

# Long-Term Care; Aged, Blind and Disabled; Medicare Savings Program and Low Income Subsidy Scenario Workbook

Note: Many of these scenarios have been taken from existing trainings as well as the User Desk Reference Guides with little or no modification. Refer back to the User Desk Reference Guides for more information.

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# Long-Term Care; Aged, Blind and Disabled; Medicare Savings Program and Low Income Subsidy Scenario Workbook

## Long-Term Care (LTC)

### 1. Mr. Rogers' Generosity

Ricky Rogers is a 75 year old U.S. citizen. He was admitted to the nursing facility and submitted an application for Long Term Care Medical Assistance 05/01/2013. He receives a pension of \$400/month. Mr. Rogers has \$400 in his checking account and no other resources. He informs his eligibility worker that he paid \$33,667 for his granddaughter's college education each of the past four years, totaling \$134,668. He also gave his church a \$1,333 donation each Christmas from 2009-2012, totaling \$5,332.

- a. Is Mr. Rogers eligible for Long-Term Care?
- b. Find the current year's average monthly private pay rate using the COLA letter.
- c. How much did Mr. Rogers Transfer Without Fair Consideration (TWFC)?
- d. What is Mr. Rogers' Period of Ineligibility (POI)?

### 2. Mr. and Mrs. Dove's Cars

Mrs. Dove is married and applied for Long-Term Care (LTC) on 6/14/2013. She entered the hospital 06/17/2013. Her LTC case was pending a disability determination by the State Disability Contractor. She has already provided appropriate citizenship and identity documentation. The State Disability Contractor assessed her on 7/29/2013 and determined that she is disabled, but her disability did not begin until 6/17/2013.

Mrs. Dove declared \$0 in earned and unearned income. Mr. Dove declared earned income of \$1,900/month verified by a check stub. This income is not direct deposited. Mr. and Mrs. Dove declared the following resources at time of application:

- Primary Home valued at \$173,000.00 verified by the assessor's statement.
- Checking account at Wells Fargo in Mrs. Dove's name only with a balance of \$5,770
- Jointly owned checking account at ENT Credit Union with a balance of \$9,500
- Jointly owned 2012 Ferrari 458 Italia with a value of \$260,750.00 verified by NADA
- 1964 Ford Mustang with a value of \$40,445.00
- 2013 Porsche Boxter with a value of \$55,760.0
- 2013 Tesla Model S with a value of \$71,070.00

All vehicles were verified by NADA and everything except the Ferrari was in Mr. Dove's name alone.

- a. What are the total countable resources for Mr. and Mrs. Dove?
- b. Is Mrs. Dove resource eligible for LTC? If no, what if anything can be done to make her resource eligible?
- c. Complete the CSRA form.

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On 8/2/2013, Mrs. Dove entered the nursing facility. Her LOC Cert Page is received with a start date of 08/02/2013. Her 5616 is also received from the nursing facility. On 01/01/2014, Mrs. Dove reapplies for LTC medical assistance. She has sold her 2013 Tesla Model S, and used it to pay for her care and other bills.

- d. What is the date the Level of Care criterion was met for Mrs. Dove?
- e. What is the date the Resources and Income criteria were met for Mrs. Dove?
- f. What is the date the Disability criterion was met for Mrs. Dove?
- g. On what date would Mrs. Dove be eligible for Long-Term Care Medical Assistance?
- h. Can Mrs. Dove's Medicaid be backdated to cover her entire hospital stay? Complete Mrs. Dove's 5615.

### **3. Mr. Arnold's Gift**

Mr. Arnold submits an application for LTC Medicaid on February 24, 2013. He is a U.S. citizen who has been declared fully disabled by the SSA. He currently has no income or resources. He entered a nursing facility on January 10, 2013. Four years before applying for Medicaid, Mr. Arnold gifted his home to his adult daughter. At the time of application, the fair market value of the home was \$184,567.

- a. What is the Period of Ineligibility for Mr. Arnold?

Mr. Arnold has served the POI, provided resource verifications, and requested that his eligibility be reviewed on March 19, 2015. He is requesting HCBS services.

- b. What steps need to be taken to have Mr. Arnold assessed for LTC-HCBS services?
- c. What is done with the LOC Cert Page (ULTC 100.2) when it is received?

### **4. Mark's Accident**

Mark is age 85 and on Medicare. He was getting along fine in the community by himself until he fell and broke his hip trying to shovel snow. Mark was admitted to the hospital on 12/21/2012 for one week. He was then discharged from the hospital to a nursing facility on 12/28/2012 and has been there ever since. The nursing facility is located in a different county than Mark's residence. Mark's son, Don, is his power of attorney (POA). Don and the nursing facility completed the Application for Medical Assistance for Long-Term Care. Don allowed the nursing facility to be his and his father's representative in communicating with the county for eligibility purposes. The Medical Assistance application was submitted with all valid verifications on 1/12/2013 to the county where the client's home is located. The following information was declared on the application:

- Income of Social Security Retirement \$1,300/month, and Private Pension of \$400/month
  - Checking account with a \$1,800 balance
  - Joint owner on a house with his son
- a. Does Mark need to complete a disability application?
  - b. Which county determines Mark's eligibility?
  - c. Is Mark eligible for LTC?

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d. Is there a POI?

Don wins the lottery. He can either take a lump sum payment of \$250 million, or receive monthly payments of \$10,000.

e. How would these options impact Mark's eligibility?

f. If Don used some of his winnings to set up a trust for Mark that gave him a monthly allowance, which Mark could withdraw from as needed, how would this impact Mark's eligibility?

### 5. Marcy's Hero

Marcy De Ville is 63 years old. She was a teacher for most of her life and recently retired with a PERA income of \$5,400 per month. Marcy has been youthful all of her life and enjoyed vacationing and participating in extreme activities. In January, 2013, while vacationing in Venezuela, she had a bad accident while on a 4-wheel ATV adventure. During this accident, she suffered a concussion. Her guide, 28 year old Leonardo De Oro, was her hero, and was able to get her out of the jungle and to a hospital. Marcy was fortunate to have gotten to a hospital as quickly as she did because her brain began to swell from the concussion. Due to the accident, Marcy suffered a brain injury.

Marcy, not wanting to ever be without her hero, brought Leonardo back home with her in February, 2013 and declared to her family and friends that he was her soul mate for life. Marcy and Leo declared that they are common-law spouses. As soon as they got home, Marcy applied for Social Security Disability but was denied for both SSDI and SSI.

For the past year, Leonardo has been helping Marcy with her daily activities. However, needing to make ends meet, he obtained a job as an ATV and snow mobile guide earning \$1,500 per month. Due to the employment, he is no longer able to provide the level of care Marcy needs during the day. Since Marcy cannot drive, she gave her car to Leonardo.

On 2/01/2013, Leonardo helped Marcy complete a PEAK application for LTC. They provided all necessary valid verifications. On the application, the following information was declared:

- Client Resources = Checking account \$14,000; Savings account \$35,000
- Spouse's resources = Checking account \$1,200; vehicle \$25,000
- Monthly Expenses = Mortgage \$1,600, HOA \$250, utilities \$200, car payment \$350

The PEAK application was routed incorrectly to the Family Medicaid section and did not make it to the Long-Term Care worker until 05/15/2013. The disability application was sent to the eligibility site and forwarded to the Long-Term Care section but was never sent to the State Disability Contractor.

a. What should be done to avoid further delays in processing?

b. Is an income trust necessary?

c. Is there a TWFC?

d. Is Marcy eligible for LTC?

e. What is Leo's Minimum Monthly Maintenance Needs Allowance (MMMNA)?

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- f. Find out what Leo's MIA is. Fill out an MIA form.

A year passes and Marcy discovers that Leonardo has been cheating on her with a ski bunny. She declares that she wants nothing to do with him and no longer wants him to be declared her common law spouse.

- g. How would this effect Marcy's eligibility?

Two years pass and Marcy and Leonardo have made up and love each other more than ever. Unfortunately, Marcy passes away unexpectedly. Leonardo is cleaning her house and finds a life insurance policy that was never declared.

- h. What happens if the policy has a cash value of a) \$9,100 b) \$1,400 or c) \$51,000

### **6. Leroy's Missing Application**

Leroy applies for LTC-HCBS on 1/3/2013. Leroy submits the Medical Assistance application to the county office where he resides. All income and resource verifications are provided and the financial eligibility criteria are met. Leroy provided medical records, but did not complete the disability application. Upon receiving the Medical Assistance application, the county did not submit a request to the SEP for a level of care assessment.

As of 3/1/2013, eligibility still has not been determined. Leroy is admitted to a hospital in a different county than his county of residence. After a two week stay, the hospital discharges him to his home. The hospital did not contact the SEP until the day of discharge to schedule a level of care assessment. The SEP completes the level of care assessment and submits the ULTC 100.2 certification to the county of residence. Upon receiving the certification, the county closes the case due to not receiving the disability application. The hospital eventually contacts an MA site in the hospital's county. The MA site sends additional medical verifications to the State Disability Contractor (ARG). ARG lets the MA site know that there is no record of a Disability Application ever being submitted for this client.

- a. Was the SEP contacted timely by the county eligibility site? What problems occurred with this case?
- b. Was the SEP contacted timely by the hospital?

### **7. Mr. George's Life Estate**

Mr. George lives in a home he purchased over 30 years ago which is valued at \$340,000. He is 88 and a U.S. citizen. He receives a private retirement pension of \$600/month and social security retirement income of \$440/month. When Mr. George was 85, he created a life estate for his home. Mr. George applies for LTC-HCBS 04/18/2013. He is determined to have met institutionalized level of care by the Single Entry Point Agency from 04/02/13 onward.

- a. Did Mr. George perform a TWFC?
- b. Is Mr. George eligible for LTC-HCBS?
- c. Using the Life Estate Tables, what is the amount of Mr. George's POI?

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### **8. Mr. Walker's Annuity**

Mr. Walker has applied for LTC-HCBS services. Mr. Walker is 89 years old and set up a "locked in" annuity. This annuity cannot be cashed in or changed in any manner. Mr. Walker set up the annuity January 19, 2013 in the amount of \$50,000.00. Mr. Walker will receive a monthly return of \$700.00 (\$8,400.00 annually). Mr. Walker's annuity income combined with his Social Security income of \$1,600.00 will exceed the allowable income amount of \$2,130.00.

- a. What can be done, if anything, to make Mr. Walker income eligible?
- b. Is the annuity actuarially sound (will it payout entirely within his life expectancy)?
- c. Will Mr. Walker's annuity be considered a Transfer without Fair Consideration? If yes, what is the POI that Mr. Walker will have to serve?

### **9. Mr. Ewing's Mineral Rights**

Mr. Ewing was placed in a nursing facility on 03/15/13. Mr. Ewing's granddaughter, Rebecca, submitted an application 03/18/2013 to the local MA Site requesting LTC services. Mr. Ewing owns the mineral rights on one oil well and receives \$4,500.00 in royalties monthly. The value of the mineral rights combined with 67 acres of land is \$989,000.00. To become eligible, Mr. Ewing is transferring the property and mineral rights to his granddaughter, Rebecca.

- a. Is Mr. Ewing income eligible? If no, what is the resource limit that Mr. Ewing must meet?
- b. Is the value of the mineral rights countable towards the resource limit?
- c. Is Mr. Ewing resource eligible? If no, what is the resource limit that Mr. Ewing must meet?
- d. Will Mr. Ewing be required to serve a POI? If yes, calculate the POI that Mr. Ewing must serve.

## **Aged, Blind and Disabled (ABD)**

### **Supplemental Security Income (SSI)**

### **10. Mr Spring's Expenses**

Mr. Spring applied for SSI with the Social Security Administration on 9/16/2012. SSA approved his application on 12/19/2012 with a disability onset date of 9/16/2012, and sent the information to the State. SSA indicated that the client has unpaid medical expenses from August 2012.

- a. What is his Effective Begin Date (EBD) for Medicaid?
- b. What needs to occur for Mr. Spring to get his unpaid medical expenses paid?

### **11. Ms. Kiki's Interface Error**

Ms. Kiki's SSI application date was 10/24/2011 and was determined eligible for SSI on 10/24/2011 and has been receiving an SSI payment each month ever since. She makes \$475 at

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a part-time job, and has no bank accounts or other resources. She contacts her county office on 09/01/2013 and requests Medicaid. She does not provide any citizenship and identity information. When the eligibility worker checks in the system, she does not have an open case.

- a. Is Ms. Kiki eligible for Medicaid? If so, from what date?
- b. Does Mrs. Kiki need to provide additional verifications?
- c. What research should be done by Ms. Kiki's eligibility worker when determining why the interface did not enroll Ms. Kiki in SSI-Mandatory Medicaid automatically from 10/24/2011 on?

### **Disabled Adult Children (DAC)**

#### **12. George's Father**

George was an SSI recipient; he received \$300/month in SSI benefits. He works part-time making \$400/month in earned income countable after disregards. He does not have any resources. George's father passed away on 02/03/2013, and now George is eligible for an SSA DAC benefit of \$900. George's DAC benefit puts him over the SSI income limit, and he loses his SSI payment.

- a. Does this change make George ineligible for Medicaid?

#### **13. Suzanne's New Benefit**

Suzanne is a disabled veteran. She is a U.S. citizen who went into the military at the age of 18, and was declared disabled by SSA standards when she was 20. She receives veteran's benefits of \$370/month and earns \$325/month at a part-time job. She receives SSI income of \$35 to bring her total income to \$715 for 2013. On February 2 of 2013 Suzanne began receiving \$400 in DAC benefits, pushing her over the SSI limit.

- a. Is Suzanne still eligible for Medical Assistance?
- b. If Suzanne is eligible for DAC Medicaid, what would her countable income be?

### **Pickle**

#### **14. Ms. Puffs' COLA Increase**

Ms. Puffs applied for medical assistance in her county of residence 03/20/2008. Ms. Puffs is a 29 year old who is disabled. In 2007, Ms. Puffs was entitled to Social Security Disability Insurance (SSDI) in the amount of \$642.90. Because SSDI is rounded down to the nearest dollar, she was actually only receiving \$642. After the \$20 disregard, she had \$622 in countable income which is below the 2007 SSI Federal Benefit Rate (FBR) of \$623 making the client eligible for \$1 in SSI.

The 2008 Cost of Living Adjustment (COLA) of 2.3% was applied to her SSDI and SSI effective January 2008. The 2008 SSI FBR became \$637 and Ms. Puffs' SSDI became \$657.68.

- a. What is Ms. Puffs' countable income at this point?

Ms. Puff's countable income made her ineligible for the \$1 of SSI, so she lost Medicaid.

- b. Can Ms. Puffs be eligible for Medicaid despite losing her SSI income?

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### **15. Mr. Mac's SSDI**

Mr. Mac applied for medical assistance in his county of residence 01/01/2013. Mr. Mac is a 48 year old disabled man. In March of 2004, he was determined disabled and entitled to \$600 in SSDI. Because there is a 5-month wait period before he receives his SSDI check, he is eligible to receive SSI in the interim. The Federal Benefit Rate (FBR) was \$564 in 2004. On September 1<sup>st</sup> of 2004, he starts getting his SSDI income and loses SSI because his SSDI income is greater than the income limit.

In 2005, the COLA brings Mr. Mac's SSDI income up to \$616 and the FBR to \$579. In 2006, the COLA brings his SSDI up to \$641 and the FBR to \$603.

- a. What is Mr. Mac's frozen amount?
- b. What is the income used to determine Mr. Mac's Pickle eligibility?
- c. If Mr. Mac applies 01/01/2013, when can his Pickle eligibility begin?
- d. If Mr. Mac applied 04/05/2013 (using the same income amount), what is the earliest date of his Pickle eligibility?

### **16. Joshua's Pickle Letter**

Joshua is 55 years old. On 03/08/2013, he applies for Adult Medical coverage at the county office, and declares he is divorced. Joshua provides a letter he received from the State of Colorado indicating he could be potentially eligible for Medicaid due to his loss of SSI income. Joshua was eligible for SSI in 1990 and was determined ineligible due to his initial entitlement of SSDI in the amount of \$400.00. Joshua provides all verifications of income and resources. On 3/10/2013, Joshua was admitted to the emergency room and completed an Application for Medical Assistance with an MA Site worker.

- a. Identify the responsibilities of the county, the client, and the MA site.
- b. What Adult Medical category would this client be eligible for? Explain this determination.

### **Qualified Disabled Widower (QDW)**

### **17. Mr. Williams' Wife**

Mr. Williams began receiving SSI benefits on 10/01/2003. In January of 2013, Mr. Williams' wife passed away. He began receiving a QDW benefit, and due to that benefit lost his SSI. He does not have any income other than the QDW benefit, which is \$800. He is entitled to Medicare.

- a. Is Mr. Williams eligible for Medicaid?

### **18. Coco's Husband**

Coco is a fifty-five year old widow who was determined disabled by the SSA two years before her husband passed away. Her husband was receiving Social Security benefits at the time of his death, and she is currently receiving \$742 in SSA Survivor Adult benefits. She lost her SSI benefits due to receipt of the Survivor Adult benefits. Coco works a few days per month, and

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makes \$220/month in earned income. She has a vehicle worth \$32,400, a checking account with \$700 in it and a savings account with \$900 in it. She is not eligible for Medicare.

- a. Is Coco eligible for QDW?

### **Old Age Pension (OAP)**

#### **19. Mona's New Life Insurance**

Mona is 63 years old. She is a U.S. citizen, and provided citizenship and identity documents to her county eligibility worker. She has not met the SSA's disability criteria. Mona has a part-time job, and makes \$400/month after disregards. She has \$400 in her checking account and \$1,200 in a savings account. Mona purchased a life insurance policy last year with a face value of \$30,000 and a cash surrender value of \$12,000. Mona receives OAP Adult Financial assistance.

- a. What is the countable value of Mona's resources?
- b. Is Mona eligible for an OAP Medical program? If so, which?

#### **20. Mrs. Nelson's Life Insurance**

Mrs. Nelson is a 62 year old woman who has been approved to meet the SSA disability criteria by the State Disability Contractor. She is a U.S. citizen and provided citizenship and identity documents. She is on OAP Adult Financial assistance. Her income is \$600/month after disregards. She owns a personal life insurance policy with a face value of \$25,000 and a cash surrender value of \$1,600.

- a. Is Mrs. Nelson eligible for an OAP Medical program? If so, which?

Mrs. Nelson applied for OAP Financial and Medical on 09/01/2013. She has a medical bill from 08/15/2013.

- b. Can Medicaid pay this bill?

#### **21. Mr. Johnson's Life Insurance**

Mr. Johnson is a 72 year old man. He is not disabled. He is on OAP Adult Financial assistance. His income is \$700/month after disregards. Mr. Johnson is a U.S. citizen, and he provided citizenship and identity documents when he applied for OAP. He owns a home valued at \$244,000. He also owns a personal life insurance policy with a face value of \$40,000 and a cash surrender value of \$1,000.

- a. What is the countable value of Mr. Johnson's resources?
- b. Is Mr. Johnson eligible for an OAP Medical program? If so, which?

#### **22. Carmine White's Documents**

Carmine White does not provide acceptable citizenship and identity or citizenship status documents when she applies for OAP at her county human services office. She is 79 years old and has no income or resources. She receives OAP Adult Financial assistance.

- a. Is Ms. White eligible for an OAP Medical program? If so, which?

### **Breast and Cervical Cancer Program (BCCP)**

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### **23. Cindy's Doctor Diagnosis**

Cindy is 45 years old. She earns \$1,600 per month at her job and has no dependents. She does not have insurance, and is not enrolled in Medicaid or Medicare. Cindy was diagnosed with breast cancer by her primary care physician who does not practice at a Women's Wellness Connection (WWC) site. Cindy submitted her own Medicaid application through PEAK. After she submitted her application and was diagnosed by her doctor, she went to a WWC site and they confirmed the diagnosis.

- a. Is Cindy eligible for BCCP?

### **24. Jenna's WWC Diagnosis**

Jenna is married to Rick. They were married 8 years ago, when Jenna was 36. Jenna earns \$1,800/month. Rick is self-employed, and after expenses he earns approximately \$1,355/month. Jenna and Rick do not have health insurance. They do not have children, and are currently not enrolled in Medicaid or Medicare. Jenna recently went to see her doctor at a Women's Wellness Connection site, and was diagnosed with cervical cancer. The WWC put her on PE BCCP and submitted a Medicaid application for her.

- a. What processes would occur once Jenna's Medicaid application was submitted by the WWC site?
- b. Is Jenna eligible for BCCP Medicaid?
- c. If Jenna is eligible for BCCP Medicaid, when would she become ineligible for BCCP?

## **Refugee Medical Assistance (RMA)**

### **25. Joni's Refugee Assistance**

Joni is a refugee who entered the country on 11/3/2012. She is ineligible for all Medicaid categories. Her income is \$1,628/month. She provides her non-citizen documentation to the closest M.A. Site to her apartment, and asks if she can get on any Medical Assistance program.

- a. Is she eligible for RMA?
- b. How long will Joni be eligible, and can she request retroactive Medical Assistance?

### **26. Thomas's Asylum**

Thomas is granted asylum in the United States on 10/1/2013, but does not enter the country until 10/15/2013. On 10/23/2013 he applies for Medical Assistance and is determined eligible for the Adult MAGI category because he does not have any income or children. On 11/13/2013, Thomas gets a job and receives an income of \$1,242/month. He notifies his county of the change of income.

- a. What should the county worker do with this information and Thomas' case?
- b. When will Thomas' eligibility for RMA end?

## **Working Adults with Disabilities (WAwD)**

### **27. Lisa's Limited Disability**

Lisa is a disabled adult and received a limited disability determination from the State Disability Contractor. She works, and earns \$3,200/month after disregards.

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- a. Is Lisa eligible for WAWD? If so, what would her premium be?

### **28. Walter's Family Income**

Walter is a 16 year old disabled individual. Walter's parents, Maggie and Ward, submit an application to their County on 05/07/2013. The county gives Maggie and Ward a disability application to complete for Walter. The disability application is completed and returned back to the County 05/08/2013. His parents are not requesting assistance on the application for themselves; they are only requesting assistance for Walter. Ward is employed full time at Walking Fish Incorporated and receives \$3,800.00/month gross earned income. Walter is employed part time at the Cake Factory and receives \$186.50/week gross earned income. Walter received a limited disability determination from the State Disability Contractor with an onset date of 05/08/2013, retro date of 03/08/2013 and diary date of 05/08/2015.

- a. Is Ward's income counted towards Walter?
- b. Is Walter Eligible for WAWD? If so what would his premium be?

### **29. Mr. Magoon's Wife**

Mr. Magoon is a disabled adult. Mr. and Mrs. Magoon submitted an application to an MA Site for WAWD 06/11/13. Mr. Magoon earns \$2,900.00 in self-employment income. Mrs. Magoon is employed full time at The Ginger Bread Man receives \$5213.00/month. Mr. and Mrs. Magoon have declared the following resources in the application:

- 2001 Ford F-350 valued at \$6,300.00
- 2013 Ford F-150 Raptor valued at \$43,484.00
- Joint checking account at Wells Fargo with balance of \$5,500.00
- Joint savings account at Wells Fargo with balance of \$9,800.00
- Business checking account with balance of \$6,000.00

The MA site has Mr. Magoon complete a disability application. The disability application is submitted to the State Disability Contractor for determination. Mr. Magoon receives a limited disability determination from the State Disability Contractor 07/01/2013 with onset date of 06/11/2013, retro date of 03/11/2013, and diary date of 06/11/2016.

- a. Is Mr. Magoon over the 450% FPL income limit for WAWD? If no, why?
- b. Is Mr. Magoon over the resource limit? If no, why?
- c. Is Mr. Magoon eligible for WAWD?
- d. What is Mr. Magoon's premium payment?

## **Medicare Savings Program (MSP)**

### **Qualified Medicare Beneficiary (QMB)**

### **30. Tanya's Income**

Tanya receives \$1,564 in earned income per month. Her husband John receives \$2,004 in earned income per month, as well as \$206 in social security retirement income per month.

- a. What is the total countable income for this case?
- b. Is Tanya income eligible for QMB?

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### **31. Big Tony's COLA Increase**

Big Tony is a QMB recipient. He has gross unearned SSDI income of \$961.00/month. The QMB income limit in December is \$978.00. In January, a COLA increase of 1.7% increases Big Tony's income to \$988.00.

- a. How will Big Tony's eligibility be impacted by this increase?

### **Specified Low-Income Medicare Beneficiary (SLMB)**

### **32. Janet's Eligibility**

Janet's earned income is \$2,400/month. She is on Medicare. She owns her home, which is worth \$220,000, and has \$5,600 in her checking account.

- a. Is she eligible for SLMB?

### **33. Tanae's Income**

Tanae receives \$1,164 in earned income and \$346 Veterans Assistance per month. She has two vehicles. Her first vehicle is worth \$54,250. Her second vehicle is worth \$6,640. She has \$782 in her checking account and no other resources. She is on Medicare.

- a. Is Tanae eligible for SLMB?
- b. If she is eligible, could she get retroactive coverage?

### **Qualifying Individual (QI-1)**

### **34. Roger's Application**

Roger and his wife, Alicia, are both on Medicare. Roger's earned income is \$1,900/month, and he receives \$500/month in SSI payments. Alicia's income is \$1,500/month.

- a. Is Roger eligible for QI-1?

### **35. Jenny's Income**

Jenny makes \$1,000 in retirement income each month and is on Medicare. She also has a job and earns \$665 each month. Her only resources are \$153 in her checking account.

- a. What is Jenny's total countable income?
- b. Is Jenny eligible for a category of Medicaid? If Yes, list the category of Medicaid that Jenny is eligible for.

### **Low Income Subsidy**

### **36. Charlie's Comic Books**

Charlie is eligible for Medicare and is currently on Medicaid. His income is \$1,200. He owns his own home, valued at \$425,000, in addition to a comic-book collection worth \$9,000. He goes to his county office and requests an LIS determination.

- a. Is Charlie eligible for LIS?
- b. How can he be evaluated for LIS?

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### 37. Winona's Trust

Winona is applying for Low Income Subsidy. She receives \$657 in unearned retirement benefits each month and is on Medicare. Her husband earns \$2,600/month at his job. They own a home valued at \$525,000. They each have a vehicle. Winona's vehicle is valued at \$6,789. Her husband's vehicle is value at \$12,345. Winona has a disability trust of \$15,600 that has not been approved by HCPF. Winona's county eligibility worker explains to Winona that she can be determined for LIS by social security, and recommends that she go to one of their offices to get an eligibility determination. Winona **insists** that it be done at the county office, so the eligibility worker determines her eligibility.

- a. Is Winona eligible for LIS?

### Answer Key

#### 1. Mr. Rogers' Generosity

- a. No, Mr. Rogers is not currently eligible for Long Term Care services because he has performed two TWFCs. He will be eligible after a POI. However, he is still eligible for basic Medicaid services while he serves his POI.
- b. The private pay rate of \$7,023 for 2013.
- c. Mr. Rogers' TWFC is  $\$134,668 + \$5,332 = \$140,000$ .
- d. Divide the asset transferred value of \$140,000 by the average monthly private pay rate of \$7,023 to come up with the months and days in decimal form.  $\$140,000 \div \$7,023 = 19.93$  months. To get the number of days, multiply 30 days by the decimal remainder of .93:  $30 \times .93 = 27.9$  days. Round the days up so that Mr. Rogers' POI is 19 months, 28 days or 1 year, 7 months and 28 days.

#### 2. Mr. and Mrs. Dove's Cars

- a. Mr. and Mrs. Dove have total countable assets/resources of  $\$5,770 + \$9,500 + \$40,445 + \$55,760 + \$71,070 = \$182,545$ . Their primary residence and primary vehicle are exempt.
- b. No, the couple's resources are over the Community Spouse Resource Allowance for 2013 of \$115,920. The couple must dispose of their assets without gifting them (transferring without fair consideration) or purchasing something else that is a countable asset. Example: sell the cars or use the cash to pay for the care of Mrs. Dove. Once they are resource eligible, they should go back to their eligibility site to request their case be re-assessed.  
Note: case eligibility determination should not be delayed due to a client being over-resource, even if the client is attempting to deplete those resources in order to become eligible. These delays can lead to a case being out of compliance.
- c. Complete the CSRA form.
- d. Mrs. Dove met the Level of Care criterion when she entered the hospital on 06/17/2013, as she stayed in the hospital for more than 30 days and thus met the institutionalized Level of Care.

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- e. Mr. and Mrs. Dove were income eligible when they initially applied on 06/14/2013. However, they were over-resource until Mrs. Dove reapplied on 01/01/2014.
- f. Mrs. Dove met the disability criterion on 06/17/2013 according to the State Disability Contractor.
- g. Mrs. Dove would be eligible on 01/01/2014, the earliest date she met all of the criteria.
- h. No, Mrs. Dove's Medicaid cannot be backdated because she was over-resource. Complete the 5615.

### 3. Mr. Arnold's Gift

- a. Divide the asset transferred value of \$184,567 by the average monthly private pay rate of \$7,023 to come up with the months and days in decimal form.  $\$184,567 \div \$7,023 = 26.28$  months. To get the number of days, multiply 30 days by the decimal remainder of .28:  $30 \times .28 = 8.4$  days. The Period of Ineligibility that Mr. Arnold will serve is 26 months and 9 days, or, 2 years, 2 months and 9 days.
- b. Please review the LOC Cert page to ensure that the LOC Cert is current. If it is not, an HCBS referral must be submitted to the local SEP office in order to have the SEP determine if Mr. Arnold still meets the LOC for a particular waiver.
- c. When the LOC Cert page is received, the eligibility worker must enter the appropriate data in the HCBS window of CBMS.

**Note:** Now that the case remains open in CBMS while the client is serving the POI, the RRR will be automatically scheduled yearly. The client does not need to reapply after the POI has been served.

### 4. Mark's Accident

- a. Mark does not need to complete a disability application because he is aged (65+).
- b. The county where the application was submitted (the county where Mark's home is located) determines eligibility.
- c. Mark should be eligible for LTC, but may have a POI first.
- d. If Mark transferred his home into joint tenancy with Don in the last 5 years (60 months), he would have a POI. Additional verifications should be requested to determine if this is the case.
- e. Mark's eligibility would not be impacted because Don is not financially responsible for his father and his income is not counted on Mark's case.  
Note: Don's income may be counted in the household for a financial assistance case.
- f. If the trust was set up correctly and approved by HCPF, the sum could be exempt. If there were no stipulations in the trust that the distributions were limited to supplemental needs, then the distributions would be considered countable income.

### 5. Marcy's Hero

- a. There should be efficient communication between eligibility site sections.
  - The disability application should be found and sent to the State Disability Contractor as soon as possible.

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- Because of the delay, there was not a timely referral to the SEP and an evaluation must be scheduled immediately.
  - There can be a CSRA if a common law marriage is declared.
- b. Yes, an income trust must be established.
- c. There is not a TWFC.
- d. Yes, Marcy is eligible. As long as Leonardo is considered a community spouse (because they declared common-law marriage), the Marcy is not over-resource. She will not be over-income with an income trust. Once she has been determined disabled and meets the level of care for HCBS, she will be eligible.
- e. Leo's MMMNA is  $\$1,892 + \$1,600 \text{ mortgage} + \$250 \text{ HOA (shelter costs)} = \$3,742 + \$448 \text{ standard utility allowance} = \$4,190 - \$568 \text{ shelter allowance} = \$3,622$ . This is greater than the maximum MMMNA, which is  $\$2,898$ , so Leo's MMMNA is  $\$2,898$ .
- f. Leo's MIA is the MMMNA – (Leo's Income – Leo's Medicare/FICA taxes), which is  $\$2,898 - (\$1,500 - \$115 = \$1,615) = \$1,283$ . Fill out an MIA form.
- g. Unless Marcy gets a legal divorce, she will still be married to Leonardo and her eligibility would not change.
- h. If he reports this and it is determined that there was not fraud, then there would not be any repercussions. A recovery would not be necessary.

### 6. Leroy's Missing Application

- a. The county did not do a timely referral to the SEP and did not request a Disability Application from the client. The client was not given information on what was needed for a complete application. The hospital did not contact the SEP timely (prior to discharge) and did not contact the correct eligibility site. The MA site did not first communicate with the county eligibility site to verify the status of the application and sent medical records without first verifying if the Disability Contractor had the client's Disability application. The SEP provided timely information based upon when they received the request.
- b. No, the hospital did not contact the SEP timely (prior to discharge).

### 7. Mr. George's Life Estate

- a. Mr. George did perform a TWFC. He created the life estate less than five years ago, and the remainder interest owned by the remainderman is a TWFC.
- b. Mr. George is not currently eligible for LTC-HCBS. He must wait for his POI to end. However, he is still eligible for basic Medicaid services while he serves his POI.
- c. Mr. George's POI is:  
Remainder interest owned by remainderman:  $\$340,000 \times .64641 = \$219,779.40$   
 $\$219,780 / \$7,023 = 31.29$   
.29 x 30 = 8.7  
31 months and 9 days, or 2 years, 7 months, and 9 days  
Note: the life estate interest value is exempt as it is Mr. George's primary residence.

### 8. Annuity

- a. Mr. Walker will have to create an income trust.

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- b. No, at 89 years old his life expectancy is 3.97 years and the annuity would have to pay out at \$12,594.46 annually or \$1,049.53 monthly.
- c. Yes, this is considered a Transfer Without Fair Consideration. The penalty period will be based on the full amount of \$50,000.00. For 2013, the private pay rate is \$7,023.00. The POI that Mr. Walker will have to serve is 7 months and 4 days.

### **9. Mr. Ewing's Mineral Rights**

- a. No, Mr. Ewing does not meet the income limit for LTC services. Mr. Ewing's income must be at or below \$2,130.00 per month. Mr. Ewing must create an income trust.
- b. Yes, the value of the mineral rights is countable towards the resource limit. Please reference 8.100.5.M.3.p.i).1.2.3
- c. No, Mr. Ewing is not resource eligible. Mr. Ewing's resources must be at or below \$2,000.00.
- d. Yes Mr. Ewing will serve a POI for the Transfer Without Fair Consideration. His POI will be 140 months and 25 days or 11 years, 8 months and 25 days.

### **10. Mr. Spring's Expenses**

- a. His Medicaid begins effective 09/16/2012, when he applied for SSI.
- b. Mr. Spring would need to have met all eligibility criteria for the requested retro months (income, assets and have the State Disability Contractor determine the disability onset date back to August 2012 in order to cover the medical bill prior to the application date of 09/16/2012.

### **11. Ms. Kiki's Interface Error**

- a. Ms. Kiki is income-eligible and is receiving SSI, so she is eligible for Medicaid. She is eligible from 10/24/2011, and can receive retroactive coverage back to that date.
- b. Mrs. Kiki is exempt from providing citizenship and identity information, and thus is not required to provide any additional verifications.
- c. The worker should research SVES to verify the SSI application date and eligibility date if the interface did not automatically create an AM-SSI case.

### **12. George's Father**

- a. No, George would be eligible for DAC Medicaid because the DAC payment would be exempt and Medicaid would only count his \$400 countable earned income per month, which is less than the current SSI income limit of \$710.

### **13. Suzanne's New Benefit**

- a. Suzanne is eligible for DAC Medical Assistance because her DAC benefit made her ineligible for SSI.
- b. Suzanne's total countable income is \$675.00. The unearned VA income is \$350.00 after the \$20.00 unearned disregard. The earned income calculation is \$715.00 - \$65.00 = \$650.00/2 = \$325.00 countable earned income. Suzanne's DAC income is exempt.

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### **14. Ms. Puffs' COLA Increase**

- a. After rounding down to the nearest dollar and taking the \$20 unearned income disregard, her countable income was \$637. This was equal to the SSI FBR.
- b. Yes, under Pickle. The COLA is disregarded for Pickle, keeping the countable amount at \$622 which is below the FBR of \$637. Ms. Puffs will remain eligible for Medicaid as a Pickle. Going forward, Ms. Puffs' "frozen" amount from which all future COLAs will be disregarded is \$657, the amount of the SSDI that caused her SSI to be lost.

### **15. Mr. Mac's SSDI**

- a. Mr. Mac's frozen amount is  $\$600 - \$20 = \$580$ .
- b. The countable income used to determine Mr. Mac's Pickle eligibility is \$580.
- c. 01/01/2006
- d. 01/01/2006

### **16. Joshua's Pickle Letter**

- a. The county must contact the SSA to verify the entitlement amount and determine the client's Pickle eligibility. The client should communicate that they completed the application. The MA site should have confirmed that the client did not have an application or active Medicaid case prior to having the client complete an application.
- b. Joshua would be Pickle eligible. Joshua lost his SSI income due to his SSDI initial entitlement. The SSDI entitlement amount of \$400 should be used, not the current amount of \$1,200.  $\$400 + \$300$  (earned income) = \$700, less than the 2013 income limit for Pickle.

### **17. Mr. Williams' Wife**

- a. No, Mr. Williams is not eligible for QDW Medicaid because he is entitled to Medicare Part A. If he was not entitled to Medicare Part A, he would be eligible.

### **18. Coco's Husband**

- a. Yes, Coco is eligible for QDW. She is under-income once her Adult Survivor benefits are exempted, and she is also under resources. Her vehicle is exempt, making her total resources \$1,600. She is not eligible for Medicare Part A. She meets all of the criteria for QDW.

### **19. Mona's New Life Insurance**

- a. The money in Mona's checking (\$400) and savings accounts (\$1,200) is countable, and her life insurance policy is countable as a resource as well. Her total countable resources are \$13,600.
- b. Yes, Mona is eligible for OAP HCP-B. She is between 60 and 64 years of age. She receives OAP Adult Financial assistance. Her income is less than \$737/month. She is over-resource due to a countable life insurance policy, but because she purchased the life insurance policy within the last 48 months it is exempt (making her countable resources \$1,600). Mona does not meet the SSA disability criteria.

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Note: Adult Financial assistance determines income and resource eligibility for OAP programs. The only financial eligibility determination performed for OAP clients for medical programs is countable life insurance policies.

### **20. Mrs. Nelson's Life Insurance**

- a. Yes, Mrs. Nelson is eligible for OAP-B. She is between 60 and 64 years of age. Her income is less than \$737/month, and she has less than \$2,000 in resources (\$1,600 for the cash surrender value of the life insurance policy). She is currently on OAP Adult Financial assistance. She has been determined disabled by the State Disability Contractor

- b. No, there is no retroactive coverage for OAP clients.

Note: Mrs. Nelson meets the SSA disability criteria. This means that she has been determined fully disabled, and is not partially disabled.

Note: Adult Financial assistance determines income and resource eligibility for OAP programs. The only financial eligibility determination performed for OAP clients for medical programs is countable life insurance policies.

### **21. Mr. Johnson's Life Insurance**

- a. Mr. Johnson's primary home is exempt from countable resources. The cash surrender value of \$1,000 for his life insurance policy is exempt because it is under \$1,500, making his total countable resources \$0.

- b. Yes, Mr. Johnson is eligible for OAP-A. He is over 65 years old. His income is less than \$737/month, and he has less than \$2,000 in resources. He is currently on OAP Adult Financial assistance.

Note: Adult Financial assistance determines income and resource eligibility for OAP programs. However, if an OAP client does not meet OAP medical citizenship and identity requirements they will be put on OAP-HCP, which is through the state plan.

### **22. Carmine White's Documents**

- a. Yes, Ms. White is eligible for OAP HCP-A. She does not have income or resources, and is receiving OAP Adult Financial assistance. She is over 65 years of age. She does not meet citizenship status criteria or citizenship and identity requirements.

Note: Adult Financial assistance determines income and resource eligibility for OAP programs. However, if an OAP client does not meet OAP medical citizenship and identity requirements they will be put on OAP-HCP, which is through the state plan.

### **23. Cindy's Diagnosis**

- a. Cindy's income is at 167% of the FPL, so she is income-eligible. She is also in the correct age range and does not have insurance. However, even though Cindy meets all of the other eligibility criteria, she was not screened and diagnosed at a WWC, and her Medicaid application was not submitted by a WWC site. Because she was not diagnosed or put on a BCCP PE med span by a WWC site, she is not eligible for BCCP. However, her

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county will still process her Medicaid application to see if she is eligible for any other kind of medical assistance.

### **24. Jenna's WWC Diagnosis**

- a. Once the WWC site approved Jenna for BCCP and put her on a BCCP PE med span, Diane Stayton with HCPF would reach out to her BCCP county contacts and let them know about the application. If the county was missing information from the application, they could work with Diane Stayton to fix those issues. The county would determine citizenship and identity eligibility for Jenna, as her financial eligibility would have been determined at the WWC site. Once that was verified, they would enter the information into her case in CBMS, save and run EDBC. If she was ineligible for any other medical program, she would be put on BCCP.
- b. Yes, Jenna is age and income eligible and was diagnosed at a WWC site, so she is eligible for Medicaid under the BCCP program.
- c. Jenna will become ineligible for BCCP when she completes or refuses treatment, becomes eligible for another Medicaid program, obtains other insurance that covers her treatment, or turns 65 years old.

### **25. Joni's Refugee Assistance**

- a. Yes, Joni is eligible for Refugee Medical Assistance. Her income is under 200% FPL, and she is ineligible for any other kind of Medicaid.
- b. She will be eligible for RMA until 7/3/2013, 8 months after her date of entry. She may request retroactive Medical Assistance.

### **26. Thomas's Asylum**

- a. The eligibility worker should enter in Thomas' income, save the case and run EDBC. If Thomas is ineligible for the Adult MAGI Category because of his new income, CBMS will automatically roll him from that category to RMA.
- b. Thomas will be eligible for RMA until 6/15/2014.

### **27. Lisa's Limited Disability**

- a. Yes, Lisa is eligible for WAwD. After applying the disregards, Lisa's monthly premium would be \$200.00.

### **28. Walter's Family Income**

- a. Ward's income is not counted towards Walter. Parental/spousal income/resources will not be used to determine eligibility for an applicant even if they're in the same household and more than one person is applying.
- b. Yes Walter is eligible for WAwD. Walter does not have a premium payment.

#### **Premium calculation:**

Total the monthly income:  $\$186.5 \times 4 = \$746.00$

Apply the AM disregard (-\$65 & one half the remainder):  $\$746.00 - \$65 = \$681.00 / 2 = \$340.50$

Divide  $\$958 / \$340.50 = 0.3554$

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Multiply by 100 = 35.54

Client's FPL is at 35%

Client does not owe a monthly premium because the FPL limit is between 0%-40% FPL which does not require the client to pay a monthly premium.

### 29. Mr. Magoon's Wife

- a. No, he is not over the 450% FPL income limit for WAwD. Only Mr. Magoon's income will be counted. Parental/spousal income/resources will not be used to determine eligibility for an applicant even if they are in the same household and more than one person is applying.
- b. No Mr. Magoon is not over the resource limit.  
**8.100.3.M.1, 8.100.5.M.1 and 8.100.6.O.c** – outlines that resources are **not** counted in determining eligibility for WAwD. Verification of resources may be requested while determining eligibility for other programs within the AM HPLG. However, WAwD will not use the resources in determining eligibility nor will individuals be denied for WAwD for not providing verification of resources.
- c. Yes he is eligible for WAwD. He has met all eligibility criteria.
- d. Premium calculation:  
Total the monthly income: \$2,900  
Apply the AM disregard (-\$65/2):  $\$2,900 - \$65 = \$2,835.00 / 2 = \$1,417.50$   
Divide  $\$958 / \$1,417.50 = 1.479$   
Multiply by 100 = 147.9  
Client FPL is at 148%  
Client does owe a monthly premium because the FPL limit is between 134%-200% FPL requires the client to pay a monthly premium of \$90.00

### 30. Tanya's Income

- a. As a couple, their countable earned income is  $\$1,564 + \$2,004 = \$3,568 - \$65 = \$3,503 / 2 = \$1,751.50$ . John's social security retirement income of  $\$206 - \$20 = \$186$  must also be counted against the case. This makes the total countable income \$1,937.50.
- b. No, the couple's income is above the \$1,313 allowable income for a couple for QMB.

### 31. Big Tony's COLA Increase

- a. CBMS will automatically disregard the COLA increase in any determination of Big Tony's continued QMB eligibility from January through March. Increased QMB income limits will be effective April 1. CBMS will not disregard the COLA increase from April forward when determining continued QMB eligibility for Big Tony.

### 32. Janet's Eligibility

- a. Janet's resources, the \$5,600 in her checking account, are less than the 2013 resource limit for MSP programs (\$8,580). Her primary residence is exempt. Janet's countable income is:  $(\$2,400 - \$65) / 2 = \$1,167.50$ , less than the income limit for SLMB. Janet's income makes her eligible for SLMB, which will pay her Medicare Part B premium.

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### 33. Tanae's Income

- a. Tanae's countable earned income is  $(\$1,464 - \$65)/2 = \$699.50$ . Her countable unearned income is  $\$346 - \$20 = \$326$ . Her total countable income is  $\$699.50 + \$326 = \$1,025.50$ . She is under-resource for SLMB at  $\$7,422$ . This makes Tanae eligible for SLMB.
- b. Yes, unlike QMB, SLMB and QI-1 allow for retroactive coverage. Tanae would be eligible.

### 34. Roger's Application

- a. Roger's SSI income is excluded for Medicare Savings Programs, so his and Alicia's combined earned income is  $\$3,400/\text{month}$ . Their countable earned income is:  $(\$3,400 - \$65)/2 = \$1,667.50$ . The income limit for 2013 is  $\$1,765$  for a couple, so Roger is eligible.

### 35. Jenny's Income

- a. Jenny's total countable income is  $\$1,300.00$ .
  - a.  $\$1000.00$  unearned ( $\$20$  unearned disregard included in the maximum income limit)
  - b.  $\$300.00$  countable earned income. ( $\$665 - \$65 = \$600/2 = \$300$ )
- b. Jenny is eligible for QI-1.

### 36. Charlie's Comic Books

- a. Yes, Charlie is eligible. Both his income and resources (including his comic book collection) are under the limits for LIS. He is currently on Medicare, and should receive LIS.
- b. Because LIS is not a Medicaid category, Charlie should be determined eligible by the SSA. However, because he already has an active Medicaid case and is on Medicare, he is automatically deemed eligible. His information will be sent to the SSA in the next monthly data extract.

### 37. Winona's Trust

- a. Yes, Winona is eligible. The countable income on her case is  $\$657 - \$20 = \$637 + (\$2,600 - \$65)/2 = \$1,267.50$ .  $\$637 + \$1,267.50 = \$1,904.50$ , which is under the income limit for a couple. The countable resources on the case are  $\$6,789 + \$15,600 = \$22,389$ , which is under the resource limit for a couple. She is on Medicare and will be eligible for LIS. Note: The disability trust referenced in this scenario should have been approved by HCPF, even if the couple was under-resource without having the trust approved and exempted. All trusts should be approved by HCPF.