

Policy Transmittal

Office of Self-Sufficiency Programs



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Authorized signature

Number: SS-PT-21-012
Issue date: 06/16/2021

Topic: Medical Benefits

Due date:

Transmitting (check the box that best applies):

- New policy
 Policy change
 Policy clarification
 Executive letter
 Administrative Rule
 Manual update
 Other:

Applies to (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input checked="" type="checkbox"/> Area Agencies on Aging: Type B | <input type="checkbox"/> Health Services |
| <input checked="" type="checkbox"/> Aging and People with Disabilities | <input type="checkbox"/> Office of Developmental Disabilities Services (ODDS) |
| <input checked="" type="checkbox"/> Self Sufficiency Programs | <input type="checkbox"/> ODDS Children's Intensive In Home Services |
| <input type="checkbox"/> County DD program managers | <input type="checkbox"/> Stabilization and Crisis Unit (SACU) |
| <input type="checkbox"/> Support Service Brokerage Directors | <input type="checkbox"/> Other (<i>please specify</i>): |
| <input type="checkbox"/> ODDS Children's Residential Services | |
| <input type="checkbox"/> Child Welfare Programs | |

Policy/rule title:	Changes to COVID-19 Adverse Action Provisions for medical programs		
Policy/rule number(s):	OARs 461-135-0880 and 410-200-0520	Release number:	
Effective date:	04/13/2021	Expiration date:	
References:	COVID-19 Alternative Processes Quick Reference Guide		
Web address:	https://dhsoha.sharepoint.com/teams/Hub-DHS-ET/SiteAssets/Forms/AllItems.aspx?id=%2Fteams%2FHub%2FDHS%2DET%2FSiteAssets%2FSitePages%2FQuick%2DRef%2FQRG%5FCOVID%2D19%20Alternative%20Processes%2Epdf&parent=%2Fteams%2FHub%2DDHS%2DET%2FSiteAssets%2FSitePages%2FQuick%2DRef		

Discussion/interpretation:

Beginning March 18, 2020, based on guidance received from the Center for Medicare and Medicaid Services (CMS), medical benefits have remained open due to the COVID-19 Public Health Emergency. Medical benefits have remained open except when an individual:

- Passes away
- Becomes incarcerated/resident of a public institution
- Requests a voluntary closure
- Is confirmed to have moved out of state (the receipt of returned mail with an out-of-state sticker is not, on its own, confirmation that an individual has moved out of state); or
- Is receiving Medicare Savings Program benefits and they are no longer eligible for Medicare

In November 2020, CMS issued new guidance which allows additional exceptions to closing medical benefits and instructed states to implement the revised provisions as soon as possible, taking into account system and other administrative restraints.

Effective immediately, in addition to the exceptions above, medical benefits may now also be closed for the reasons below:

- It is determined that benefits were approved based on an administrative error; or
- When a court determines the individual made a false or misleading statement, or misrepresented, concealed or withheld a fact for the purpose of establishing or maintaining eligibility. *Please note: A hearing before an Administrative Law Judge does not meet this criterion. The fraud must be substantiated through a criminal court hearing.*

Administrative Error

An administrative error means the individual was approved for benefits due to an error made by the system or staff. It does not include instances when the individual was eligible when they initially applied but became ineligible sometime after. See below for examples of administrative errors.

- *Example 1* (staff error) – Frank reported \$5,000 per month of taxable income on the [OHP 7210](#) he submitted in April 2020, but the eligibility worker entered \$500 per month in ONE worker portal and approved and authorized MAGI Adult benefits effective 4/1/20. Staff are updating the case when the data entry error is discovered.

- *Example 2 (system error)*– A QMB-only case converted over from Legacy in November 2020, but ONE added an invalid SSI income record and approved OSIPM-SSIR benefits effective 11/1/20.

Important - Closures are not retroactive to 11/20/20 or 4/13/21, adverse action and timely notice requirements apply. *The OAR changes took effect 4/13/21; however, details on how to implement were not finalized until this month.*

The November 2020 guidance also allows the state to make the case changes listed below, which were implemented in March of this year. See [APD-PT-21-012](#) and the [COVID-19 Alternative Processes Quick Reference Guide \(QRG\)](#) for more information:

- All changes affecting patient/service liability and EPD Participant Fees should be acted upon. This means we can now increase service liability and EPD Participant Fees.
- All ongoing special needs payments (Medical-Related Payments (MRPs)) for which individuals are no longer eligible should be ended.
- Reductions to special needs payments should be acted upon as needed.

Implementation/transition instructions:

In scenarios of benefits being opened due to administrative error or fraud, we are required to give due process prior to closing benefits. In other words, the individual's eligibility must be redetermined prior to acting to close benefits:

- If the administrative error or fraud occurred within the last two calendar months, update the case as applicable, to correct the administrative error. Close benefits following the directions outlined in the [COVID-19 Alternative Processes Quick Reference Guide \(QRG\)](#).
- If the administrative error or fraud occurred more than two calendar months ago, reach out to obtain current case information. Update the case with current information and, if still ineligible, close benefits following the directions outlined in the [COVID-19 Alternative Processes Quick Reference Guide \(QRG\)](#). Reaching out may include calling the Oregonian or representative and sending a pend notice.

LTC services can be closed with timely notice for individuals losing OHP Plus benefits as a result of this policy change. Please coordinate with the appropriate APD/AAA office for APD waived, K Plan, or State Plan Personal Care Services or the [Technical Assistance Unit \(TAU\)](#) for DD services.

Note: *When ineligibility for services is strictly due from a change in Service Priority Level (SPL) and not due to losing OHP Plus, the information in [APD-PT-21-001](#) still applies.*

Training/communication plan: The [COVID-19 Alternative Processes Quick Reference Guide \(QRG\)](#) has been updated to show steps to take in the ONE system for ending benefits. The QRG includes a link to the manual notice that will be used in these scenarios.

Local/branch action required:

- Review COVID-19 Alternative Processes Quick Reference Guide (ORG) when taking action to close benefits. This QRG includes notice 0645i, which was developed to be used for this process.
- Review transmittal [APD-PT-21-012](#) for more information related to APD medical programs including: Liability and EPD participant fee changes and Special Needs (MRP) closure and reductions.
- Managers should discuss with staff in unit meetings.

Central office action required:

Oregon Administrative Rules [410-200-0520](#) and [461-135-0880](#) have been updated to reflect the policy change.

Field/stakeholder review: Yes No

If yes, reviewed by: APD and HSD Policy, APD Operations, SSP Communications

Filing instructions:

If you have any questions about this policy, contact:

Contact(s): APD.MedicalPolicy@dhsosha.state.or.us HSD.MedicalEligibilityPolicy@dhsosha.state.or.us
Fax:
Email: