



OPERATIONAL MEMO

OPERATIONAL MEMO NUMBER: HCPF OM 18-025

**TITLE: NOTIFICATION OF FINANCIAL INELIGIBILITY AND
DISCONTINUATION OF ADVISEMENT LETTERS**

SUPERSEDES NUMBER: N/A

ISSUE DATE: DECEMBER 11, 2018

EFFECTIVE DATE: DECEMBER 11, 2018

**DIVISION AND OFFICE: CASE MANAGEMENT & QUALITY PERFORMANCE
DIVISION**

PROGRAM AREA: OFFICE OF COMMUNITY LIVING

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**KEY WORDS: NOTICE OF ACTION, LTC-803, ADVISEMENT LETTERS,
FINANCIAL ELIGIBILITY**

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Purpose and Audience:

The purpose of this Operational Memo is to inform Single Entry Point (SEP) agencies and Community Centered Boards (CCB) of responsibilities and requirements regarding notification to individuals of financial ineligibility.

Background Information:

Providing a notice of action regarding the termination, suspension, or reduction of Medicaid eligibility or covered services is the responsibility of the entity enacting the action. Pursuant to 10 CCR 2505-10, 8.393.A.1.a.i, when an individual is determined financially ineligible, the county Department of Social or Human Services bears the responsibility of providing the notice.

SEP agencies have previously been directed to use the Advisement Letter on the Benefits Utilization System (BUS) to inform individuals of a determination of financial ineligibility. In addition, some SEP agencies and Community Centered Boards (CCB) have sent a Notice of Action (LTC-803) from the BUS when an individual has been determined financially ineligible. This has caused confusion to individuals and improperly put the responsibility of attending appeal hearings on the SEP agencies and CCBs, rather than the county Department of Social or Human Services.

Information/Procedure:

SEP agencies and CCBs shall discontinue the practice of providing a Notice of Action or Advisement Letter regarding financial ineligibility. The regulations regarding Advisement Letter were repealed effective June 30, 2017; Advisement Letters shall no longer be used by either SEP agencies or CCBs. Effective December 27, 2018, the ability to create a new Advisement Letter on the BUS will be disabled. All finalized Advisement Letters will continue to be stored and viewed on BUS. Prior to December 27, 2018, any Advisement Letters currently in Edit status should be finalized to ensure they are accessible for viewing as historic documents.

When SEP agencies and CCBs become aware that an individual is not financially eligible, the agencies shall notify the individual and inform the individual that he or she may appeal the county Department of Social or Human Services' decision. SEP agencies and CCBs shall develop consistent processes and communication methods that are appropriate for the individuals they serve and the region in which they operate.

Attachments:

None

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