

Changes to the Aged, Blind, and Disabled (ABD) Medicaid Program

FSSA Implementation Date – June 1, 2014

Indiana is going from a 209 (b) to a 1634 State: Medicaid accepts the Federal SSA disability determination and eliminates the spend-down program. Reasons: 1) covers more Hoosiers, 2) simplifies Disability and 3) leverages more Federal dollars.

Under the current status – 209(b) – SSI recipients are not automatically enrolled in Medicaid. Separate application to Medicaid is required; State is required to operate a spend-down program.

Under the future status – 1634 – For the ABD coverage category automatic enrollment in Medicaid if SSA determines SSI and SSD eligibility, State is not required to operate a spend-down program. 76,010 members currently have spend-down (65,642 are “duals”).

Eligibility Changes

Non-Duals (no Medicare)

There are 10,368 non-duals in the spenddown program.

Full Medicaid ABD eligibility - Increase income eligibility from 75% to 100% FPL; all members in this category will automatically be enrolled with full Medicaid and their spend-down eliminated – 2,882 new members.

If income is between 100% - 400% of FPL, these members will need to or will be eligible for a Qualified Health Plan under the Marketplace coverage. Marketplace coverage may be less expensive than spend-down as they will be eligible for premium tax credits and cost sharing reductions. An impact to 7,486 members. These individuals will need to apply by May 15th in order to have coverage on June 1. (Ambulance suppliers will be affected as these QHP do not cover non-emergency transports.)

Duals (Medicare eligible)

Currently, there are 65,642 duals in the spenddown program.

Full ABD eligibility - Increase income eligibility from 75% to 100% FPL – 23,869 members will automatically be enrolled in Medicaid without the requirement of spend-down.

Medicare Savings Program: Premium & Cost Sharing support - Increase income eligibility from 100% to 150% FPL for Payment of Part A & B premiums, deductibles and cost-sharing – 26,879 members will be automatically enrolled.

Medicare Savings Program: Premium support - Increase income eligibility from 150% to 185% FPL for Payment of Part B premiums – 6,906 members will automatically be enrolled. Any individual between 150% and 185% of FPL that is not currently enrolled in Medicaid can submit an application for a Medicare Savings Program.

The State expects 28,000 new individuals to enroll in the Medicare Savings Program who currently are not enrolled in the spend-down program.

However, there will be 7,997 dually eligibles whose income exceeds 185% of FPL that will lose benefits. These individuals will be eligible for a Medicare Advantage plan or a Medigap supplemental.

Behavioral and Primary Healthcare Coordination or the 1915(i)

The BPHC is a new home and community based benefit program for those SMI adults that need assistance with self-management of their healthcare needs.

SMI individuals with income > 100% and < 300% of FPL will be able to qualify for the BPHC program and continue utilizing MRO services. Criteria is age 19+, MRO eligible, primary mental health Dx and a demonstrated need related to management of behavioral & physical health; etc.

The CMHCs will complete the BPHC applications for individuals.

SSI Recipients

There are approximately 14,000 SSI recipients that are not enrolled in Medicaid. On June 1, 2014 these individuals will automatically be enrolled in Medicaid.

Institutionalized and Waiver Members

Monthly income limit = 300% of the maximum Federal SSA Benefit Rate, also known as Special Income Limit (SIL). If Income is at or below \$2,163/month – No change or member action needed.

If income exceeds threshold – Member must establish a “Miller Trust” or lose eligibility. A Miller Trust is a legal structure that allows income in excess of the eligibility limit for institutional and waiver services to be disregarded for the purposes of eligibility. 226 members are receiving home and community based services and 3,898 are receiving institutional services that need to establish a Miller trust.

- Member establishes Miller Trust (recommend an attorney draw up the Trust)
- Member deposits income in excess of SIL into the trust monthly
- Post-eligibility deductions applied
- Trustee pays remaining funds to institution or providers
- Medicaid pays remaining cost of services for the month
- Process repeats monthly
- Upon member’s death all funds in the trust paid to Medicaid.

FSSA is developing resources to assist members in establishing a trust

FSSA plans on sending Member and Provider communications in Feb, April, and May including resources on their website.

Determination for SSD

For the ABD category currently receiving Medicaid who does not receive SSI or SSD, they are encouraged to apply as they may be eligible for coverage.

