

STATE DEPARTMENT OF SOCIAL  
REHABILITATION SERVICES  
Integrated Services Delivery  
Docking State Office Building  
Room 581 - West  
Topeka, Kansas 66612

**12-14-10**

To: Regional Directors  
Economic and Employment Support Program Administrators  
Economic and Employment Support Staff  
KHPA Staff, including the HealthWave Clearinghouse  
Social Service Administrators  
Other Staff

Re: Summary of Changes for Kansas Economic and Employment Support  
Manual (KEESM) Revision No. 46 effective January, 2011.

## **OVERVIEW OF CHANGES**

A brief overview of the major changes is described below. Other clarifications and technical corrections are also included and described in the next section. Additional technical corrections not mentioned here are being incorporated in KEESM as needed.

**Adult Protective Services** – Policy regarding the number of attempts for making initial contact with an involved adult is being changed to two attempts within a specified period of time.

**Food Assistance** – This revision implements a major change in the treatment of medical expenses. Effective January 1, 2011, customers with anticipated ongoing allowable medical expense(s) greater than \$35 but equal to or less than \$175 per month shall be allowed a standard medical deduction of \$175. If allowable medical expenses are greater than \$175 per month, the household can choose to use the standard medical deduction or actual expenses. If actuals are used, verification of all expenses must be provided. If the standard is used, only one expense (or combination of expenses) greater than \$35 has to be verified. USDA has approved the State to operate this Demonstration Waiver for 5 years, January 2011 to December 2015. The use of a standard medical deduction will greatly simplify the medical expense deduction for both staff and customers. This revision also implements the increase to the Standard Utility Allowance (\$350 to \$353) effective October 1, 2010 and the decrease to the Limited Utility Allowance (\$194 to \$180) that was effective November 1, 2010.

**Low Income Energy Assistance Program (LIEAP)** – This revision will include two changes to the LIEAP program. First is elimination of the requirement that customers must demonstrate a recent history of payments toward purchase of the primary heating energy to qualify for LIEAP benefits.

Second is allowing customers to choose which energy vendor is paid or to split the benefit payment 50/50 to both electric and gas vendors.

**Medical Assistance** – Costs related to Medicare Part D and the Subsidy program are changing. The benchmark premium amount for Kansas and the catastrophic level are increasing effective January 1, 2011. The co-payment amounts are not changing for 2011. The substantial home equity limit for individuals applying for long term care assistance is increasing effective January 1, 2011. The resource standards for the Medicare Savings Programs (QMB, LMB, and Expanded LMB) and the Medicare Part D Subsidy program are also increasing effective January 1, 2011.

## **DESCRIPTION, PURPOSE, AND DETAILS OF POLICY CHANGE**

### **I. Adult Protective Services**

#### **A. Changes**

1. **Reasonable Efforts to Determine Safety** – To satisfy the reasonable effort requirement workers must make two attempts to contact the involved adult within one of the following time periods:
  - two attempts within the assigned response time,
  - at least one attempt within the assigned response time and a second attempt by the close of business the next working day for a "24 hour" response time, or 3 working days of the initial attempt of any "3 days" response time, or within 5 working days of the initial attempt of any "5 day" response time.

KEESM [12211](#) is being revised to reflect this change.

#### **B. Clarifications**

None

### **II. Food Assistance**

#### **A. Changes**

1. **Standard Medical Deduction** – The manual is being revised to provide for a standard medical deduction. To implement this standard, the State requested and was approved for a

Demonstration Waiver. The waiver has been approved for 5 years. A requirement of the waiver is that it be cost neutral. To insure the cost neutrality, \$8 of the FFY 2011 SUA was held back to "pay for" the additional benefits that will result from this waiver.

Effective January 1, 2011, customers with anticipated ongoing allowable medical expense(s) from \$35.01 to \$175 per month shall be allowed a standard medical deduction of \$175. If allowable medical expenses are greater than \$175, the household can choose to use the standard medical deduction or actual expenses. At the time of application, a household entitled to the standard medical deduction will have to verify one expense (or a combination of expenses) greater than \$35. The medical standard shall then be allowed until the time of the next review. At the time of review, the household only has to declare that the elderly and disabled member still has anticipated ongoing medical expenses greater than \$35 per month to continue to use the standard medical deduction.

If the household with monthly medical expenses in excess of \$175 wants to claim actual medical expenses, then all allowable medical expenses must be verified according to current policy.

For one-time medical expenses between \$35.01 and \$175, the standard medical deduction shall be allowed, either for one month, or prorated whichever is most beneficial to the household. One time medical expenses over \$175 will be treated as they are currently. All other policies regarding medical expenses remain the same.

**The Standard Medical Deduction is applicable to each elderly or disabled member who qualifies to use the standard. Because no system changes were done to implement this change, a code of ME/SM and the dollar amount \$175 must be coded on EXNS.**

The following manual sections have been changed to incorporate this change:

[1322.2\(2\)](#), [7223](#), [7227.5](#).

Additional implementation issues and instructions will be provided in the Implementation Memo.

2. **Utilities** – This revision includes the changes to the SUA and LUA that were implemented previously, October 2010 and November 2010 respectively. The SUA increased from \$350 to \$353 and the LUA decreased from \$194 to \$180. These changes were made with mass changes.

KEESM section [7226.3](#) and Appendix item [F-2](#) are being revised accordingly.

## B. Clarifications

1. **Disposition of Applications** – A Note is being added to this section of the manual to clarify that for food assistance, no household shall have its food assistance application denied solely on the basis that its application for another program is being denied, or its benefits under another program have been terminated, without a separate determination that the household failed to satisfy a food assistance eligibility requirement. Households that file an application for food assistance and another program and are denied benefits for the other program shall not be required to file another application for food assistance, but shall have its food assistance eligibility determined based on the original application in accordance with the processing time frames of 1413 from the date the application for multiple programs was initially filed.

KEESM section [1414](#) is being modified to incorporate this clarification.

## • Low Income Energy Assistance Program (LIEAP)

### A. Changes

1. **Recent History of Payments** – The manual is being revised to eliminate one of the eligibility criteria for LIEAP. Currently, in order to qualify for a LIEAP benefit, one of the requirements is to demonstrate a recent history of payments toward purchase of heating energy. Removal of the self-payment requirement would allow customers who are most in need of the assistance to qualify for the benefit.

Effective with the 2011 LIEAP, customers would only need to meet the following criteria to qualify for LIEAP benefits:

- a. Combined income of all persons living at the address must not exceed 130% of the federal poverty level;
- b. An adult household member must be personally responsible for purchasing fuel costs incurred at the current residence, payable either to the landlord or to the fuel vendor;
- c. The household must meet citizenship or lawful residency requirements; and
- d. The household must meet application requirements.

The following manual sections have been removed in accordance with this change:

KEESM section [13100\(3\)](#) and [13350](#) are being revised accordingly.

2. **Payment Methods** – This revision provides greater individualized choices to the consumer in how the LIEAP benefit is distributed among energy providers. The consumer can choose which energy vendor is paid or to split the benefit payment 50/50 to both the electric and gas vendors. Presently, customers could have the entire annual benefit issued to purchase heating fuel or split 50/50 between the providers of the heating fuel.

KEESM section [13421](#) is being revised accordingly.

## B. Clarifications

None

## IV. Medical Assistance

- A. **Changes** – The following changes are applicable to the medical programs as indicated.

1. Medicare Part D Subsidy – Prescription Drug Coverage – Costs related to Medicare Part D are changing for 2011. The new amounts are being incorporated in KEESM [2675.4](#). The co-payments for dual eligible Medicare Part D beneficiaries are not changing for 2011:
  - For persons eligible for QMB, LMB, Expanded LMB or Subsidy level D0, the co-payments will remain \$2.50 per generic and \$6.30 per brand name.

- For full Medicaid eligibles with income at or below 100% of FPL, the co-payment will remain \$1.10 per generic and \$3.30 per brand name.
- For full Medicaid eligibles with income above 100% of FPL, the co- payments will remain \$2.50 per generic and \$6.30 per brand name.
- For Subsidy D eligibles, co-payments will remain \$2.50 per generic and \$6.30 per brand name after the catastrophic level is reached.

The catastrophic level, which does not impact deemed Subsidy eligibles, is changing from \$6,440 to \$6,447.50.

The benchmark Subsidy premium for Kansas is also changing from \$35.77 to \$36.94 effective January 1, 2011. This figure impacts the amount of Medicare D Subsidy a beneficiary can receive. The Subsidy will provide coverage of the lowest premium a plan offers, up to the basic premium level for the state. A beneficiary receiving the Subsidy may elect an enhanced or higher cost plan, but he/she is responsible for the difference between the benchmark and the actual premium amount.

The resource limits for the Medicare Part D Subsidy program are also increasing effective January 1, 2011. The increase is mandated by federal law and is indexed based on the annual change in the consumer price index (CPI). The resource limit is increasing from \$6,600 to \$6,680 for a single and from \$9,910 to \$10,020 for 2 or 3 person plans (Level D0) or from \$11,010 to \$11,140 for a single and from \$22,010 to \$22,260 for 2 or 3 person plans (Levels D1, D2, D3, and D4).

KEESM sections [2675.4](#) and [5130](#) are being updated with this revision.

2. **Substantial Home Equity** – The substantial home equity limit for individuals applying for long term care coverage is increasing from \$500,000 to \$505,500 effective January 1, 2011. This increase is mandated by federal law and is indexed based on the annual change in the consumer price index (CPI).

KEESM section [5331.1](#) is being updated with this revision.

3. **Medicare Savings Programs** – The resource limit for the Medicare Savings Programs (QMB, LMB, and Expanded LMB) is increasing from \$6,600 to \$6,680 for a single individual and from

\$9,910 to \$10,020 for a couple. This increase is mandated by federal law and is indexed based on the annual change in the consumer price index (CPI).

KEESM sections [2671](#), [2672](#), and [5130](#) are being updated with this revision.

## B. Clarifications

None

**FORMS** (Explanation provided if not mentioned previously in this summary.)

### A. General Assistance

1. [IM-3110](#), **Interim Assistance Reimbursement for Initial Payments (Authorization)**, is being revised and will now be called the **Interim Assistance Reimbursement for Initial Claims and Post Eligibility Payments (Authorization)**.
2. IM- 3110.2, **Interim Assistance Reimbursement for Posteligibility Payments (Authorization)** will be incorporated into the IM-3110.

### B. Medical Assistance

1. [ES-3104.6](#), **Determination Worksheet for Pickle Eligibles and Other Protected Medical Groups**.

**APPENDIX** (Explanation provided if not mentioned previously in this summary.)

### A. Food Assistance

[F-2](#), **FOOD ASSISTANCE PROGRAM STANDARDS**, has been updated to reflect the changes to the SUA and LUA.

**MISCELLANEOUS FORMS** (Explanation provided if not mentioned previously in this summary.)

## EFFECTIVE DATE

LIEAP policies in this revision are effective with the 2011 period. All other policies in this revision are effective January 1, 2011. Additional information is being included in the Implementation Memo, if needed.

## EFFECT ON LOCAL STAFF

Changes in this revision should have minimal impact on staff.

### **MATERIALS OBSOLETE BY THIS REVISION**

The IM-3110.2, **Interim Assistance Reimbursement for Posteligibility Payments (Authorization)**, will be obsolete and removed from the KEESM Forms.

### **COORDINATION EFFORTS**

Within EES, the material in this letter and manual revision has been coordinated with staff in Economic and Employment Support, the EES Program Administrators, the Implementation Planning Team, and the Training Advisory Team.

Sincerely,  
Bobbi Mariani, Director  
Economic and Employment Support  
BM:am

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