

Medicaid Application Training - Webinar, Thursday, April 27, 2017

HFS 2378ABE FORM: <https://www.illinois.gov/hfs/SiteCollectionDocuments/hfs2378abe.pdf>

IB DD.16.080: <http://www.dhs.state.il.us/page.aspx?item=84234>

Online ABE application slideshow for Providers:

http://intranet.dhs.illinois.gov/OneNetLibrary/27894/documents/ABE/CompletinganABEApplication_revF.pdf

IES will review eligibility for the following when applicant/client is ineligible for those listed above in the following order:

1. ACA Adult
2. AABD Medical without a spenddown
3. AABD Medical with a spenddown (only when spenddown can be met)

One of the biggest misconceptions about DD waiver adults is that most agencies believe that adults should be placed on an AABD case if they have an approved DD waiver. This simply is not the case.

Definition of MAGI:

MAGI Eligibility Determination Group (EDG)

To determine who to include in each person's income standard, or EDG, we must use either tax filer or relationship rules. The decision to use tax filer rules is based on the applicant or recipient's response to questions concerning whether they:

- plan to file taxes for the current tax year,
- plan to file taxes jointly with a spouse,
- will claim dependents, or
- will be claimed as a dependent on someone else's tax return.

Relationship rules apply if the person does not plan to file taxes or be claimed as a tax dependent, or does not know whether they will file taxes or be claimed as a dependent, or meets one of the exceptions to the tax filer rules described below in the "3 Step Process" table.

Note: For pregnant women, count the number of babies expected toward any EDG in which the pregnant woman is counted.

Non-MAGI are AABD and LTC.

When to Determine Eligibility for AABD

Determine eligibility for AABD medical for a person who has an adjudicated disability or claims to have a disability and has been determined income ineligible for ACA Adult. When using MAGI budgeting rules, income that would not be counted for AABD is counted for ACA Adult. MAGI budgeting can cause the person to be ineligible for ACA Adult but the person may be eligible for AABD medical because income under the AABD program is counted differently. Review eligibility for AABD medical when a person:

- has been denied ACA Adult due to income exceeding 138% of the Federal Poverty Level (FPL); and
- has income from other household members budgeted; and
- has an adjudicated disability or claims to have a disability.

2017 Income guideline chart for Medicaid:

https://www.illinois.gov/hfs/SiteCollectionDocuments/program_income_standards_2016_wag_25-03-01.pdf

What about 18 and 19 year olds?

The following is what must be done for 18 year olds who are **not yet approved for DD waivers who require Medicaid prior to DD waiver approval**. Please let me know if you have any questions.

- The best option for these young adults would be to get approval for Social Security Disability where they could be assessed for Aid to the Aged, Blind and Disabled (AABD) quickly since parental income is not counted under AABD. Whereas, 18 year olds processed under MAGI counts parental income if the 18 year old resides with their parents OR if they are claimed as a tax dependent (see policy below).

PM 15-06-01-k: MAGI and Children Under 19 Years

WAG 15-06-01-k

➡ In most situations when a child age 18 or younger lives with their parents, their parents' are included in the child's EDG and their income is counted toward the child's eligibility. This is true when using:

- tax filer rules when the parent/stepparent claims their child as a dependent, or
- when relationship rules are used.

Tax Filers Under Age 19 Who Are Not Tax Dependents

Under the 3 step process described in [PM 15-06-01-f](#), tax filers who are **not** claimed as a dependent by another person stop at Step 1. Their EDG includes only the persons in their own tax unit, and their spouse who lives with them if married. This is true for tax filers of any age.

Example 1: An employed 18 year old is living with employed Mom. The application says they will both file their own taxes and neither one is being claimed as a tax dependent. Tax filer rules apply. They each have their own EDGs, and only their own income is budgeted in each EDG.

Example 2: Same family, they don't know if they will file taxes. Relationship rules apply and they are in each other's EDGs (both have a 2 person EDG.) Mom's income is budgeted on both EDGs.

Example 3: Same family, application says Mom will file taxes and claim 18 year as a dependent. Tax filer rules apply and they are in each other's EDGs (both have a 2 person EDG.) Mom's income is budgeted on both EDGs.

Note: An 18 year old who has a disability and is claimed as a dependent on his parent's income tax may be financially ineligible for FHP due to the parent's income. In this situation, determine eligibility under AABD for the 18 year old.

- If the young adult has not been approved for AABD the next best thing would be to have a Central Assessment Unit (CAU) determination completed. A CAU determination of disability allows a person age 18 or older to receive AABD without having been determined disabled by the Social Security Administration as long as all other factors of eligibility are met. Please see outline below about what it means to have a CAU determination completed.

A person who receives Social Security disability benefits or SSI or Railroad benefits based on their disability is considered disabled for AABD. See [WAG 11-01-00](#) for AABD Cash eligibility for persons receiving SSA or RRB disability without receipt of SSI. A person who is not receiving SSA or SSI due to disability can qualify for AABD Medical if found disabled by CAU. For persons whose SSI was denied by SSA due to their income, and SSA did not make a disability determination, CAU makes the determination. A CAU decision approving disability may be used for subsequent applications through the date of review set by CAU.

If a disability decision is made by both CAU and SSA, use the most recent decision.

CAU Responsibility

The Client Assessment Unit (CAU) decides whether or not the person has a temporary or chronic medical barrier. The decision is based on medical reports and social data. FCRC staff gather medical evidence, use observation, and include other case facts when submitting a request to CAU for a determination that a barrier exists. A minor ailment or injury, such as a cold, broken finger, or rash, is not normally serious enough to be a barrier. A licensed physician (including a licensed psychiatrist, osteopath, or other medical doctor) or licensed or certified psychologist must verify the person's physical or mental impairment and its effect on their ability to work or

participate in work and training activities. Send the information to CAU for a determination of medical status.

When CAU determines that the person has a medical barrier, they also determine if the medical barrier is "chronic" or "temporary."

➡ CAU determines a client should apply for SSI when the medical condition is:

- serious; and
- chronic, and
- the client has significant functional limitations which are not temporary.

When CAU determines that the person can do some type of work, their finding will be one of "no medical barrier."

Provide the applicant or customer with written notice of the decision on a medical barrier.

- 19 year olds who have been approved for DD waivers also are dealt with as an ACA adult first and then assessed for AABD if over income due to parental income. It is important when completing new applications for a 19 year old who drops off that the application be completed in the parents name if they plan to claim the 19 year old as a tax dependent. Parental income WOULD be counted for the 19 year which may result in a denial of ACA adult coverage due to MAGI rules. This then tells the local office to process for AABD. See policy below.

When to Determine Eligibility for AABD

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CAU Referral

- When an applicant claims to have a disability and the disability has not been established a CAU determination is required. Request medical records from the applicant. Submit a referral packet to the Client Assessment Unit (CAU) for a determination of disability. Refer to [PM 03-08-01](#).
- **Example 4:** Amy Lewis filed an application on 01/15/14 for medical benefits. She expected to be claimed as a tax dependent by her father. Amy indicated on her application that she has a disability. Amy has no income. She was determined ineligible for ACA Adult based on MAGI budgeting. Amy is ineligible for ACA Adult but claims to have a disability. SOLQ indicates that Amy has filed a disability claim with SSA. IES will build an AABD EDG. A VCL will be created and will send Form 267, *Instructions To*

Customer (Cash, Medical and SNAP Assistance) and HFS 2378DR, Declaration of Resources and request medical records. Complete a referral to Client Assessment Unit (CAU) for a determination of disability according to [WAG 03-08-01-Establishing Disability](#). If the applicant is determined disabled and all other factors of eligibility are met, approve for AABD. Authorize medical backdating according to [PM 17-02-05a](#).

Information on the ABLE accounts: <http://www.ablenrc.org/about/what-are-able-accounts>

HFS 2653 form to meet Spend Down:

<https://www.illinois.gov/hfs/SiteCollectionDocuments/hfs2653.pdf>

WAG 06-11-02: DHS Community-based Services

PM 06-11-02

DHS Community-Based Services are provided through DHS - ODD and DHS - OMH.

DHS - ODD/OMH, or the agency under contract with DHS, notifies the Family Community Resource Center of spenddown cases receiving DHS Community-Based Services using the Notice of DHS Community-Based Services (Form 2653). Form 2653 sent to the Family Community Resource Center verifies the services.

DHS - ODD/OMH is responsible for distributing Form 2653 to agencies providing these services.

Form 2653 includes the following information for spenddown cases:

- the type of service received (i.e., In-home/Remedial Care, CILA, Community Habilitation, or Community Mental Health services),
- monthly cost, and
- the start date or expected start date of services.

Use the monthly cost amount on Form 2653 to determine monthly spenddown met/unmet status until notified of a change.

Do not require a new Form 2653 at REDE. DHS - ODD/OMH, or the agency under contract with DHS, completes Form 2653 to report any changes.

Links

- [WAG 06-11-02-a: In-home/Remedial Care Services](#) – 03/01/97
- [WAG 06-11-02-b: Community Integrated Living Arrangement \(CILA\) Services](#) – 03/01/97
- [WAG 06-11-02-c: Community Habilitation Services](#) – 03/01/97
- [WAG 06-11-02-d: Community Mental Health Services](#) – 11/10/98
- [WAG 06-11-02-e: Determining Eligibility and Spenddown](#) – 07/01/97

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