrollment Form, ES-1603 (1-00)** has been revised and relettered from a CC to an ES form.
2. The **Daily Attendance Record (Sample Form), ES-1604 (1-00)** has been revised and relettered from a CC to an ES form. The form has been corrected to indicate that providers must maintain records for a period of three (3) years.
3. The **Child Care Center Enrollment Form, ES-1618 (1-00)** has been revised and relettered from a CC to an ES form.

4. The **Statement of Understanding - Employed Income Eligible Child Care Assistance Form, ES-1640 (10-99)** was revised to correct a typographical error before it was sent to print. A corrected copy is being provided for the Forms Section.
5. The **SRS Child Care Provider Agreement Form, ES-1641 (1-00)** has been developed to replace the GS-3906. The new form is specifically for use in child care provider contracting and now contains an "Effective Date" at the top for staff use.
6. The **Application/Redetermination for Medical Assistance and Food Stamps - Elderly and Disabled, ES-3100.4 (1-00)** has been revised and relettered. This form, previously the IM-3100.4, used only for nursing facility and HCBS applicants/recipients, has been modified to allow any elderly or disabled individual to apply for benefits on this simplified form. Individuals can apply for the following types of medical assistance on the ES-3100.4: MS, Long Term Care, HCBS, SI, CI, QMB, LMB; as well as Food Stamps. It is not intended to replace the IM-3100, **Application for Cash, Medical, Child Care, and Food Stamps**. The IM-3100.2, **Application for Medical Assistance/Food Stamps (SSI Recipient)** is being retained and can also be used by SSI recipients.

Note changes made to the Statement of Understanding and Agreement on page 6 of the form. For food stamps, a statement has been added that by signing the form, applicants understand that failure to report or verify any household expenses means that they do not want to get a deduction for those expenses. This statement notifies the client that failure to report or verify any expenses results in the loss of the household's entitlement to the corresponding deduction. This includes when expenses are discovered or later verified at the time of a QA review. Since this wording is on the application form, the expense or deduction will not be allowed if during the course of the review the agency learns that the household failed to report or verify any expense or deduction. This wording will also be included on the next revision to the IM-3100 scheduled for May 2000.

7. The **ES-3100.4 Addendum - Application for Medical Assistance and Food Stamps (1-00)** has been added. This form is to be used when additional information needs to be reported that has not been captured on the ES-3100.4.
8. The **Medical Assistance Budget Form, ES-3104.5 (1-00)** has been revised and relettered from and IM to an ES form. The new form reflects the change in income levels in the HCBS and LMB programs. It replaces the previous version and is to be locally duplicated as needed. Any existing supplies of the previous form are to be destroyed.
9. The **Determination of Worksheet for Pickle Eligible and Other Protected Medical Groups, ES-3104.6 (1-00)** has been revised and relettered from an IM to an ES form. The new form replaces the previous worksheet dated 1-99 and incorporates the new COLA ratios. This is a locally duplicated form and any existing supplies of previous editions are to be destroyed.
10. The **Notification of Medicaid/HCBS Services Form, ES-3160 (1-00)** has been revised and renumbered from an IM to an ES form. The new version deletes a reference to ICF-MR LOC and clarifies the CARE/Level II instructions.

11. The **Assessment Referral/Report Form, ES-4308 (1-00)** has been modified based on input from the field.
12. The **Medical Documentation Need for Care Form, ES-4310 (1-00)** has been modified based on input from the field.

MISCELLANEOUS FORMS SECTION

The following changes are being made to the Miscellaneous Forms Section:

1. An updated copy of the **DA-146A, Contractual Provisions Attachment (6-96)** is being included in this revision.
2. The **DD-1103 Authorization For Source to Release Information (8-99)** has been revised. An updated copy of the form is being included in the revision.

APPENDIX The following changes are being made to the Appendix Section.

1. The **Resource Assessment and Allowance Determination Form (Rev. 1-00)** has been updated to reflect new Spousal Impoverishment Standards.
2. The **Income Allowance Determination Form (Rev.1-00)** has also been updated to reflect new Spousal Impoverishment Standards.
3. The **Medicaid and HealthWave Standards (Rev. 1-00)**, page 3 has been revised to include updated MA and MS standards. In addition, Standards for Long Term Care/HCBS are now included on this page.
4. The Contracted Employment Services definition in the **Definition of Common Terms** section has been expanded to include the new services that are available with established provider agreements. For more detail, refer to the Contracted Employment Service Handbook.

EFFECTIVE DATE

All policies in this revision are effective January 1, 2000 and shall be applied to all applications processed on or after that date. The changes shall also be applied to ongoing cases at the time of the next review or case change involving the affected policy unless stated otherwise.

EFFECT ON LOCAL STAFF

The changes regarding the increased HCBS protected income standard and the new spousal impoverishment standards will for the most part have a minor administrative impact on staff. Changes to the maximum spousal income allowance will, however, require that staff review a number of cases during the month of December and adjust current allowances as necessary.

The new ES-3100.4 supports the simplification the goals of the agency. It will provide staff with an improved application form by combining elements on three forms into a single application.

The HealthWave, CARE Assessment, Work Program and Child Care provisions are clarifications which should have little or no substantive impact on staff.

COORDINATION EFFORTS

The material in this letter and manual revision has been coordinated with staff in Division of Economic and Employment Support, the Division of Health Care Policy, the Division of Children and Family Policy, the Kansas Department on Aging and EES Field Staff.

Sincerely,

Sandra C. Hazlett, Director
Division of Economic and Employment Support

SCH:jmm

[Back to Top](#)

[Table of Contents](#) | [Index](#) |

[KEESM Home](#) | [EES Home](#) | [SRS Home](#)