

Aging and People with Disabilities

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Number: APD-IM-15-111

Issue date: 12/21/2015

Topic: Medical Benefits

Processing Applications for Medicare Savings Programs and Low Income
Subject: Subsidy Eligibility

Applies to (check all that apply):

- | | |
|--|---|
| <input checked="" 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"/> Aging and People with Disabilities | <input type="checkbox"/> Office of Developmental |
| <input checked="" type="checkbox"/> Self Sufficiency Programs | <input type="checkbox"/> Disabilities Services(ODDS) |
| <input type="checkbox"/> County DD Program Managers | <input type="checkbox"/> ODDS Children's Intensive |
| <input type="checkbox"/> ODDS Children's | <input type="checkbox"/> In Home Services |
| <input type="checkbox"/> Residential Services | <input type="checkbox"/> Stabilization and Crisis Unit (SACU) |
| <input type="checkbox"/> Child Welfare Programs | <input checked="" type="checkbox"/> Other (<i>please specify</i>): OCCS Medical |

Message:

The elimination of resource limits for QMB, SMB, and SMF in 2016 will not significantly affect current application processing procedures for those requesting medical benefits from APD/AAA. While the financial eligibility requirements for Medicare Savings Programs (MSPs) have changed, the requirement to evaluate applicants for all Medicaid programs has not.

In addition, the Federal government will continue to allow states which have adopted less restrictive eligibility requirements for MSPs to deem all Medicaid recipients eligible for the Part D Low Income Subsidy (LIS). In other words, the LIS resource limits are waived for individuals eligible for MSPs in Oregon beginning January 2016.

The following procedures and requirements will remain unchanged as a result of the 1/1/16 changes:

- The MAGI conversion process
- Eligibility determination for individuals applying for medical benefits with APD/AAA
- Interview requirements
- Notice requirements
- Deemed eligibility for the Medicare Part D LIS for all Medicaid recipients

The following changes will take effect on January 1, 2016:

- Use of the 539C should be discontinued; the 539A should be used for all medical benefit requests, even if the applicant indicates he/she is only interested in applying for a Medicare Savings Program. If this is the case, you are encouraged to gather resource information if possible, but it is not required and you should not delay the application process (see [APD-PT-15-043](#)).
- You will not have to request or wait for information regarding resources to determine eligibility for and open QMB, SMB, or SMF benefits.

You may have enough information to determine eligibility for QMB/SMB/SMF but require resource information for OSIPM; therefore, you may end up taking action on one program (e.g. approving an MSP) but pending for the other. Remember that if an application is submitted, a decision notice is required; however, in the above scenario, the auto-generated MSP approval notice does not meet the notice requirement if you have to send a separate pending notice for OSIPM. A decision notice must follow regarding the decision on OSIPM.

For example, Joe visits an APD office on 1/31/16 requesting medical benefits and is interviewed that day. He has Medicare, is not assumed eligible, but is under the income limit for OSIPM. He claims to have around \$1,000 in checking and savings, but did not bring verification. All other eligibility factors were verified at the time of the office visit, so you were able to determine he was eligible for QMB-BAS. You open QMB-BAS benefits effective 2/1/16, but give him a pending notice for resource information for OSIPM. He does not provide verification by the deadline listed and does not request additional time. Even though an approval notice for QMB-BAS was auto-generated when you opened the case, you requested more information specifically for OSIPM; therefore, you must send a separate OSIPM denial notice for failure to provide the requested verification.

If you have any questions about this information, contact:

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