

Policy Transmittal Aging and People with Disabilities



Mike McCormick

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Number: APD-PT-18-024

Issue date: 5/30/2018

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 checked="" 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 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"/> ODDS Children's Residential Services | <input type="checkbox"/> Other (please specify): |
| <input type="checkbox"/> Child Welfare Programs | |

Policy/rule title:	New Income Methodology and Elimination of Liability Requirement for Individuals in 24-Hour Mental Health Residential Care Settings		
Policy/rule number(s):	461-110-0210, 461-135-0755 (new adoption), 461-155-0010, 461-155-0250, 461-155-0630, 461-160-0540, 461-160-0610, 461-160-0620	Release number:	
Effective date:	July 1, 2018	Expiration date:	
References:	APD Worker Guide D.10, OSIPM E.2, E.3, E.4		
Web address:	http://www.dhs.state.or.us/spd/tools/additional/workergd/d.10.htm http://www.dhs.state.or.us/spd/tools/program/osip/e.htm#02		

Discussion/interpretation:

Currently an individual in a 24-hour mental health residential care setting is eligible if the sum of the service payment and the OSIPM income standard is greater than the individual's adjusted income. Eligible individuals are also required to pay a liability or offset. Effective July 1, 2018, the adjusted income limit for individuals residing in a 24-hour mental health residential care setting will be 150% of the Federal Poverty Level, currently \$1,518.00. Also, effective July 1, these individuals will no longer be required to pay a liability or offset. They will still be required to pay room and board.

Individuals who lose OSIPM eligibility will not lose their residential placement; the Oregon Health Authority will continue to pay for their mental health services out of general fund dollars.

Because the FPL standards are normally implemented in March, there will be protected eligibility between January and March, similar to what happens with Medicare Savings Programs and EPD participant fees.

Note: The resource limit for these individuals will be eliminated effective October 1, 2018. More information about this change will be provided in a subsequent policy transmittal.

These changes are being made to comply with federal policy.

Reminder: 24-hour mental health residential care is not provided under a waiver. This means that the 300% SSI income standard does not apply, nor is it appropriate to advise these individuals to establish income cap trusts.

Implementation/transition instructions:

For individuals with a DOR of 7/1/18 or later - apply the new income standard accordingly. Code these cases with a SIP 0.00 N/R code in order to bypass the liability calculation.

The system changes necessary to implement this policy change could not be made in time for the July 1 effective date, this means that for now, eligibility staff will have to manually determine income eligibility and narrate the calculation. This is an adjusted income standard, and the normal income deductions apply. In other words, you will apply the same income deductions from countable income as you normally would for individuals applying for OSIPM in a standard living arrangement who are not assumed eligible. Individuals residing in a 24-hour residential mental health setting are considered a household group of one.

Please note that you should first determine eligibility for OSIPM under the assumed eligible and protected eligibility rules (SSI, 1619b, Pickle, DAC, etc.). If an individual is over the 150% FPL income standard and is still working while receiving care in a 24-hour residential mental health setting, continue to evaluate for EPD.

The Oregon Health Authority will notify mental health providers about these changes and that they should no longer collect a liability or offset from their residents.

For individuals currently residing in a 24-hour mental health residential care setting and receiving OSIPM – Begin applying the 150% FPL income standard effective 7/1/18. See [APD-AR-18-038](#) for more information about specific actions that must be taken on existing cases.

Central Office will mail the attached letter to all individuals currently residing in 24-hour mental health residential care settings notifying them of the changes.

Training/communication plan: Training materials will be updated to reflect the new policy.

Local/branch action required: Managers should discuss with staff in unit meetings. Refer to [APD-AR-18-038](#) for specific actions required.

Central office action required: Update policy manuals and training materials and provide assistance when needed.

Field/stakeholder review: Yes No

If yes, reviewed by: APD Operations and Policy

Filing instructions:

If you have any questions about this policy, contact:

Contact(s): Michael Avery (503) 373-0380	michael.g.avery@state.or.us
Trevor Baker (503) 378-2395	trevor.d.baker@state.or.us
Bill Brautigam (503) 378-2202	bill.h.brautigam@state.or.us
Andrew Isom (503) 559-5860	andrew.j.isom@state.or.us
Ada Osuna (503) 358-3006	ada.osuna@state.or.us
Serena Sischo (503) 400-1872	serena.g.sischo@state.or.us
Janell White (541) 507-7423	janell.r.white@state.or.us
Heather Williams (503) 508-1847	heather.d.williams@state.or.us
Phone:	Fax:
Email:	

Dear Oregon Health Plan Recipient:

We are writing to tell you about some upcoming changes to the rules that determine your Medicaid benefits. These changes will impact some people who live in 24 hour mental health settings that are paid for by Medicaid. If you currently receive Supplemental Security Income (SSI), then you can disregard this letter.

Starting July 1, 2018, you will no longer be required to pay part of your income towards the cost of your 24 hour residential services. This means that if you are paying for all or part of your 24-hour residential services right now, you will no longer have to pay anything for these services. The State of Oregon will start paying 100% of the cost of these residential services beginning July 1, 2018. You will still have to pay your Room and Board amount every month.

Starting July 1, 2018, the new income limit will be 150% of the Federal Poverty Level.

You will receive another notice if you are no longer eligible for Medicaid under the new limit.

If you lose your Medicaid benefits and receive Medicare, staff from the state Senior Health Insurance Benefits Assistance (SHIBA) program will contact you. They can help you figure out if you need additional insurance coverage or a new prescription drug plan.

If you lose your Medicaid benefits and do not receive Medicare, you will be referred to the Oregon Health Insurance Marketplace (OHIM) for further help with your insurance coverage.

Even if you lose your Medicaid benefits, the cost of your mental health residential services will continue to be paid by the State of Oregon as long as you meet other program requirements.

Please call your local Aging and People with Disabilities office if you have additional questions.

Thank you,

Aging and People with Disabilities

Oregon Department of Human Services

Salem, Oregon 97301

Important: The hearing rights on the back of this letter apply only to the change that no longer requires you to pay for all or part of your mental health residential services. You will get a separate notice with hearing rights if your eligibility for Medicaid will change.