

Cathy Cooper  
Authorized Signature

Number: SPD-AR-10-092  
Issue Date: 10/6/2010

Topic: Medical Benefits

Due Date:

Subject: Client Buy In (CBI) Project

**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        | <input type="checkbox"/> Health Services                                 |
| <input checked="" type="checkbox"/> Children, Adults and Families | <input checked="" type="checkbox"/> Seniors and People with Disabilities |
| <input checked="" type="checkbox"/> County DD Program Managers    | <input type="checkbox"/> Other (please specify):                         |

**Reason for Action:** SPD anticipates a reduction in General Fund (GF) expenditures as a result of this change. Part B Medicare payments (buy-ins) for clients who are over income for any Medicare Savings Program (MSP) and have a client liability greater than the Part B premium will be discontinued. The client will pay their own Part B premium and will be given a deduction of a like amount from their service liability. The client will see no difference in their net income. The amount of GF SPD pays for services will be substantially less than what we are currently paying for the premium.

**Action Required:** Field staff will:

- Read this AR and understand how the CBI process affects their clients.
- Review the cases that appear on the attached list to ensure that they are appropriate for the switch from SBI to CBI. This list contains all of the clients who received the client letter (attached as well) and will be updated as part of a mass conversion described below.
- Because the conversion will only be performed on the mainframe CMS case, staff should update Oregon ACCESS to reflect the CBI case descriptor the next time they touch the case following the conversion.
- Another AR will follow later in the month with exact coding instructions once the coding has been moved into the computer systems.
- **If contacted by a client, advise them to save money from the CBI deduction so they will have it if SSA should delay buy-in and take 2 or 3 months premiums out of their check at one time. If they don't have enough money, give them a one-time OIM to enable them to pay their liability.**

### **Central Office Actions Completed:**

- 1) Code cases in the 512 system where the clients pay cost of service (approximately 130 clients) by adding the EMI case descriptor to their CMS case. Workers were notified of this change in [IM 10-073](#).

### **Central Office Actions Pending Completion:**

- 1) Send a letter (copy attached) to the clients included in the conversion explaining the change in their case. Since the clients are not receiving a reduction of benefits, no Decision Notice is required.
- 2) Perform an automated systems conversion, as follows:
  - \* Cases meeting the following criteria will be selected for conversion:
    - Case must have CBF and SBI case descriptors
    - Case must NOT be in a protected eligibility group such as Pickles, DACs, COLA widows, etc....
    - Case must NOT have an EMI case descriptor, indicating that the client is paying the cost of service.
    - Case must have a calculated patient liability of \$150.00 or greater
  - \* During conversion, the CMS case will be modified as follows:
    - The SBI case descriptor will be replaced with the CBI case descriptor.
    - The CBI need code will be added in the amount of 110.50
  - \* When the coding has changed, and the liability has been recalculated, the updated liability amount will be passed to the MMIS.
- 3) Produce a list of client records that were converted. This will be available after EOM and will be substantially the same as the letter list.
- 4) Make changes in MMIS so that all cases with a CBI case descriptor will be bypassed from the Medicare buy-in process. New clients will be ignored, on-going clients will be disenrolled.
- 5) Create a report of potential CBI eligibles. This report will be developed after November, 1, 2010.

**Local Office Actions:** Only those service clients in CBC with liabilities of \$150 or more are include in the main run of cases being done by central office. There will be more information on NFC and In-Home cases in subsequent months. There are many more CBC cases which are appropriate for the change from SBI to CBI and SPD is relying on the field staff to identify them as cases are touched. This is critical to the full implementation of this change.

**Field/Stakeholder review:**     Yes     No

**If yes, reviewed by:**    **OPS**

*If you have any questions about this action request, contact:*

<b>Contact(s):</b>	Dale Marande		
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Branch name  
Branch address

# Oregon

Theodore R. Kulongoski, Governor

**Department of Human Services**  
Seniors and People with Disabilities  
Federal Resource & Financial Eligibility  
500 Summer Street NE, E-12

Salem, OR 97301

503-945-5921

1-800-282-8096

FAX: 503-947-5357

October 11, 2010

Client address  
Client name  
City state ZIP

Dear

This letter is to inform you that the Department of Human Services is making a change in your Medicaid case, beginning November 1, 2010. This change will not affect your long-term care services, your eligibility or your benefits in any way. It will change how your services are paid. You will start paying for your Medicare Part B premium and the amount you pay for your services will go down by the same amount.

So that you do not see any reductions in your personal budget, this change is being made in two steps.

1. In November, the amount you pay monthly for services will be reduced.
2. In December, your monthly social security check will be reduced by the same amount.

If you have any questions your worker can help you. If you do not know how to reach your worker, you can call **(local office number –merged)**

Thank you.



Dale Marande  
Seniors and People with Disabilities  
Manager, Medicaid Financial, Buy-in and MMA Project Units

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