



## POLICY MEMO

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**POLICY MEMO NUMBER: HCPF PM 18-003**

**TITLE: CBMS LIMITED MEDICAID BENEFITS FOR INCARCERATED INDIVIDUALS**

**SUPERSEDES NUMBER: N/A**

**ISSUE DATE: OCTOBER 16, 2018**

**EFFECTIVE DATE: MARCH 1, 2017**

**DIVISION AND OFFICE: ELIGIBILITY DETERMINATION DIVISION, HEALTH INFORMATION OFFICE**

**PROGRAM AREA: MEDICAID AND INCARCERATED POPULATIONS**

**APPROVED BY: CHRIS UNDERWOOD**

**KEY WORDS: SENATE BILL 08-006, INCARCERATION, MEDICAID ELIGIBILITY, CRIMINAL JUSTICE INVOLVED POPULATIONS**

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*HCPF Memo Series can be accessed online: <https://www.colorado.gov/hcpf/memo-series>*

### **Purpose and Audience:**

This policy document explains the Department's policy on Limited Medicaid Benefits for Incarcerated Individuals to Medicaid-eligible individuals that are involved in Colorado criminal justice system; County Department of Human/Social Services; Medicaid Assistance Sites; state, county, and city corrections and law enforcement agencies effective March 1, 2017. Guidance on this process is included below.

### **Background:**

The limited Incarcerated Benefit plan for incarcerated individuals allows Health First Colorado (Colorado's Medicaid Program) to pay for inpatient service and those services related to the inpatient stay for incarcerated Health First Colorado eligible individuals who require a 24-hour or more of inpatient hospital care. Upon release from incarceration, an individual may qualify for full Health First Colorado benefits if they continue to meet eligibility criteria.

MA Site and County Eligibility workers may need to assist incarcerated individuals with applying for the Medicaid program. Workers will also need to update ongoing cases and redetermine eligibility when a member reports that they have a change in their incarceration status (i.e., becoming incarcerated or released from incarceration).

Eligibility workers should reference the CBMS/PEAK September 2016 Build Project Guide below for guidance on assisting incarcerated Medicaid-eligible individuals updating

ongoing cases and redetermination when a member has a change in incarcerated status.

### **Information/Policy:**

For the purposes of this policy, individuals residing in the following living arrangements are considered incarcerated:

- City/County Jail
- State/Federal Prison
- Work Release
- Wilderness Camp (Under Government Control)

### System Changes

New functionality was fully implemented in March 2017 to support this policy in the Colorado Benefits Management System (CBMS), the State's eligibility determination system, and the Colorado interChange, the State's claims system. The system functionality will allow incarcerated individuals to remain eligible within CBMS and limit Health First Colorado coverage to qualifying inpatient services and those services related to the inpatient stay for the duration of their incarceration. Below is a summary of the new CBMS and Colorado interChange system functionality related to this policy.

### CBMS

In March 2017, this policy was implemented to allow incarcerated individuals eligible for certain Medical Assistance categories to maintain limited Health First Colorado benefits for the duration of their incarceration. Prior to the implementation, an individual's coverage was terminated when they became incarcerated.

The Limited Medicaid Benefits for Incarcerated Individuals policy **does not** apply to incarcerated individuals who are placed in the following Medical Assistance categories:

- Medicare Savings (QMB, SLMB, QI-1, QDWI, LIS)
- Presumptive Eligibility (MAGI, CHP+, BCCP)

Members with the above coverage will continue to be terminated as of their date of incarceration. Additional CBMS guidance and training has been provided by the Staff Development Center (SDC) for Project 9837:

*CBMS/PEAK September 2016 Build Project Guide* - <https://www.traincolorado.com/wp-content/uploads/2016/09/September-2016-CBMS-Build-Project-Guide.pdf>

*EBD, HCPF, and PEAK Projects September 2016 Build* - <https://www.traincolorado.com/wp-content/uploads/2016/09/September-2016-CBMS-Build-PowerPoint-Presentation.pdf>

### Colorado interChange

The Colorado interChange will receive information from CBMS regarding an individual's incarceration status. The Eligibility Span sent to the Colorado interChange will include Incarcerated Indicators set to "Yes" effective from the Date of Incarceration, and the incarcerated individual will be placed in the Incarcerated Benefit Plan within the Colorado interChange.

During the incarceration period, Medicaid members are eligible for inpatient hospital services and those services related to the inpatient stay when they have a hospital admission of 24-hours or longer. Upon release (or upon parole) from incarceration, the individual's Medical Assistance eligibility is redetermined and, if the member remains Medicaid eligible, the indicators set to "No" effective from the date of release.

More information regarding inpatient services can be found in the Inpatient/Outpatient Billing Manual located at [https://www.colorado.gov/pacific/sites/default/files/UB-04\\_IP\\_OP%20v1\\_3.pdf](https://www.colorado.gov/pacific/sites/default/files/UB-04_IP_OP%20v1_3.pdf).

A detailed list of Medicaid-covered inpatient services can be found in the Appendix Q (Revenue Codes) located at [https://www.colorado.gov/pacific/sites/default/files/Appendix%20Q-Revenue%20Codes%20081117%20v1\\_2.pdf](https://www.colorado.gov/pacific/sites/default/files/Appendix%20Q-Revenue%20Codes%20081117%20v1_2.pdf)

It is critical for Health First Colorado providers to continue to verify a member's eligibility. A step-by-step Quick Guide for providers on how to verify a member's eligibility can be found at [CO.gov/HCPF/interchange-resources](https://www.colorado.gov/HCPF/interchange-resources)

### **Attachment(s):**

None

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