STATE DEPARTMENT FOR CHILDREN
AND FAMILIES
Family Services
Docking State Office Building
Room 581 - West
Topeka, Kansas 66612

1/31/14

To: Regional Directors
 Economic and Employment Services Program Administrators
 Economic and Employment Services Staff
 KDHE-HCF Staff, including the KanCare Clearinghouse
 Prevention and Protection Services Administrators
 Other Staff

Re: Summary of Changes for Kansas Economic and Employment Services Manual (KEESM) Revision No. 64 effective February 1, 2014.

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.

Medical Assistance – The annual cost of living increase in the minimum and maximum community spouse resource allowance and the maximum community spouse income allowance is being transmitted with this revision. These amounts increased effective January 1, 2014 pursuant to federal law and are based on the annual change in the federal consumer price index. The substantial home equity limit for individuals applying for long term care assistance increased to \$543,000 effective January 1, 2014. The resource standards for the Medicare Savings Programs (MSP – QMB, LMB and ELMB) are also increased effective January 1, 2014. Costs related to Medicare Part D and the Subsidy program changed. The benchmark premium amount for Kansas and the amount of prescription co-payments changed effective January 1, 2014.

MediKan has been de-linked from General Assistance (GA) eligibility criteria and is now a stand-alone medical assistance program. The determination of net countable self-employment income will be based solely on federal tax rules. Use of the standard 25% deduction is no longer an option. The start date for PACE coverage will now be the first day of the month after the month the case is processed and approved. The definition of residency has been updated. The list of individuals who may file an application on behalf of someone else has been expanded to include any adult member of the tax filing

household. The reasonable opportunity provision for verification of citizenship status and identity has been modified.

DESCRIPTION, PURPOSE, AND DETAILS OF POLICY CHANGE

I Child Care

A. Changes

None

B. Clarifications

- 1. **Personal Need** KEESM Section <u>2820</u> is being modified to clarify that the 28 hour per week work requirement applies only to Non-TANF child care (EM subtype). The second example in this section is also being clarified to indicate that both the mother and step father must meet the 28 hour per week work requirement.
- 2. EM (Non-TANF) Child Care KEESM Section 2835 is being modified to clarify that the adult parent on a minor parent child care case (child care is requested only for the minor parent's child) is not required to meet the 28 hour per week work requirement in order to qualify for child care benefits. A clarification is also being added under the ET reason to indicate that an employed teen parent who is working on completion of a high school diploma or GED is not required to meet the 28 hour per week employment requirement in order to qualify for child care benefits for school hours or employment hours. The list of counties where Food Assistance E&T is available is also being updated in this section.

II. Food Assistance

A. Changes

None

B. Clarifications

Reviews - Clarification is being added to 9122.2 and 9370 indicating that Review periods may be established for less than 12 months to match an existing program, but must be a minimum of 6 months. A note is being added to 9300 to clarify that when a review is not completed but the end of the review period, the review form may be used to determine eligibility if it

is returned in the month following the review period. Expedited services and pro ration of benefits apply in these situations.

 Persons Exempt from the ABAWD Provision – 2521 (8) is being modified to clarify ABAWD student exemption criteria. To meet exemption for participating in GED, the student must be participating and making satisfactory progress in the GED education program. Post high school students must also meet FA student eligibility criteria.

III. Medical Assistance

A. Changes

1. **COLA Mass Change** – Effective January 1, 2014, the minimum community spouse resource allowance increased from \$23,184 to \$23,448 and the maximum resource allowance increased from \$115,920 to \$117,240. In addition, the maximum community spouse income allowance increased from \$2,898 to \$2,931. Neither the minimum income allowance nor the dependent family member allowance changed.

Because the SSI income level changed, the Presumptive Medical Disability – SI related eligibility level also changed. The income level is increased from \$710 to \$721 for a single individual and from \$1,066 to \$1,082 for a couple.

KEESM sections <u>8144</u> and <u>8244</u> are being updated with this revision. The <u>ES-3162</u> (Resource Assessment and Allowance Determination Form), the <u>ES-3163</u> (Income Allowance Determination Form), the <u>ES-3104.6</u> (Determination Worksheet for Pickle Eligibles and Other Protected Medical Groups), and the Appendix Item <u>F-8</u> (Kansas Medical Assistance Standards) are also being updated with this revision.

2. **Substantial Home Equity** – The substantial home equity limit for individuals applying for long term care coverage increased from \$536,000 to \$543,000 effective January 1, 2014. This increase is mandated by federal law and is based on the annual change in the consumer price index (CPI).

KEESM section <u>5331.1</u> is being updated with this revision.

3. **Medicare Savings Programs** – The resource limit for the Medicare Savings Programs (MSP – QMB, LMB, ELMB) increased from \$7,080 to \$7,160 for a single individual and from \$10,620

to \$10,750 for a couple. This increase is mandated by federal law and is based on the annual change in the consumer price index (CPI).

KEESM sections <u>2671</u>, <u>2672</u> and <u>5130</u> are being updated with this revision.

- 4. **Medicare Part D Subsidy** Costs related to the Medicare Part D prescription drug coverage changed for 2014. The following co-payments for dual eligible Medicare Part D beneficiaries are effective January 1, 2014:
 - For individuals eligible for QMB, LMB or ELMB, the copayments decreased from \$2.65 to \$2.55 per generic and from \$6.60 to \$6.35 per brand name.
 - For full Medicaid eligibles with income at or below 100% of FPL, the co-payment increased from \$1.15 to \$1.20 per generic and from \$3.50 to \$3.60 per brand name.
 - For full Medicaid eligibles with income above 100% of FPL, the co-payment decreased from \$2.65 to \$2,55 per generic and from \$6.60 to \$6.35 per brand name.

The benchmark Subsidy premium for Kansas also changed from \$36.04 to \$34.21 effective January 1, 2014. This figure impacts the amount of Medicare Part D subsidy a beneficiary can receive. The subsidy will provide coverage of the lowest premium a Part D plan offers, up to the basic premium level for the state. A beneficiary receiving the subsidy may elect an enhanced or high cost plan, but he/she is responsible for the difference between the benchmark and the actual premium amount.

KEESM section <u>2675.4</u> is being updated with this revision.

5. **MediKan** – The MediKan program is no longer linked to the General Assistance (GA) program. MediKan eligibility will follow most of the existing medical assistance rules. This change was effective November 1, 2013.

KEESM sections <u>2640</u>, <u>4310</u>, <u>7240</u> and <u>7430</u> will be updated with this revision. The ES-3901 (PMDT Referral) is also being updated with this revision. The ES-3905 (General Assistance and MediKan Review Requirements) has been eliminated. A new MediKan Eligibility Worksheet has also been developed.

Appendix Item <u>F-8</u> (Kansas Medical Assistance Standards) has also been updated.

6. **Self-employment** – Self-employment income for all medical programs will be based on the countable net income as reported on the federal income tax form. Use of the standard 25% earnings deduction has been eliminated.

Mineral rights and oil royalty income is no longer considered self-employment income. However, the income is still treated as unearned with income producing costs allowed. A new income exemption for the excise tax has been added.

KEESM sections <u>6200</u>, <u>6313</u> and <u>7122</u> will be updated with this revision. In addition, a new Self-Employment Worksheet form (<u>KC-5150</u>) has been created.

7. **PACE Start Date** – The start date for the Program of All-Inclusive Care for the Elderly (PACE) is no longer tied exclusively to the date of enrollment. The start date will now be the month after the month the case is actually processed and approved. Rare exceptions may be granted by the PACE Program Manager.

KEESM sections <u>8330</u> and <u>8350</u> will be updated with this revision.

8. **Residency** – The residency requirement has been modified for non-institutionalized individuals. The state of residence is either where the individual is living or, if living with a parent, the state in which the parent resides.

KEESM section <u>2150</u> will be updated with this revision.

9. **Who May File** – Those who may file an application is being expanded to include an adult who is included in the tax filing household of the individual applying for assistance.

KEESM sections $\underline{1411.3}$ and $\underline{2110}$ and subsections will be updated with this revision.

10. Reasonable Opportunity – The provision allowing an individual a reasonable opportunity to provide verification of citizenship status and identity has been modified. Assistance may now be approved, instead of pended, during the reasonable opportunity period.

KEESM section <u>2145.4</u> will be updated with this revision.

B. Clarifications

1. **PACE Program** – Osage county was inadvertently omitted from the list of counties served by Midland Care Services under the Program of All-inclusive Care for the Elderly (PACE) program. That county has been added to the list.

KEESM section 8310 will be updated with this revision.

2. WORK Program – A clarification has been added to the Work Opportunities Reward Kansans (WORK) program to indicate that action to either approve or reinstate coverage must be taken by the medical card deadline in order to be effective the first day of the next month. If action is taken after the medical card deadline, WORK coverage is not effective until the second month after the month of case action.

KEESM section <u>8400.5</u> will be updated with this revision.

3. **HCBS Due & Owing** – A clarification has been added to the provisions concerning the allowance of due & owing medical expenses from an assisted living or residential treatment facility to reduce an HCBS client obligation. If the facility is able to verify the medical-only portion of the bill, that expense is allowable. If the facility is unable to do so, the monthly HCBS cost of care may be used instead.

KEESM section 8270.1 will be updated with this revision.

IV Successful Families

A. Changes

None

B Clarifications

 Mandatory Verification That Affects Eligibility for Program Benefits – Item 13, School Enrollment, is being added to KEESM Section <u>1322.1</u> to clarify that school enrollment verification is required at application and review for all children between the ages of 7 and 18. 2. **KANSASWORKS/WorkKeys (KWK)** – KEESM Section 2251 is being clarified to indicate a claim of disability is not an allowable excuse to following through with the KWK requirements. KWK is an eligibility requirement and is not a work program activity.

FORMS

A. All Non-Medical Programs

ES-3103, Income/Expense Worksheet. The form name was INCOME CALCULATION WORKSHEET. That has been changed to Income/Expense Worksheet to coincide with the way it is listed on the Forms list.

B. Medical Assistance

- 1. <u>ES-3104.6</u>, Determination Worksheet for Pickle eligible and Other Protected Groups
- 2. <u>ES-3162</u>, Resource Assessment and Allowance Determination Form
- 3. ES-3163, Income Allowance Determination Form
- 4. ES-3901, Presumptive Medical Disability Team Referral
- 5. KC-5150, Self-Employment Worksheet

C. Successful Families

<u>ES-4107</u>, **Expedited Paternity Request**. This is a request to CSS to establish expedited paternity for alleged father in the home on a TANF case. It is fillable pdf for EES to complete the top section and for CSS to complete the bottom section in response.

APPENDIX

A. All Programs

 P-15, Application Signature Request – This document has been developed to request the signature when the application is received but is not signed. It was linked to KEESM Appendix in November 2013. X-8, ICT Checklist – This item has been modified to complement the current transfer process and is completable as a form in Word. It was linked to KEESM Appendix in November 2013. It has been reformatted since it was originally posted, but the content has not been changed.

B. Medical Assistance

- 1. A-12, Charts of Acceptable Verification for Citizenship and Identity
- 2. <u>F-8</u>, Kansas Medical Assistance Standards
- 3. W-14, MediKan Eligibility Worksheet

MISCELLANEOUS FORMS

None

EFFECTIVE DATE

Non-medical polices for this revision are effective February 1, 2014.

Medical policies which are also being updated in this revision were effective January 1,2014.

EFFECT ON LOCAL STAFF

Non-medical changes should have minimal effect on staff.

MATERIALS OBSOLETED BY THIS REVISION

ES-3905, General Assistance and MediKan Review Requirements

COORDINATION EFFORTS

This change was coordinated with staff in Economic and Employment Services, Executive Leadership, and the EES Program Administrators.

Sincerely,
Jaime Rogers, EES Director
Economic and Employment Services
JR:am

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