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STATE DEPARTMENT OF SOCIAL
REHABILITATION SERVICES
2002

Integrated Services Delivery
Docking State Office Building
Room 681 - West
Topeka, Kansas 66612

Final
September 4,

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

**RE: SUMMARY OF CHANGES FOR KANSAS ECONOMIC AND
EMPLOYMENT SUPPORT MANUAL (KEESM) REVISION NO. 11
EFFECTIVE OCTOBER 1, 2002.**

PURPOSE, BACKGROUND AND REASON FOR CHANGE

Food Stamp Program - This revision implements numerous changes to the Food Stamp Program mandated by federal regulations or law. The changes contained in regulations were published November 21, 2000 and January 17, 2001 and include changes in this revision that promote Food Stamp Program access and consumer education, required verification of ABAWD work hours, adding good cause provisions to ABAWD work requirements, changes to the comparable treatment for disqualifications policy, a change in the treatment of the income of persons found ineligible due to the comparable provisions (excluded instead of disqualified), and allowing 24 month certified households to switch between actual and the SUA at the time of the mid point contact.

Changes contained in this revision that are based on federal law are a result of the recently passed food stamp reauthorization legislation, the Agriculture, Conservation, and Rural Enhancement Act of 2002, Public Law 107-171 (also known as the Farm Bill). These changes mandate that the standard deduction be determined based on household size, and that the higher resource limit of \$3,000 apply to households in which at least one member is disabled and that food stamp eligibility be restored to legal immigrants who are disabled regardless of when they entered the country. Several changes are mandated by USDA clarification including the exemption of Ricky Ray Hemophilia Relief Act payments, that the drug related provisions of 2183 take precedence over categorical eligibility, and the fact that medical ID bracelets and necklaces are not allowable medical expenses for

food stamps, but that pagers needed for a person awaiting an organ transplant are allowable.

Clarifications included as a result of staff questions and input include modifications to the alcohol and drug treatment section, a new section describing eligibility for residents of halfway houses, income clarifications regarding VISTA and Americorps, clarifications regarding case closure for failure to submit the monthly report form, and a clarification that only one interview needs to be scheduled by the agency at the time of review. Several cross references have also been added for clarification purposes.

Lastly, this revision implements the annual federally mandated increases in the Food Stamp Program's maximum benefits, maximum excess shelter deduction and gross and net income limits effective October 2002.

Medical Programs - A new Medicaid service, Program of All-Inclusive Care for the Elderly (PACE), is being implemented with this revision. Under this Medicaid option a person age 55 or older who meets the nursing facility level of care threshold may enroll in a PACE program. PACE will provide medical care through a network of medical providers. Once enrolled, a monthly capitated rate is paid to the PACE provider by both Medicaid and Medicare, and fee for service claims are no longer paid. The only PACE provider in Kansas is Via Christi HOPE, serving only residents of Sedgwick county. PACE enrollment begin September 1, 2002.

Estate Recovery - This revision is also implementing a new law passed by the 2002 Kansas Legislature. Substitute for Senate Bill 513, which amended K.S.A. 16-304, provides the agency the right to recover excess funds from prearranged funeral agreements, contracts and plans. The new law specifically requires the company holding the prearranged funeral or burial plan to forward funds remaining after payment of reasonable funeral or burial expenses for a person who received medical assistance, or the spouse of a former recipient, to SRS. This is applicable regardless of whether the plan is financed by a bank account, certificate of deposit, trust fund, life insurance or other financial vehicle. All funds are to be sent to the Estate Recovery Unit for tracking and monitoring. Companies failing to comply with this new law could face monetary penalties. The new law went into effect July 1, 2002.

Work Program Changes - Marshall and Nemaha counties have been added as counties which offer Food Stamp Employment and Training (E & T) services.

The recently passed Farm Bill removed the \$25 cap on Food Stamp E & T transportation payments. The Food Stamp E & T transportation policy is being changed in this revision to be more consistent with TAF transportation policies. Flexible transportation may be authorized. FS E & T clients who are participating in more than one component may be eligible for transportation for each component.

Other - Other technical corrections and clarification to policy and procedure have also been incorporated. JTPA terminology has been converted to WIA. References to Applicant Job Search (AJS) have been replaced with the more generic job search terminology.

CHANGES AND REQUIRED ACTIONS

1. **KEESM 1211.3 - Right to Information** - This section has been modified to provide that if the applicant is applying for TAF or GA, the applicant has a right to know that the time limits of those programs do not apply to receipt of food stamp benefits. In addition, food stamp households have a right to know that they may still qualify for food stamps if they have been terminated from receiving TAF or GA due to the time limits, begun working or for other reasons.
2. **KEESM 1213.8 - Consumer Education** - This section has been revised to state that the agency is responsible to notify consumers that the time limits of the TAF or GA programs do not apply to the Food Stamp Program and that those that have been terminated from the TAF or GA program because they have reached a time limit, begun working, or for other reasons may still qualify for food stamps.
3. **KEESM 1322.1 - Mandatory Verification That Affects Eligibility for Program Benefits** - A new item, (8) Hours Worked by an ABAWD, has been added to this section to provide that the hours worked by an ABAWD who is satisfying the ABAWD work requirement by working 20 hours per week (averaged monthly) must be verified.
4. **KEESM 1411.1 - How to Apply - Applicable to All Programs** - This section has been modified to provide that applying for food stamp benefits should be encouraged if the applicant expresses concerns which indicates that the household does not have any, or enough, food.
5. **KEESM 1411.2 - Application Date** - This section has been revised to clarify that if the application is mailed or left at the wrong county office, the office shall mail the application to the appropriate office on the same day, or forward it the next day by any means possible to insure the application arrives the day it is forwarded (such as FAX).
6. **KEESM 1412.1 - Face-to-Face Interview** - This section has been modified to clarify that the agency is responsible for scheduling an interview for each applicant that is not interviewed on the day the application is submitted.
7. **KEESM 1630 - Civil Rights Complaints** - This section has been modified to change the reference to the FP-1600 to the ES-1600. The form has been updated and revised. Also see item 1 of the Forms Section.
8. **KEESM 1725.3 - Filing of Claims by Estate Recovery Unit** - This section has been modified to reflect a new Kansas law requiring any entity providing funeral or burial services through a prearranged funeral agreement to a medical assistance recipient, or surviving spouse of a recipient, to forward any funds remaining in such agreement after payment of reasonable burial or funeral expenses to the Estate Recovery Unit (ERU). This requirement is applicable regardless of the vehicle used to fund the funeral agreement, including bank accounts, trusts, burial insurance and life insurance. The funeral home and/or insurance company is required to remit any such excess funds if the individual, or the individual's spouse, ever received medical

assistance This requirement does not apply to other resources not specifically assigned for payment of funeral expenses, such as life insurance policies payable to another beneficiary. It also does not apply if the decedent has a living spouse or minor or disabled children.

This provision is applicable for any deaths occurring on or after July 1, 2002.

In addition, the new law also incorporates two new notification requirements. First, all recipients of medical assistance are now required to notify the agency of the existence of any prearranged funeral agreement upon entering into such an agreement. Second, persons receiving medical assistance are also required to notify the funeral home of the plan when entering into the funeral agreement.

Additional implementation instructions regarding both new rules will be issued in a separate memo.

9. **KEESM 2124 - Potential Resources** - This section is being modified to include information regarding a potential resource for medical assistance recipients who are or have been married. State law allows a surviving spouse to claim a portion of assets owned by the deceased spouse upon his or her death. These rights are also called the 'spousal elective share'. The potential amount of the spousal elective share is based on the 'augmented estate' of the deceased spouse. Assets used to determine the augmented estate include joint tenancy property but can also include assets obtained prior to the marriage that have been solely owned by the newly deceased spouse and assets assigned to other persons through payable on death (POD) provisions. Property regarded as a homestead is not included. The portion of assets in which the surviving spouse has rights to claim is dependent upon a number of factors, including the length of the marriage. For example, a person married 15 years or more has a right to 50% of the augmented estate. In order to lay claim to assets which were passed to persons other than the surviving spouse, the surviving spouse must initiate probate action within 6 months from the date the spouse died. If action is not taken by this date, spousal elective share rights are forfeited. All medical assistance recipients are expected to fully exercise spousal elective share rights as a potential resource. Failure to pursue these potential resources shall result in ineligibility. Assistance shall remain in place, provided all other eligibility factors have been met, if the client or persons acting on behalf of the client continue to cooperate in pursuing these potential resources.

Legal staff in the Estate Recovery Unit (ERU) shall provide assistance to staff when potential spousal elective share rights are identified. Upon notification of the death of spouse of medical assistance recipient, the EES Specialist shall inform ERU of the situation. EES should also request information regarding potential rights to the spousal elective share from the client. A special notice has been created for this purpose. The request will specifically ask the recipient spouse to provide information regarding any action he/she has taken to ensure spousal rights have been protected. Failure to respond to this request will result in ineligibility. However, it is important to ensure the client is capable of acting in his/her own behalf, or has a medical representative capable of doing so, prior to taking action.

If it is discovered that the surviving recipient spouse has given up her rights by consenting to a will or to a POD assignment, and has thus forfeited her spousal elective share rights, a transfer or property penalty must be considered. The date of death is considered the transfer date in these situations.

Several formatting changes are also included in this revision. Clarification has been added that persons are also required to pursue potential income sources, with the exception of MA CM programs.

10. **KEESM 2140 and Subsections - Citizenship and Non-citizen Status (Not Applicable to Social Services Child Care)** - This section has been modified to better describe the current qualifying non-citizen statuses for the cash, medical, food stamp, and child care programs. Specifically the cash, medical, and child care provisions have been separated from food stamp provisions creating two new sections, 2142 and 2143. Both subsections better reflect which non-citizens are eligible without regard to time limitations vs. those subject to the 5 year bar or 7 year benefit limitation.

The cash, medical, and child care section incorporates a new qualifying status regarding non-citizens who have been battered or subject to extreme cruelty by a U.S. citizen or lawful permanent resident spouse. In addition, this section also notes that persons who were in the United States on or before August 22, 1996 who have since obtained a qualifying status are eligible for benefits provided other criteria have been met. This is true regardless of their status on 08-22-96. If the individual can demonstrate residence in the country on that date and they have since obtained Legal Permanent Resident status, been granted conditional entry, proven battery or extreme cruelty as defined in this material, or granted parole status, they are regarded as qualified aliens not subject to the 5 year bar for cash, medical and child care purposes.

Section 2143, now contains the qualifying non-citizen statuses for the Food Stamp Program. Subsection 2143.2 (c) contains a policy change mandated by the Farm Bill that is effective October 1, 2002. This change restores food stamp benefits to otherwise eligible non-citizens receiving blindness or disability payments regardless of their date of entry into the country. Prior to this revision, the non-citizen receiving blindness or disability had to be a lawfully residing in the U.S. on 8/22/96.

11. **KEESM 2243 - Guidelines for Closing TAF Hardship Cases Following the Loss of Hardship Status** - Clarification has been added to this section to address the impact on the food stamp work related requirement penalty count in situations where the TAF cash case has exceeded 60 months and hardship status has ended.
12. **KEESM 2510 - Categorically Eligible Households** - A cross reference in item (1) in this section is being corrected.
13. **KEESM 2514 - Persons Not to be Included in a Household Which is Otherwise Categorically Eligible** - A new item (6) has been added to this section to clarify that the drug-related conviction provisions of 2183 take precedence over categorical eligibility.

14. **KEESM 2520 - Able-bodied Adults Without Dependents (ABAWD)** - Item (1) of this section has been modified to clarify that if an individual would have worked an average of 20 hours a week, but missed some work for good cause, the individual shall be considered to have met the work requirement if the absence from work is temporary and the individual retains his or her job. Good cause shall include circumstances beyond the individual's control, such as, but not limited to illness, illness of another household member requiring the presence of the member, a household emergency or the unavailability of transportation.
15. **KEESM 2541 - Alcohol and Drug Treatment and Rehabilitation Centers** - This section has been modified to clarify that the SRS entity licensing alcohol and drug treatment and rehabilitation centers in Kansas is the SRS office of Substance Abuse Treatment and Recovery (SATR). Furthermore, the section clarifies that if SATR has licensed a facility to provide substance abuse treatment and rehabilitation, the facility is considered "authorized under Part B of Title XIX of the Public Health Service Act" and its residents are therefore eligible to apply for participation in the food stamp program following the provisions of this section.
16. **KEESM 2541.4 - Treatment Center Responsibilities** - Item (4) of this section which discusses responsibility for overpayments has been revised to provide instructions when an overpayment is calculated and determined to be the responsibility of the facility. In these instances, the claim shall be established on the system, however, a repayment plan shall not be entered for the claim to prevent collection from the recipient either through benefit reduction or the Treasury Offset Program. A notice of repayment must be sent to the facility explaining the overpayment and requesting repayment. A collateral notice will be available to send in these situations.
17. **KEESM 2550 - Comparable Treatment for Disqualifications** - This section, and accompanying subsections, has been substantially revised to provide that the comparable treatment for disqualification provision only applies when a penalty is assessed on an ongoing TAF recipient, not when assistance is denied when the individual is an applicant. The individual must be a recipient of TAF and food stamps at the time the disqualification in the TAF program is assessed to be disqualified from the Food Stamp Program.

In addition, this section has been revised to provide that when a person is disqualified for food stamps based on the comparable provisions, they shall be treated as an excluded household member (SEPA code DI), instead of as a disqualified member (SEPA code DF). Also see item 30 of this letter.

Item (1) of 2552, has been revised to provide clearer policy on treatment of the case when a first time penalty is assessed. And last, a new item (4) has been added to provide that the maximum length of time a person can be penalized under these provisions is one year. If at the end of one year they have still not cooperated with the TAF work program or CSE requirement, they shall be reinstated.

Additional instructions regarding this change will be provided in the Implementation Memo.

18. **KEESM 2551 - Comparable Treatment of Disqualifications; KEESM 4310 - Assistance Planning; and KEESM 5430 - Exempt Personal Property** - The NOTE in 2551, the second paragraph in 4310 and item (18) in 5430 have all had a reference corrected. Previously, the reference was to KEESM 2622, *Medical Only for TAF Caretakers (MA CM)*. That section was "reserved" in KEESM Revision No.4 in January 2001 and the information was put into section 2621, *Family Medical Coverage (AM Associated with TAF and MA CM)*.
19. **KEESM 2672.2 - Expanded LMB** - This section has been clarified to state that persons attempting to gain Medicaid eligibility are not eligible for Expanded LMB. The material previously appeared to only prohibit regular Medicaid if it came by way of spenddown.
20. **KEESM 2691- Emergency Medical for Non-Citizens** - This section has been changed to state that non-citizens granted stay in the United States for temporary purposes only are not eligible for emergency medical coverage under SOBRA because they do not meet state residency requirements. State residence is established by intent to remain in Kansas indefinitely. A person entering the country under a temporary status has agreed to leave the United States after a certain period of time, and will not be remaining in Kansas. Such persons are not Medicaid eligible. Examples include foreign visitors, tourists, diplomats, or students in the country on temporary visas.
21. **KEESM 2793 - Newborn Coverage** - This section is being modified to indicate the appropriate policy for enrolling a newborn into Title XXI when the child was not born to a Title XXI mother. A determination must be made for a newborn not born to a Title XXI mother. If the child is determined to be Title XXI, no retroactive coverage is available for that child, regardless of whether there are other eligible children on the plan. Coverage for the newborn will begin effective with the date of enrollment, approximately one business day after the child is added to the plan.
22. **KEESM 2795 - Child Support Enforcement** - There is no requirement to refer a child eligible for HealthWave to CSE or that the family cooperate in establishing paternity and support on behalf of the child. A family can voluntarily pursue paternity and support for any HealthWave child where there are no Medicaid eligible siblings and should be directed to the local CSE staff if such request is made. In these instances, a system generated referral shall not be used.
23. **KEESM 2833 - SS (Social Service) Child Care** - Item 3 regarding SSI children is being removed from this section. This policy change helps clarify appropriate use of Social Service child care subtype. KEESM 4420 will be modified to correspond with this policy change. Policies for SSI children will be aligned with existing policies for TAF children. Since both of these categories of children are seen as receiving "public assistance", policies should be the same.
24. **KEESM 3100 - Work Related Requirements** - This section has been revised to provide that food stamp work-related requirements are not to be applied to food stamp applicants. Requirements will only be applied to recipients. This change is

being made to be consistent with the change described in item 16 that does not allow the state agency to apply the comparable penalty provisions to applicants. The only work related requirement that can be imposed on food stamp applicants is the potential employment provisions of 3540. This section has also been modified to add two additional counties to the list of counties participating in the federally mandated FS employment and training program. These counties are Marshall and Nemaha. Corresponding changes have also been made to 3310.2, Job Search Components.

25. **KEESM 3310.4 (4) Employment Assessment Process** - This section has been modified to clarify that this component is available for food stamp recipients in Food Stamp Employment and Training counties but it is not available to food stamp applicants.
26. **KEESM 3411.1 - Transportation** - The third paragraph of this section has been revised to add a final sentence explaining that payment for expenses associated with vehicle purchase, repairs, etc., shall be made using the Special Services Allowance. This sentence had previously been a part of this section but was accidentally removed in the January, 2002 revision.
27. **KEESM 3120 - Initial Interview** - This section has been modified to clarify that food stamp applicants should not be assigned to job search activities.
28. **KEESM 3421- Transportation** - The Food Stamp E & T transportation section has been modified to be more consistent with TAF transportation policies and allow more flexibility in determining the amount of the transportation payment.
29. **KEESM 3500 - Failure to Meet Work Related Requirements** - Wording in this section and subsections has been modified to incorporate the change noted in items 16 and 22. Any reference to a denial of assistance due to failure to cooperate with work requirements has been removed.

3511.1 Effect on Cash and Food Stamp Eligibility for Non-Recipients, item (2) for food stamps, has been modified to clarify again that for food stamp applicants, the only work related provision that applies is potential employment. Several references to an ineligible food stamp person being "disqualified" has been changed to "excluded". Also see item 30.
30. **KEESM 3522 - Re-Establishing Eligibility (For Cash and Food Stamps)** - Item (2) for food stamps, has been modified to clarify policy and reduce confusion. When re-establishing eligibility, normally the person is added back onto the food stamp case the month following the month they cooperate in accordance with the change rules of 9211.3 or 9311.1. The only exception to this, is when the person cooperates in the month following the month in which action was taken to remove (code DI) the person from the food stamp case. This means that if they cooperate in the first month removed from the case, there is no break in participation and they shall be added back onto the FS case (code IN) effective the first day of the month in which the cooperation is established.

31. **KEESM 4212.2 - Excluded Household Members** - This section has been modified as previously noted. Persons determined ineligible due to the comparable provisions are to be treated as excluded household members (SEPA code DI) instead of disqualified (SEPA code DF). In addition, persons found ineligible for noncompliance with food stamp work-related requirements, including potential employment, shall be treated as excluded household members instead of disqualified. Corresponding changes have been made to 4212.3, Disqualified Household Members.

Additional information for converting ongoing cases will be provided in the Implementation Memo.

32. **KEESM 4250 - Residents of Halfway Houses** - This new section has been added to clarify that residents of halfway houses are eligible to participate in the Food Stamp Program (if otherwise eligible), even if meals are provided to residents. Halfway houses are temporary accommodations, usually for persons just released from prison. Residents are considered homeless (see definition of homeless in Appendix item 78), and thus are eligible to participate. Residents may apply on their own behalf and are not required to apply by use of an authorized representative of the facility.
33. **KEESM 4420 - Exceptions to the Child Care Assistance Planning** - Item 3 referencing the use of the SS subtype for children who receive SSI is being removed with this revision. Item 2 is being revised to apply to both TAF and SSI children.
34. **KEESM 5120 - Maximum Allowable Resource Limits - Food Stamps** - This section has been revised to provide that the \$3,000 resource limit now also applies to households with at least one member who is considered disabled (see definition of disabled in the Appendix) for purposes of the Food Stamp Program.

Additional information about the system implementation of this change will be provided in the Implementation Memo.

35. **KEESM 5722 - Transfer of Assets to Trusts/Disclaimers of Inheritance** - This section has been modified to include a waiver of spousal elective share rights by an applicant/recipient spouse as a potential transfer of property. Waiver of rights is viewed as any action which forfeits the spouses right to the elective share, such as consenting to a will or POD clause on property owned by the spouse. Kansas law allows a spouse to waive spousal elective share rights, entirely or partially, before or after marriage. However, such a waiver is only valid if the spouse is capable of consent (e.g. have decision making capacity). The Medicaid program views spousal elective share as a potential resource and applicants/recipients are expected to take any necessary action to ensure their rights are protected. However, if internal legal opinion and/or court action determines any waiver of spousal share was executed in accordance with the law and the spouse does not have rights to the property, the action is viewed as a disclaimer of inheritance rights and therefore, subject to transfer of property provisions. The date of death of the spouse is viewed as the date of transfer in these situations. Referral to legal staff in ERU shall be made on a case by case basis for additional guidance.

36. **KEESM 6410 - Income Exempt as Income Only and Income Exempt as Income and a Resource** - A cross reference to item (62), VISTA income has been added to item (5) Americorps. Item 34, JTPA, has been removed as JTPA has been replaced by the Workforce Investment Act (WIA). All references to JTPA in the KEESM have been changed to WIA as a result of this change. Item 35 through 47 have been renumbered, 34 through 46 as a result. In item (62) wording has been added to explain that VISTA is an Americorps program with special income treatment rules. A new item, (47) has been added to provide that payments made pursuant to the Ricky Ray Hemophilia Relief Fund Act are exempt as income and as a resource for all programs. Interest earned on the funds that exceeds \$50 is not exempt per 6410 (29).
37. **KEESM 7131 - Intermittent Income** - This section has been clarified to show that intermittent income received prior to the first eligibility period shall not be considered.
38. **KEESM 7132.1 - Income Producing Cost Deduction** - This section has been modified to clarify that capital gains are countable self employment income. Capital gains are realized when business property is sold at a profit over the purchase price or other 'basis' for the property. The basis includes the purchase price plus improvements made to the property. The total amount of gain is determined by subtracting the basis from the sales price. Because depreciation is not considered as an allowable expense for self employment enterprises, it does not impact the basis or capital gain. Certain sales expenses (such as realtor fees and advertising expenses) can also be counted toward the basis thus reducing the total capital gain. The full amount of capital gain is countable and are included and averaged with the other self employment income. Losses from sales of business property do not reduce earnings from the ongoing enterprise or other earned or unearned income.
39. **KEESM 7222 - Standard Deduction** - This section has been modified to provide that effective October 1, 2002, the standard deduction used in calculating benefits for the Food Stamp Program shall be determined based on household size. Household sizes of 1-4 will still be the current amount of \$134. Household sizes of 5 will have a standard deduction of \$147. Household sizes of 6 or more will have a deduction of \$168. The KAECSES system has been modified to determine the appropriate standard deduction. Further information about this change will be provided in the Implementation Memo.
40. **KEESM 7226.3 - Utilities** - Item (3), Standard Utility Allowance, has been modified to provide that households certified for 24 months in accordance with KEESM 9772 (4) may switch between actual utility costs and the standard utility allowance at the time of the mid-point contact.
41. **KEESM 7420 - Food Stamp Standards** - A sentence has been added to this section that was inadvertently omitted when the combined manual was implemented. This sentence provides that households that include at least one member who is elderly or disabled do not need to meet the gross income test.
42. **KEESM 8300 - Program of All-Inclusive Care for the Elderly (PACE)** - This new section has been added to reflect a new long term care option for persons age 55

and older and residents of Sedgwick County. PACE is a program designed to provide a complete and total care package for the frail elderly. Services are delivered primarily in an adult day home environment but can extend to the community, inpatient setting or long term NF arrangement. PACE relies on a team of medical professionals called an interdisciplinary team, to establish a detailed plan of care for the enrollee to provide for all medical needs. The interdisciplinary team includes persons involved in the clients day-to-day care, such as the physician, various therapists, dietician, nurses, social workers and other attendants, such as van drivers and aides.

Because PACE is only available to residents of the service area, persons living outside of Sedgwick County do not have the option of PACE.

PACE providers are reimbursed through a capitated rate structure. There are no fee-for-service claims for PACE enrollees, with the exception of Medicare buy-in. Capitated Medicare reimbursement is also applicable for persons enrolled in Medicare. Once a client is enrolled into PACE, the PACE entity is obligated to provide for all of the patients medical needs for the single capitated payment amount. Any services received outside of the PACE program, are the clients responsibility. Further, these expenses are not allowable to reduce the participant obligation as are not considered medically necessary. The only appropriate participant obligation reductions are the cost of due and owing bills and health insurance premiums.

Providers wishing to become PACE sites must have an approved application from the Centers for Medicare and Medicaid Services. Currently, Via Christi HOPE is only approved PACE entity in Kansas.

Assignment to PACE begins September 1, 2002. Separate detailed implementation instructions have been provided for Wichita area staff. Four additional subsections have also been added to support the PACE program.

43. **KEESM 8310 - General Eligibility** - This new section has been added to set forth the general eligibility guidelines for PACE participants. Persons must be age 55 or older and meet the NF LTC threshold (currently a score of 26). For couples, spousal impoverishment applies. Referrals for PACE will be made to the PACE entity.
44. **KEESM 8320 - Financial Eligibility** - This new item provides information regarding the financial eligibility requirements of the PACE program. In general, HCBS income and budgeting methodologies are applicable with the HCBS protected income standard applicable beginning the month of enrollment. For persons moving to an institutional arrangement, the NF protected income standard of \$30.00 is applicable beginning the month following the month of the move unless the planned brief stay provisions of 8114 apply.
45. **KEESM 8330 - Effective Date of Coverage** - This new item provides information regarding the coverage date for the PACE program. Coverage under PACE is always prospective. Eligibility must be determined and appropriate codes entered onto the KAECSES system by the first medical card cutoff for the month. This is necessary for the client to be correctly assigned to the PACE organization, to ensure

that the appropriate capitated rate is paid to the PACE provider but also to ensure that no fee-for-service claims are paid.

A new living arrangement code of PC has been developed for the KAECSES LOTC screen. The PC code is used in combination with the NA level of care code to denote PACE and provide for assignment. Once assigned, monthly medical cards will no longer be generated for the beneficiary. Co-payments do not apply either.

Persons may be served under an appropriate HCBS waiver while awaiting enrollment into PACE.

46. **KEESM 8340 - Changes and Disenrollment** - This new item provides information regarding changes and disenrollment from the PACE program. Persons may only disenroll from PACE effective the last day of the month. Persons are also required to report all changes.
47. **KEESM 9213 - Termination/Pending of Benefits** - Item (2) of this section has been clarified to provide that a household's cash or food stamp case shall not be closed when the household fails to file a monthly report and the benefits for the issuance month are to be determined by prospective budgeting. This would occur when the household is being converted from monthly reporting to nonmonthly reporting.
48. **KEESM 9310 - Responsibility after Approval for Nonmonthly Reporting Households** - This section has been modified to strengthen the requirement that a Change Report Form (either the hard copy form or the KAECSES notice V834) be provided to all nonmonthly reporting households at the time of initial approval and at each review, and whenever the household reports a change using the Change Report Form. Use of the form will allow staff to enter the amount of income the agency is currently budgeting on the case at hand so the consumer will have a guide to know when and what they are required to report. This is critical in our efforts to reduce errors for failure to report required changes.
49. **KEESM 9732 - Interview (Cash and Food Stamps Only)** - This section has been modified to clarify that at the time of review, the agency is responsible for scheduling one interview - either face-to-face or telephone.
50. **KEESM 10032 - Requirements to Approve Regulated Providers** - Reference to the Attendance Record ES-1604 has been removed from the chart. The ES-1604 should be provided as a sample but is not necessarily a "required" form for enrollment. Attendance records continue to be a provider responsibility. This form is included in Appendix Item #22, Child Care Provider Handbook.
51. **KEESM 10033 - Requirements to Approve Unregulated Legally Exempt Providers (Excluding In-Home)** - Reference to the Attendance Record ES-1604 has been removed from the chart. The ES-1604 should be provided as a sample but is not necessarily a "required" form for enrollment. Attendance records continue to be a provider responsibility. This form is included in Appendix Item #22, Child Care Provider Handbook.

52. **KEESM 10035.1 - Maintaining Provider Files** - Reference to the need for staff to provide copies of enrollment documents to child care providers has been added.
53. **KEESM 10036 - In-Home Child Care Enrollment and Monitoring Procedures** - Reference to the Attendance Record ES-1604 has been removed from the chart. The ES-1604 should be provided as a sample but is not necessarily a "required" form for enrollment. Attendance records continue to be a provider responsibility. This form is included in Appendix Item #21, In-Home Child Care Handbook.
52. **KEESM 12150 - Definitions** - The term, "Vulnerable Adult" has been replaced with "Adult at Risk". The APS statutes do not use "vulnerable". The other definitions added to this section are from the re-codification of the Guardianship/Conservatorship Act, effective July 1, 2002. The former definitions relating to the previous Guardianship/Conservatorship statute have been replaced.
53. **KEESM 12350 - Death of Alleged Victim Before Being Interviewed (Not Receiving Services from CDDO/Affiliate)** - Criteria for continuing with an investigation when the alleged victim dies before being interviewed has been added .
54. **KEESM 12700 - GUARDIANSHIP AND CONSERVATORSHIP SERVICES** - This section relates to Guardianship/Conservatorship and has been revised to incorporate changes necessitated by the statutory revision.

FORMS

1. The **ES-1011, Guardianship/Conservatorship Referral / Notification**, form now includes the statement: "Date sent to KGP".
2. The **ES-1600, Civil Rights Complaint**, has been revised and updated with KEESM references. The basic content and use of the form is unchanged. Due to the low usage of this form, the form shall be reproduced locally and completed as needed.
3. The **ES-2004, Protective Services for Vulnerable Adults** brochure has been revised to reflect recent legislative changes and is being placed into the KEESM.
4. The **ES-3166, Notification of PACE Information**, has been developed to support communication of PACE information. The form is used much like the current ES-3160 and ES-3161 forms to communicate information between EES and the PACE provider. Copies of the form are to be made locally.

APPENDIX

1. With the changes to Section 2140, the **Immigrant Status/Program Qualification Chart, Item 1**, has been modified and expanded to include all appropriate documentation requirements for each category of non-citizen eligibility. Non-citizen documentation information is no longer contained in the body of the manual.
2. With the annual adjustments to the Food Stamp Program's maximum excess shelter deduction and gross and net income limits, the **Food Stamp Program Standards**

Chart, Item 49, and the **Food Stamp Program Benefit Tables Chart, Item 50**, have been revised effective October 1, 2002. These adjustments will be implemented to ongoing FS cases via mass change with rollover that occurs in August 2002 effective for October 1, 2002. All affected households will be notified via a mass change notice.

- Item 84, Medically Necessary Items Which Are Allowable Deductions for Food Stamps or Can be Applied Toward a Spenddown**, has been revised to provide that medical ID bracelets and necklaces are not allowable expenses for food stamp purposes. However, another provision has been added to provide that for food stamps, a pager medically necessary for a person awaiting an organ transplant is an allowable expense for food stamps. These are federally mandated changes.

The item has been clarified to include motorized wheelchairs or scooters as allowable items if used in lieu of a standard chair. It has also been modified to allow some home health services, including non-medical attendant costs, for persons on an HCBS or PACE waiting list. The need for these services must be substantiated through an ADL/IADL on the screening assessment.

- Item 96 - Adding TANF Months from Other States, 10-02**, was modified to reflect a change in the e-mail address. Prior versions of this form have been removed from the electronic version of the KEESM as they contained an incorrect fax number and the now incorrect e-mail address.

EFFECT ON LOCAL STAFF

Most of the mandated Food Stamp Program changes contained in this manual revision will have a minimal impact on staff as they have been incorporated into the KAECSES system and will require no manual procedures. The change in the treatment of income for persons penalized for an FS or TAF comparable work program failure from disqualified to excluded, will have an impact initially as affected persons are converted from one SEPA code to another for November 2002. Other FS policy changes and clarifications will have a minimal impact on staff. The change to implement the new Medicaid service, PACE, will only affect Sedgwick county and will have a minimal impact on staff in that office.

COORDINATION EFFORTS

The material in this letter, manual revision and accompanying Implementation Memos have been coordinated with staff in the Economic and Employment Support Section, Children and Family Policy Section, Kansas Department on Aging, Health Care Policy-Community Supports and Services, Medical Policy, Vocational Rehabilitation Services, Office of Public Affairs, and EES Chiefs.

Sincerely,

Sandra C. Hazlett, Director
Economic and Employment Support

SCH:MW:jmm

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