

## Kansas Department of Social and Rehabilitation Services

Janet Schalansky, Secretary

Integrated Service Delivery - Candy Shively, Deputy Secretary (785) 296-3271

Economic and Employment Support - Sandra Hazlett, Director (785) 296-3349

### MEMORANDUM

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**To:** EES Chiefs and Staff  
**From:** Sandra Hazlett  
**Date:** March 22, 2000  
**RE:** Implementation Instructions for May 1, 2000 Changes and Poverty Level Increases

This memo provides implementation instructions for the May 1, 2000 KEESM changes including the increases in the federal poverty level standards which take effect May 1, 2000.

#### POVERTY LEVEL CHANGES

1. **Medicaid Poverty Level, HealthWave, QMB, LMB, and QWD Programs** - The following instructions are for the increases in the federal poverty level standards in the Medicaid Poverty Level, HealthWave, QMB, LMB and QWD programs. These new standards also increase the minimum community spouse income allowance and the dependent family member allowance under the spousal impoverishment provisions effective May 1.

The poverty level table in KAECSES will be updated to incorporate the new poverty level amounts effective 05-01-00. This update will occur just prior to rollover on 03-24-00. Therefore, eligibility for any cases copied into May, 2000 on or before 03-24-00 will be computed using the old poverty level amounts and may require staff review following rollover. The Medicaid Poverty Level/HealthWave and QMB programs will be effected by this update. Since eligibility for the LMB and QWD programs is determined manually, automated processing for these programs as well as the Spousal Impoverishment changes, will not be effected by this action.

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- a. **Medicaid Poverty Level and HealthWave Programs** - There will be no mass change of MP cases this year as the change in poverty level standards will not effect the majority of MP cases immediately. Per KEESM [2644.2](#) and [2781](#), changes in financial eligibility are to be effective at the time of the next scheduled review. Individuals are not to be transferred from HealthWave to Medicaid or vice versa solely because of the change in poverty standards. However, if the change in poverty standard results in a decrease to or the elimination of a premium, action shall be taken to reflect this change. Coverage changes would only be appropriate if all members of a family group moved from premium-paying HealthWave status to Medicaid. No other situations will require a coverage change unless a redetermination is concurrently being completed for a child at the end of his/her continuous eligibility period. However, because ongoing cases will rebudget based on the new amounts if PLID is accessed for the benefit month of May or later, staff

need to make sure that current medical subtypes do not change. New KAECSES programming implemented in early March, 2000 should prevent such movement.

Certain cases in premium status are to be reviewed by staff in order to determine if the premium amount/coverage will change based on the higher poverty level standards. The scope of cases requiring a review has been limited to those affected by the small poverty level increase. Only cases containing currently participating individuals who fall between 151% - 156% of poverty or 176% -181% of poverty with a current premium assignment should be reviewed. To assist with this review a printout listing of all cases meeting this criteria is enclosed with this material. These cases are to be rebudgeted under the new standard prior to the first medical card cutoff (04-21-00) and any necessary premium and resulting coverage changes made effective May 1, 2000.

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In addition to the review of current premium cases, spenddown cases with either a child or pregnant woman recipient are to be reviewed in the month of April based on the higher poverty standards. Staff are to identify cases with pregnant women by use of the Monthly Pregnant Women Recipients report (CR600) available on SAR (Report ID SWM 03894-R23) on 04-06-00. Pregnant women listed on this report in an MA or MS case who have a spenddown indicator are to be reviewed by staff for potential Medicaid poverty level eligibility. For children, staff shall identify current MA cases by reviewing the most current Active Listing Case Level Report (CR300 or CR 300A) available on SAR (Report ID SWW0483I-R02 or SWW0483I-R04). These cases are also to be reviewed for potential Medicaid poverty level or HealthWave eligibility. Such status is to be effective May 1, 2000.

For spenddown cases in which a child(ren) and/or pregnant women is included and meet the Medicaid poverty level or HealthWave criteria, an MP program is to be added in KAECSES with a proration date of 5-1-00. In these instances, the current base is to be shortened to end in April. The original review cycle remains in effect but continuous eligibility per KEESM [2644.1](#), [2644.2](#), or [2781](#) would be established as of May 1.

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Individuals who have not met spenddown previous to the change are to be notified of the new spenddown amount for the shortened base. In addition, persons who met spenddown previous to the poverty level determination are to be notified of the shortened base and decreased spenddown so that they have the opportunity to have a portion of their spenddown expenses covered. A revised MEEEX screen is to be submitted if the client has an unpaid expense or if the client is going to pursue reimbursement from the provider. A corresponding change in the Date Spenddown Met field on the MEEEX screen may also be necessary.

**NOTE: Eligibility work for any of the above changes must be completed by April 21 (1<sup>st</sup> monthly medical card run for May) in order for eligibility/coverage to be correct for May.**

- b. **OMB PROGRAM - A mass change run will occur at the time of rollover in March and will determine OMB eligibility for all MS cases based on financial and non-financial criteria. A mass change detail report (MR330) will be produced following the run and will list all MS cases, not just those cases with potential or ongoing OMB eligibility. This report will be available on SAR as of 03-27-00 (Report ID SWM03828-B59). The report lists cash and food stamp cases first for the whole state with the medical cases at the end. The mass change run will result in the following:**[Back to Top](#)
- i. **Cases that are newly eligible for OMB will have an alert sent to the worker. The case must then be authorized by going through MSID and authorizing the SPEN screen for the benefit month of May so that OMB status begins effective May 1, 2000. In addition, a notice of OMB eligibility, N197 or similar notice, must be sent.**
  - ii. **Cases which have been OMB eligible but now fail eligibility will be identified by a FAILED message on the mass change report. In addition, the OMB indicator on MSID will be deleted. The worker must reauthorize the case for the benefit month of May. A notice of OMB termination must also be sent by the worker and if the individual was receiving OMB-Only benefits, potential eligibility for LMB coverage should be reviewed. If the case involved excluding the amount of the SSA cost -of-living adjustment (COLA) for January 1 per KEESM 6410 (50)(b), the PICK screen must also be updated to remove the QE or QS code effective with the May benefit month.**
  - iii. **A few cases may have a change in the spenddown amount since all MS cases will be processed in the mass change. This will likely happen when the client is on two cases, income was changed, and only one of the cases was authorized.**[Back to Top](#)

**For all other programs (MA, AF, etc.), the worker will need to review any case in which a Medicare Part A recipient is not currently listed in OMB status and who may be eligible under the new poverty standards.**

**Such review should occur no later than the next scheduled review. OMB status would be effective the month following the month in which the case is reviewed.**

**NOTE: For those persons retaining OMB eligibility based on the new poverty level standards and whose SSA COLA amount was being exempted in the January-March quarter, the worker needs to take action to remove the QE or QS code on PICK which was being used to override the OMB determination in those months. To help identify these cases, a printout of all MS cases with a QE or QS medical indicator is**

enclosed with this material. The code is to be removed beginning with the benefit month of June. A similar printout will be provided in May for final review purposes.

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- c. LMB PROGRAM - The higher 120% and 135% standards plus the higher 175% standard for the partial LMB program become effective on all LMB determinations for the month of May, 2000 and thereafter. For current recipients, a regular LMB (120% of poverty) determination is to be completed based on the new standard as affected cases are identified, but no later than the next scheduled review period. This would only include persons still in spenddown status whose Part B premium has not been bought in.
- d. QWD PROGRAM - The higher 200% standards become effective on all QWD determinations for the month of May, 2000 and thereafter. For current recipients, a determination is to be done under the new standards as affected cases are identified, but no later than the next scheduled review period.
- e. SPOUSAL IMPOVERISHMENT INCOME ALLOWANCES - The higher community spouse and dependent family member allowances take effect as of May 1, 2000 for all determinations made on or after this date. Current cases are to be reviewed during the month of April and necessary adjustments made effective May 1.

To aid in the review process, a printout will be produced based on KAECSES records and will list all cases in which an AI or AI/DI code is reflected on EXNS. These codes reflect cases in which income is being allocated. The printout will be in alphabetical order by case name and be in caseload by county order. It will also list the expense code as well as the allocated amount. This information will be based on KAECSES information as of mid-March and is enclosed with this material.

Income allowances are to be adjusted in some of the cases as the community spouse can now get at least \$1407 a month and any dependent family member can get \$467 a month provided his or her income is not in excess of \$1407 per month. The new community spouse standard affects the outcome of the excess shelter calculation. The maximum amount of excess shelter which can now be given is \$696. Thus, if the person's shelter payment equals or exceeds \$929 all that can be allocated is \$696. Any payment less than \$929 but more than \$233 would produce a varying standard. These new guidelines may decrease or eliminate the excess shelter allowance in some cases.

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- 2. Child Care Program - The monthly gross income amounts will be updated on the Child Care Family Income and Share Schedule to reflect changes in the new federal poverty guidelines. KsCares will be updated after 5:00 pm on April 14, 2000 with the changes effective May 1, 2000. The changes will not affect Family Shares already attached to

existing child care plans on CHCP. In order to have the Family Share recalculated in INEL with the new income levels, it will be necessary to press PF12 on INEL (it is not necessary to change any of the income on INEL first). Changes to existing child care plans will be implemented at the next review unless requested earlier. Any cases processed on or after May 1, 2000 will use the new Family Share table with the new income levels. This includes new plans with an effective date prior to May 1, 2000 if initial eligibility is completed on or after May 1, 2000. Since there will be no mass change to child care plans, no mass notice is necessary.

### KEESM [1212.2](#) RESPONSIBILITY TO SUPPLY INFORMATION AND THE REVISED ES-3100 (5-00)

The change in policy described in this section for food stamps is only effective when the 5-00 revision of the application form is used. Supplies of the new form will not be available until mid to late summer. This change primarily affects Quality Assurance reviews. An example will help to illustrate the impact of this change:

A household applies for food stamps using the newly revised 5-00 ES-3100. The household does not report on the application form that they have a dependent care deduction so one is not allowed. The case is later reviewed by QA and at the time of the home review, the client reports that she has a dependent care deduction and has had one since she first applied. Since the client was notified when she completed the application that failure to report a deductible expense means that it will not be allowed, QA will also not allow the deduction when determining if the household was issued the correct amount of benefits. Prior to this change, QA would have allowed the dependent care deduction (even though it was not reported) and a benefit error for this element would have resulted.

This change in policy does NOT make any changes to the policies outlined in Policy Memo 99-10-11 and is not intended to make changes in what is currently mandated to be reported and verified per KEESM [1322](#) and [9210](#) and [9310](#).

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### KEESM [2150](#) - RESIDENCY REQUIREMENTS FOR MEDICAL ASSISTANCE

Effective May 1, individuals residing in the state for purposes of work may be considered residents of the state for purposes of providing medical assistance. This includes migrant workers who are living in the state for a period of time to work or seek work. Residency may be established for the individual and any family members living with the migrant worker. Migrant workers include both farm laborers such as fruit pickers and custom cutters as well as construction workers.

It is recognized that these individuals may face certain barriers in obtaining employment and wage verification to determine eligibility. Therefore, it is important to note the flexibility allowed under current policy in terms of these issues. Because of the transitory nature of employment, it may be difficult to obtain typical income verification. An individual may have a number of different employers in a short period of time and some employers do not routinely provide income verification for the employee. To assist with some of these issues, we recommend that staff from several community agencies which receive state and local funds be called upon to assist in resolving such issues as well as gather necessary documentation. Collateral statements

may be obtained from employees of these agencies regarding employer practices, such as a confirmation that a particular employer will not issue wage verification. They may also assist the individual in obtaining needed information. A release of information will usually be required in these instances. These agencies include the Kansas Statewide Farmworker Health Program, Migrant Education Programs, State Funded Community Based Clinics, Community Action Programs and Federally Funded Community Health Centers. Local school districts (school nurses) may also be able to assist. A partial list of local contacts is enclosed with this material. Staff with the Kansas Statewide Farmworker Health Program can provide EES staff a local contact as well. Staff with the Kansas Statewide Farmworker Health Program can provide EES staff a local contact as well. Although staff with these agencies cannot verify income, they may be helpful in assisting with the application process.

It is also recognized that some individuals who now meet the residency requirements may be residing or working in the country illegally. Although the citizenship criteria of KEESM 2140 continues to apply to all applicants of medical assistance (except for emergency services as per KEESM 2691), the employee may be a legally responsible person of a citizen applicant. A correspondence originally issued by Dennis Priest on 12-13-95 addresses the issues associated with individuals employed illegally and provides instructions for working with such situations. As noted in the original Memorandum, this policy does not condone illegal activities but allows a means to count income that may otherwise go unreported. The information contained in that Memorandum is planned to be reissued in a formal Policy Memo after release of this material. However, because of the immediate need for the information certain key points from that original document are noted below.

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1. An individual working in the country illegally may be using a false name and/or a false social security number. If the individual provides a signed, written statement that acknowledges the use of the false identification, wage verification provided with the false information shall be accepted as the individual's. Other information supporting the use of the alias, such as a drivers license, shall be copied for the case file.
2. If the employer must be contacted concerning the wages, only the alien's assumed name shall be used for such purposes.
3. Payments in cash are generally considered to be illegally obtained income. If cash income is reported and the individual is unable to provide other verification, a written statement explaining the source and amount of the income shall be considered acceptable income verification.
4. Under no circumstances should the individual's immigration status be divulged to the employer nor should the immigration status of an individual applying for Medicaid and/or HealthWave be reported to the Immigration and Naturalization Service. [Back to Top](#)

#### KEESM 2510 - CATEGORICALLY ELIGIBLE HOUSEHOLDS

Categorical eligibility for food stamps is being expanded as a result of a USDA initiative to better serve low income families and to better ensure adequate nutrition by allowing working families to own a reliable car and continue to get food stamp benefits. To assist staff in

implementing these changes, training will be provided on this policy change. A self-directed training module will be available to staff on the SRS Intranet. Written material and instructions for the self-directed training will be distributed separately. This training material will have numerous examples to help explain this policy change and how to implement it in the field.

Plans are also underway to expand the message on FSRD when a food stamp case fails for excess resources. The message would be expanded to include an instruction to "check for categorical eligibility for FS". More details on this system change will be forwarded when finalized.

NOTE: Receipt of support services in applicant status does not qualify a household for categorical food stamp eligibility.

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### KEESM 3230 - ADDITIONAL FOOD STAMP WORK RELATED EXEMPTIONS

The self-directed training module mentioned above will also include training material on the FS change in work exemptions that an FS parent or other caretaker personally providing care for a child under the age of six is exempt from FS work requirements. Food stamp recipients that become exempt from work-related requirements as a result of this change shall have the JOPR code changed at the time of the next review. Those affected in an FS E&T county shall be allowed to finish the current component assignment but shall not be assigned to any further components. JOPR coding should be changed at the time of the completion of the component. Persons who fail to comply on or after May 1 that are not receiving TAF shall not be penalized on food stamps.

In addition, the age alert will be changed from age 1 to age 6 on food stamps effective May 1, 2000.

### KEESM 3140 -ASSESSMENT

Work program assessments completed on or after May 1, 2000, for TAF and food stamp recipients entering work programs should include the Substance Abuse Subtle Screening Inventory (SASSI). Staff are not required to but may administer the SASSI to TAF and food stamp recipients who are current work program participants and who did not complete the SASSI during assessment.

### KEESM 8172 - NF RESERVE DAYS

NF Reserve Days - Effective May 1, 2000, EES staff will no longer be required to approve or disapprove NF Reserve Day requests. Monitoring for correct usage of NF Reserve days will become a fiscal agent responsibility and will be accomplished through post-pay review. Health Care Policy will be issuing an Policy Implementation Memo until the KMSM can be revised.

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The MS-2126 Notification of Nursing Facility Admission/Discharge form has been revised and a copy of the new form is attached. Nursing facilities have been instructed via Provider Manual Revision, to begin using the revised form beginning Monday, May 1, 2000. A copy of the revised MS-2126 was sent to the nursing facilities as well.

**Upon receiving the new MS-2126, the EES will review Section IV, Hospital Leave Information. If the MS-2126 indicates the client will be out of the facility for less than 10 days, no action is to be taken. If the MS-2126 indicates the client will be out of the facility longer than 10 days, and there is sufficient time to react, the EES should immediately suspend payment to the NF.**

**The NF is required to send a subsequent MS-2126 when the client has been in the hospital longer than 30 days and indicate the number of days the client is expected to remain hospitalized. Based upon this information, the EES should either take appropriate action to re-determine eligibility or set an alert to follow up at a later date.**

**In order to allow for smooth transition to the new processes, EES staff should continue to accept previous versions of the MS-2126 through Friday May 5, 2000. Any requests made on the prior version of the MS-2126 during this time period should be approved or denied using the previous policy. Any MS-2126 Rev. 5/00 forms which are received on or after May 1, 2000 do not require EES approval. Effective May 8, 2000, previous versions of the MS-2126 will not be accepted. The form should be returned to the NF with instruction to complete and return the correct form.**

**SH:PJ:jmm**

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<u>cc: Dennis Priest</u>	<u>Kim Radell</u>
<u>Kathy Valentine</u>	<u>Phil Anderson</u>
<u>Pam Jacob</u>	<u>Lauri Corcoran</u>
<u>Jeanine Schieferecke</u>	<u>Betsy Martin</u>
<u>Rachel Katuin</u>	<u>Maryann Benoit</u>
<u>Paula Gibson</u>	<u>Allen Mossman</u>
<u>Deb Wiley</u>	<u>Karen Carter</u>
<u>Rosalie Sacks</u>	<u>Jean Morgan</u>
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<u>Roger Lewis</u>	<u>SRS HelpDesk</u>
<u>Cheryl Woods</u>	<u>Bob Day</u>

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### **Agencies Serving Migrant and Immigrant Populations**

Kansas Statewide Farmworker Health Program  
Kansas Dept of Health and Environment  
Landon State Office Building  
900 SW Jackson; Room 1051-S  
Topeka, KS 66612

**Eastern Region: Cyndi Treaster, (785) 296-8113, (816) 590-7577**  
**Allen, Anderson, Atchison, Bourbon, Brown, Butler, Chase, Cherokee,**  
**Chautauqua, Clay, Cloud, Coffey, Cowley, Crawford, Dickinson, Doniphan,**  
**Douglas, Elk, Franklin, Geary, Greenwood, Harvey, Jackson, Jefferson,**  
**Johnson, Labette, Leavenworth, Linn, Lyon, Marion, Marshall, McPherson,**  
**Miami, Montgomery, Morris, Nemaha, Neosho, Osage, Ottawa, Pottawatomie,**  
**Republic, Riley, Saline, Shawnee, Wabaunsee, Washington, Wilson, Woodson,**  
**Wyandotte**

**Western Region: Miguel Giner, (785) 296-8983, (785) 256-3576**  
**Barber, Barton, Cheyenne, Decatur, Ellis, Ellsworth, Gove, Graham, Harper,**  
**Jewel, Kinsman, Lincoln, Logan, Mitchell, Norton, Osborne, Pawnee, Phillips,**  
**Pratt, Rawlins, Reno, Rice, Rooks, Rush, Russell, Sedgwick, Sheridan,**  
**Sherman, Smith, Stafford, Sumner, Thomas, Through, Wallace**

**Southwestern Region: Jose Flores, (316) 255-1873, (316) 339-6688**  
**Clark, Comanche, Edwards, Finney, Ford, Grant, Gray, Greeley, Hamilton,**  
**Haskell, Hodgeman, Kearny, Kiowa, Lane, Meade, Morton, Ness, Scott,**  
**Seward, Stanton, Stevens, Wichita**

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<b><u>Dodge City</u></b>	<b><u>Kansas City</u></b>
United Methodist Mexican- American Ministries (UMMAM) 708 Ave H (316) 225-0625  Harvest America 1201 1st St, Space B (316) 225-7022	Harvest America Corp 14th and Metropolitan (913) 281- 2781  El Centro 229 S. 8th St. (913) 281-1186
<b><u>El Dorado</u></b>	<b><u>Leoti</u></b>
MIDCAP 111 West Ash (316) 321-6373 1-800-281-6373	Harvest America 211 N 4th St (316) 375-2548
<b><u>Emporia</u></b>	<b><u>Liberal</u></b>
Migrant Education Emporia USD 253 501 Merchant (316) 241- 2392	UMMAM Third and Grant (316) 624-6865  Harvest America 807 S Kansas Ave (316) 624-1864
<b><u>Garden City</u></b>	<b><u>Ottawa</u></b>

<u>UMMAM</u> <u>224 N Taylor</u> <u>(316) 275-1766</u>  <u>Harvest America</u> <u>118 ½ Grant Ave</u> <u>(316) 275-1619</u>	<u>ECKAN</u> <u>602 S Maple</u> <u>(785) 242-7450</u>  - <a href="#">Back to Top</a>
<b><u>Girard</u></b>	<b><u>Salina</u></b>
<u>SEKCAP</u> <u>401 N Sinnet, Box 128</u> <u>(316) 724-8204</u>	<u>Catholic Charities</u> <u>425 W Iron</u> <u>(785) 827- 4517</u> <u>1-888-468-6909</u>
<b><u>Goodland</u></b>	<b><u>Topeka</u></b>
<u>Harvest America</u> <u>212 E 17th St</u> <u>(785) 899-3878</u>	<u>Community Action</u> <u>1000 SW Hancock</u> <u>(785) 235-9561</u>
<b><u>Hiawatha</u></b>	<b><u>Ulysses</u></b>
<u>NEKCAP</u> <u>Box 380 1260 220th St</u> <u>(785) 742-2222</u>	<u>UMMAM</u> <u>321 Grant</u> <u>(316) 356-4079</u>

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