



Policy Memo	
KDHE-DHCF POLICY NO: 2020-08-01	From: Erin Kelley, Senior Manager
Date: August 21, 2020	Medical KEESM Reference(s): 2910, 5722.4(b)
RE: Implementation of the Electronic I-013 Annuity Referral form and ES-3122 VA Potential Benefits form	Program(s): Elderly & Disabled Medical Programs

This memo implements changes to the Elderly & Disabled Medical Assistance programs implemented with the KEES release on August 23, 2020. Unless otherwise indicated, the following implementation instructions are applicable to all eligibility actions, including system actions, taken on or after this KEES release. Additional information related to the implementation of these changes is available through training material released to eligibility staff, KEES Release Notes, and the KEES User Manual.

Due to the COVID-19 Public Health Emergency, additional follow up will be delayed until the end of the Public Health Emergency as adverse action, including discontinuances and increased share of cost, cannot take place per the [PD2020-03-01](#) Delayed Discontinuance directive. Special processing instructions will be provided to staff regarding how to treat cases where the I-013 Annuity Referral Form and ES-3122 VA Potential Benefits Request form requires follow up from the consumer.

Applicable to Elderly and Disabled Medical Programs only:

- I013 Annuity Referral form
- ES-3122 VA Potential Benefits Request form

This memo supersedes [PM2019-06-02](#) where applicable.

I.CHANGES IMPACTING ELDERLY & DISABLED MEDICAL PROGRAMS

The following changes are applicable to Elderly & Disabled medical programs.

A. I-013 ANNUITY REFERRAL FORM

As outlined in Medical KEESM 5722.4(b) the I-013 Annuity Referral form shall be sent to the annuity company by the eligibility worker upon approving coverage. The purpose of this form is to request the State of Kansas be named the preferred remainder beneficiary

for the annuity owned by the newly approved consumer. The I-013 Annuity Referral form must be returned to the agency within 90 days verifying the change of the preferred remainder beneficiary. Failure to name Kansas Medicaid as the remainder beneficiary in the correct position results in an uncompensated transfer and a penalty applied allowing timely and adequate notice from the date of processing the receipt of this form.

Effective with the August 2020 KEES release, the I-013 form is now an available form within KEES. This form is required to be sent on all approvals for Elderly and Disabled and Long Term Care coverage when an individual owns an annuity and the State of Kansas is not already named the preferred remainder beneficiary.

B. ES-3122 VA POTENTIAL BENEFITS REQUEST FORM

Included with this KEES release is the addition of the ES-3122 form to KEES. The following policy surrounding the implementation of the electronic form and staff follow up on pursuit of VA benefits is being clarified.

1. ELECTRONIC ES-3122 FORM

The ES-3122 Veteran's Administration – Potential Benefits Request form is sent by staff to consumers who are required to pursue Veteran's benefits. The requirements are recorded in [PM2009-09-01](#) and [PM2019-06-02](#).

a. BACKGROUND

Effective with the July 2019 KEES release memo, instruction was released for staff to send the newly created ES-3122 form to consumers. This form was previously held within the KanCare Appendix and staff were required to manually print and send the form.

b. NEW ELECTRONIC FORM

With the August 2020 KEES release, the ES-3122 form is now housed within KEES in electronic form. Staff are to continue sending this form in accordance to the policy implemented in [PM2019-06-02](#), however, the form shall now be sent from KEES. This policy supersedes the manual ES-3122 process from PM2019-06-02.

The use of this electronic form will allow for tracking of cases with an ES-3122 form that requires follow up by staff per section III(C)(2)(f)(i) of PM2019-06-02.

2. DISPOSITION OF FORM

Previous policy was provided in section III(C)(2)(c) of PM2019-06-02 with instruction on the action staff take when the ES-3122 form was or was not returned by the consumer. The following policy supersedes those instructions where applicable.

a. BACKGROUND

With the implementation of PM2019-06-02, staff were instructed that the new ES-3122 be sent to the applicant at the time of application processing and that follow up was not required until the review period, if subsequently approved for coverage. While pursuit of VA benefits is an eligibility requirement, an application for medical assistance or continued coverage was not to be pended or delayed while benefits were being pursued. Instead, the agency would follow up on the consumer's pursued VA benefits at their annual review period.

b. NEW POLICY

Effective with the release of this memo, section III(C)(2)(b) is being superseded in that the KEES system will now contain the ability to track cases where the ES-3122 is sent. These updates will allow the agency to generate reports as needed.

Also, effective with the release of this memo, the timeframe in which staff are required to follow up on the disposition of the form being returned or not returned is being updated and clarified.

Note: This policy applies to cases where the ES-3122 Form is sent once the August 2020 KEES Release is implemented. All cases prior to this release shall follow the policy and processes implemented in PM2020-06-01.

i. Pending for Verification of KCVAO Appointment

Staff will continue to send the ES-3122 form at the time of initial processing when a referral is determined appropriate per the W-15, [VA Potential Benefits Checklist](#) along with any other verifications needed. Applicants/recipients shall be given the standard twelve (12) days pending timeframe to contact the KCVAO to pursue VA benefits as a potential benefit.

The applicant/recipient shall be required to contact the agency (either verbally or in writing) advising the agency of the date of their interview with the KCVAO by the twelfth (12) pending day for continued processing of eligibility to be considered.

As verification of the consumer's scheduled interview with the KCVAO may be received verbally or in writing, staff shall review both Images and the Case Log once the 12th day has passed and react accordingly:

1) *Interview Date Received by Agency*

If all verifications are received, including verbal or written attestation of the applicant/recipient's interview with the KCVAO, staff will determine eligibility under any program for which the applicant is eligible or continue eligibility for the recipient under their existing program. The following fragment has been added to the Standard Text for Copy and Paste spreadsheet, E&D specific tab, on the KEES Repository and shall be appended to the approval notice sent from KEES.

Your application has been approved pending your cooperation with the Veterans Administration to pursue any potential benefits you may be eligible for. This is a reminder that if you do not attend your scheduled appointment with the Kansas Commission on Veterans Affairs Office (KCVAO) and pursue any benefits you may be eligible for with the Veterans Administration (VA), your coverage will be closed for failure to cooperate.

Note: If verification of the interview date is received, but other requested verifications are missing, then it is appropriate to deny the applicant/consumer for failure to provide requested information.

2) *Interview Date NOT Received by Agency*

Failure to report the date and time of the scheduled appointment with the KCVAO will result in denial or discontinuance of eligibility for their failure to pursue potential benefits.

Note: If the applicant/recipient fails to advise the agency of their future interview date with the KCVAO, as well as, fails to provide any of the requested verification, the staff shall deny the request for medical assistance for failure to provide information.

ii. *Appointment with KCVAO*

The date of the future appointment with the KCVAO is important as it marks the future follow up date that staff will review the case and ensure that the completed ES-3122 form is received by the agency.

As indicated in section II(C)(2)(b) of PM2019-06-02, the applicant/recipient is required to return the completed ES-3122 form within 12 days of their scheduled interview with the KCVAO. The form must be completed and signed by the KCVAO representative.

When coverage is approved as indicated in section B(2)(b)(i)(1) above, staff shall track the case and ensure the form is received by the twelfth (12) day after the verified interview date with the KCVAO.

c. FORM RETURNED

There is no change in policy for when the form is returned and indicates that the consumer is not potentially eligible for VA Benefits. If the form indicates that a claim has already been filed/approved, staff are required to request further verification of the approved claim following the tiered verification process.

If the form is returned and advises that the client never applied for benefits or refused to apply for benefits, medical assistance shall be discontinued, giving timely and adequate notice for failure to pursue potential benefits.

d. FORM NOT RETURNED

If the recipient fails to respond to the request for information or, responds that an application for VA benefits was never filed, medical assistance shall be discontinued based on either failure to provide or failure to pursue potential benefits, giving timely and adequate notice.

e. TRANSITION PERIOD

This policy is effective with the release of this memo. Any case, prior to the August 2020 KEES release, where the ES-3122 form was sent manually will continue to follow the policy and processes outlined in PM2019-06-02.

II. QUESTIONS

For questions or concerns related to this document, please contact one of the KDHE Medical Policy Staff listed below.

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Questions regarding any KEES issues are directed to the KEES Help Desk at KEES.HelpDesk@ks.gov

