



Policy Memo	
KDHE-DHCF POLICY NO: 2013-09-02	From: Jeanine Schieferecke, Senior Manager
Date: September 30, 2013	KEESM/KFMAM Reference: N/A
RE: Initial Implementation of ACA Requirements	Program(s): All Medical Assistance Programs

The purpose of this memo is to implement required portions of the Patient Protection and Affordable Care Act (ACA). It also provides implementation instructions for these requirements.

Only specific provisions of the ACA are implemented with this memo. Other provisions will be effective with the full implementation of the Kansas Eligibility and Enforcement System (KEES). This memo supersedes previous instruction regarding implementation effective dates. Neither the KEESM nor the KFMAM will be updated with this memo. Policy manuals will be updated with full implementation of the ACA. Unless otherwise indicated, policies are effective with applications received on or after 10-01-2013.

A. MAGI Determinations

The ACA requires MAGI (Modified Adjusted Gross Income) based determinations for applications received after 10-01-2013. The processes described in this memo are used to meet this requirement until the full implementation of KEES. These processes are applicable to all applications and new requests for coverage received on or after 10-01-2013.

- 1. Process.** To comply with the ACA, all applications (including those received after 10-2013) are to be processed using current policies and procedures, except as indicated in this memo. These current processes shall continue until the full implementation of KEES. All current rules (countable income, assistance planning, verifications, etc.) remain in effect. All current procedures also remain in place, including those effective with the implementation of the new medical applications as described in KDHE DHCF Policy Memo 2013-09-01 (i.e. family medical applications are processed by the Clearinghouse and MIPPA applications are processed by DCF) until new guidance is provided.

Based on the result of the current determination, a delayed MAGI determination may be necessary. Cases that require a second, MAGI determination, are identified at the time initial

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Medicaid and HealthWave:
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State Employee Health
Benefits and Plan Purchasing:
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State Self Insurance Fund:
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 Fax: 785-296-6995

action is taken on the case. Staff are not required to complete a separate determination at this time. Staff are required to identify those cases that will require a secondary MAGI determination. Only cases that are identified through this process require additional action. Some of the identified applications will have a new Medicaid/CHIP determination using MAGI rules and others will be sent directly to the Federally Facilitated Marketplace (FFM). Secondary determinations will no longer be necessary when KEES is fully implemented.

Cases requiring a second determination will be identified by the action taken on the case, specifically focusing on the denials. Special notices designed specifically to identify the targeted cases must be sent to the case head. Central Office will then create a list of applications requiring a second determination. When KEES is live, the Clearinghouse will complete the secondary Medicaid/CHIP determination within the required 45 day processing time frame. Instructions for this process will be issued at a later date.

2. Required Action. Each medical application or request for coverage received on or after 10-01-2013 shall be evaluated to determine if a special MAGI notice is required. If necessary, the notice is sent at the same time as any other required notice. When evaluating a case to determine if a special notice is required, the status of all applicants requesting coverage must be considered. Three new notices have been created: V504 (MAGI, REFER TO INSURANCE MARKETPLACE), V505 (MAGI –REDETERMINATION-PARTIAL) and V506 (MAGI-REDETERMINATION-FULL). The following criteria are used to determine if a special notice is required:

a. No Secondary Test Necessary: If all persons on the case meet the following criteria, no additional test is necessary:

- Requesting coverage for only the following: TB, Breast and Cervical Cancer, Long Term Care, or SOBRA; or
- All applicants are Medicare beneficiaries and do not have minor children and are not pregnant
- All applicants are age 65 or older and do not have minor children and are not pregnant

b. Approvals: If all persons requesting coverage do not require a secondary test (item a) or are approved for any type of medical coverage (including spenddown), no additional test is required and a special notice is not required.

Example: Dad applies for coverage for his 10 year old, but doesn't request coverage for himself. The 10 year old is approved for CHIP. No additional action is required.

c. Denials- No Action: If all persons requesting coverage on the application, are approved or are denied for one of the following reasons, no further test is necessary and a special notice is not required:

- Denied for failure to provide information (note: if information is later submitted, a secondary test may be necessary)
- Denied for failure to meet Kansas residency
- Denied for failure to meet citizenship/alienage requirements

d. Denials – Send to FFM: If any person requesting coverage on the application is denied for one of the following reasons, the case will be referred to the FFM when automated referrals are available. At this time, staff are not responsible for sending these cases to the FFM. Rather, staff will send all notices otherwise required. In addition, send the V504-MAGI-REFER TO INSURANCE MARKETPLACE

- Denial for an individual who doesn't meet categorical criteria (not disabled, not pregnant, not elderly, over age 18, no minor children in home)
- Denial of MA CM for failure to cooperate with CSE

Example: William is a 48 year old non-disabled male without any children. He applies for Medicaid and is denied because there is no category for him. The special notice V504 is sent to him. When KEES is live, his application will be referred to the FFM.

e. Denials – Redetermination Required: If any person meets categorical criteria but is denied for a reason listed below, a secondary determination using MAGI methodologies is necessary. Send all notices otherwise required. In addition, for partial denials, where some applicants are approved and some are denied, send the V505 (MAGI-REDETERMINATION-PARTIAL). For full denials, where all applicants are denied, send the V506 (MAGI-REDETERMINATION-FULL)

- All partial denials
- Denial for excess income
- All CHIP denials for CHIP-specific reasons (failure to pay premium, State Employee, health insurance, etc)
- All pregnant women

Example: Jane applies for coverage for herself and her daughter. Jane's daughter is approved for MP-Medicaid, but Jane is denied MA CM. Jane's eligibility must be redetermined using MAGI methodologies. A V505 is sent to Jane so her case will be flagged for a second determination.

All notices will be available for staff use on 10-01-2013. The list of cases sent a special notice will be generated immediately after KEES Go-Live. Additional processing instructions will be made available to staff working the secondary determinations at a later date.

B. Scripts for Common Questions

A high probability exists for Kansans to reach out to eligibility workers and other staff for answers related to questions they may have about the ACA and KanCare eligibility. Responses to common questions have been developed and are released as scripts with this memo. Scripts are a means of providing a consistent response to anticipated questions from the public. Scripts were developed by the KDHE Policy team with input from KEES project staff and the KanCare Clearinghouse. Guidance or scripts to be used by DCF will be forth coming.

The document, October 1 Changes: Common Questions and Answers, is included with this memo (Attachment A). Scripts have been divided into categories to help staff locate a response.

- A. General Questions
- B. Affordable Care Act (ACA) & Health Insurance Marketplace
- C. Eligibility & Coverage

- D. Income
- E. Households
- F. Tax Information

The last section is a list of Outstationed Workers (noted in item C below) and contact information.

KDHE expects the scripts document to change as issues arise. If additional questions are asked that are not on the list, please submit the questions to any member of the KEES Policy team.

C. Coordination with the Federally Facilitated Marketplace (FFM)

The FFM, also known as the Health Insurance Marketplace, will begin operating on October 1, 2013. The FFM will allow individuals to research health plans and enroll in health insurance coverage, as required under the ACA. The FFM will also make eligibility determinations for tax credits, a benefit available to people who have incomes above the Medicaid and CHIP limits. The FFM will begin accepting and processing applications for persons on October 1. An application accepted by the FFM for tax credits also serves as an application for KanCare, and vice versa. Application information will be exchanged electronically between the FFM and KEES when file transfer processes are available.

Assistance is available for members and potential members who have questions about the FFM, are interested in enrolling or have experienced problems with the process. Specially trained Navigators and Certified Application Counselors are located throughout the state. These are individuals who have received special training to help people understand the process and enroll in coverage. They may also assist with the KanCare application process. If staff receive questions regarding the FFM or related health insurance issues, refer the customer to a Navigator or counselor. Customers can find more information on the FFM website www.healthcare.gov or by calling 1-800-318-2596. The Kansas Insurance Department also has information available at www.insureKS.org. Persons wanting more direct assistance, or more immediate care, may be referred to a Federally Qualified Health Center. Navigators are available at these locations to assist with FFM enrollment but the center also offers healthcare services. A list of FQHC's is available at the following website: http://www.kdheks.gov/olrh/download/PC_FQHC_List.pdf

Eligibility staff shall continue to handle KanCare eligibility questions and concerns. If a KanCare issue related to the FFM or the ACA surfaces, a referral to a KDHE Outstationed Eligibility worker is appropriate. Outstationed workers have received additional training and have access to the FFM and can help coordinate with them regarding unusual Medicaid or CHIP eligibility issues. A list of Outstationed workers is included with the attached list of Common Questions/Scripts. Note that Navigators and counselors will also reach out to Outstationed workers for questions and concerns that come up through their channels.

Of special note are people who are trying to decide between subsidized coverage through the FFM or signing up for coverage with an employer. Eligibility staff should not attempt to respond to these questions and should refer these callers to a Navigator or counselor as quickly as possible. Despite the fact that the application covers multiple programs, the lack of an electronic referral process will make coordination difficult during this critical time. Individuals may wish to submit applications to both locations when faced with critical choices such as an employer open enrollment period. People should not be discouraged from applying for KanCare strictly because they have submitted an application through the FFM until the electronic interfaces are operational.

D. Telephone Applications

This memo also provides a limited implementation of telephonic signature for applications received on or after 10-01-2013. Telephonic applications are applications completed over the phone and are signed with a telephonic signature. A telephonic signature is a type of electronic signature that captures an individual's verbal acceptance of the application process. This is done through a voice recording that is retained for the same period as a standard application.

Telephone applications are being implemented as a pilot, only accepted for Family Medical applications received at the Clearinghouse. DCF and Outstationed Workers will not be able to accept telephone applications at this time. Applicants must request a telephone application. Details regarding the telephone application process at the Clearinghouse will be issued in a separate memo.

E. Implementation Schedule

Although the revised KEES phased implementation scheduled has not been finalized, tentative dates have been set for a number of special KAECSES jobs and critical actions that require planning and scheduling. Please note, these are tentative at this time. Any changes will be communicated through DCF HelpDesk.

1. **Review Extension:** All Family Medical reviews were extended, as indicated in the July 29 memo, with a special KAECSES job that ran the evening of September 16. This job ran for all cases with passive as well as pre-populated review types. The CE date is also extended to match the review date. However, MS and CI programs were removed from that special job. October reviews for these two programs are to be completed according to existing processes.

The job to extend reviews for MS and CI programs has been rescheduled, with a change in the actual dates of impacted reviews. Instead of extending reviews beginning October, extensions will begin with review months of November, 2013 (those that expire November 30, 2013). Reviews for these programs will resume in June, 2014. In other words, Reviews due in November will have a new review date of 06-2014. See the table below for the new review schedule with columns indicating what the current review month is, what month the review will automatically be extended to, when the review is next completed, and what the next review month will be. Note the differences between family medical and elderly/disabled schedules. Notices will be sent to all impacted households.

Review dates will be set on all impacted cases, both active and closed. However, notices will only be mailed for active cases. Closed cases will not be notified. Please note, this delay only impacts medical reviews. Other program reviews scheduled are not impacted by this change.

The job to run the MS and CI extended reviews has been tentatively scheduled for the week of October 14, 2013. This may change depending on the actual date of KEES implementation.

Review Extension Periods					
Family Medical Programs MA MP MK			Elderly and Disabled Medical Programs MS CI		
Current Review Mo	Extended Review Mo	Following Review Mo	Current Review Mo	Extended Review Mo	Following Review Mo
10/2013	04/2014	10/2014	10/2013	none	10/2014
11/2013	05/2014	11/2014	11/2013	06/2014	06/2015
12/2013	06/2014	12/2014	12/2013	07/2014	07/2015
01/2014	07/2014	01/2015	01/2014	08/2014	08/2015
02/2014	08/2014	02/2015	02/2014	09/2014	09/2015
03/2014	09/2014	03/2015	03/2014	10/2014	10/2015
04/2014	There is no review extension. The review period remains the same, resulting in a doubling of reviews for these months.	04/2015	04/2014	11/2014	11/2015
05/2014		05/2015	05/2014	12/2014	12/2015
06/2014		06/2015	06/2014	01/2015	01/2016
07/2014		07/2015	07/2014	02/2015	02/2016
08/2014		08/2015	08/2014	03/2015	03/2016
09/2014		09/2015	09/2014	04/2015	04/2016
			10/2014	05/2015	05/2016

As indicated in KDHE Policy Memo 2013-07-01, KEES Pre-Implementation Instruction and Information, follow these rules when setting the first subsequent new review date in KEES (also see chart above):

- For Elderly and Disabled cases, the next review date is based on the NEW review date. It is set for 12 months following the NEW KEES review.
- For Family Medical cases, the next review date is based on the ORIGINAL review date. It is set for 12 months following the ORIGINAL review.

In order to correctly apply the above rules for subsequent reviews, staff must be able to distinguish a review that was impacted by the special extension from those that are not, particularly with Family Medical cases. Reports will be provided to staff to determine the correct review date. For example, in April, 2014 reviews normally due in April and some that were originally set in October will come due. Those that were originally scheduled in October will have a new review date of October, 2014, while those originally due in April will have a review through date of April, 2015.

2. **Early Review Closures and Notices** – In September, we sent Automated Review Closure notices to members who failed to return a review two weeks earlier than scheduled. This was done to prompt members to return review forms on time so work can be completed prior to the medical processing downtime. This process will be repeated in October, and will impact all medical and non-medical programs. Family medical programs should not be impacted as there should be no October reviews for the MA, MP or MK programs.

This job is tentatively set to run on October 10, 2013. This may change depending on the actual date of KEES implementation.

The job to run the actual review closures is tentatively set to run on October 25, 2013.

3. **December Rollover** – Rollover will run early in October to allow time for KEES conversion activities. This will impact ALL CASES, not just medical cases.

This job is tentatively set to run on October 18, 2013. This may change depending on the actual date of KEES implementation.

4. **Mass Change** - An early SSA COLA mass change is still scheduled for the medical programs. The process is very similar to that communicated on July 29.

Prior to the beginning of the medical processing downtime all medical cases authorized in the current month with SSA income will be identified. The SSA amount on those cases will be calculated based on the forecasted COLA increase and processed for January 2014 in a KAECSSES parallel data base. Coverage information (including new patient liabilities, spenddown amounts, etc.) will then be brought over into KEES. An automated KAECSSES system notice will be issued notifying the individual of the change.

A separate mass change implementation memo with more detailed instructions will be issued at a later date. A process to mass change cases approved in KEES will also be developed.

5. **Medical Processing During System Conversion** - KAECSSES will be brought down immediately prior to system conversion and will not be available for any further medical program processing after that date. No medical case work will occur on KAECSSES during the period of system conversion, but inquiry access for medical is planned and should be available. Medical program update capability in KAECSSES will be disabled. The ability to process medical in KAECSSES ends with the start of system conversion. Systematic processing of cases will not be available until KEES goes live. The PSI Platform will continue to be available during the conversion period for reference purposes only. Both KAECSSES and PSI Platform will continue to be available for reference purposes after the full implementation of KEES. The period of time from the start of system conversion to KEES go-live is commonly referred to as medical processing downtime.

Note: KAECSSES should be available to process other programs, but it is possible that it may be unavailable for one or two business days. An announcement will be communicated through DCF HelpDesk regarding the exact period of down time for both medical and other programs.

When the date for full implementation of KEES is determined additional guidance will be provided regarding KAECSSES and PSI Platform availability, including the specific medical processing downtime.

Because there will be no medical system available during this down time, KDHE Central Office has established a process to allow processing of emergency cases (e.g. urgent medical needs) in designated situations. This process will be released in future guidance.

6. Additional KAECSES Issues

Cases in Current Month - To reduce the impact of rework in KEES, cases should be rolled and authorized and in the current month (November, 2013 at go live) when possible. This will ensure mass change can run according to plan. Note that mass change will roll all medical cases into January, 2014, not just those impacted by the COLA increase. The KEES team is aware of a concern with making changes to these months, as the KEES system includes a feature that won't allow changes past the 'come up month'. It is recommended that staff reduce the risk by avoiding copying beyond the current month unless necessary.

Spenddown Base Periods - Additional action is needed for certain spenddown cases prior to conversion into KEES. In order for mass change to run correctly for a spenddown case, it must have a base period that includes the month of January, 2014. Left alone, cases with base periods expiring in November or December will fail mass change. Manual intervention to set up a new base period for these cases is required.

All cases with a multiple month base period ending 11-30-13 have been identified. Staff must access each of these cases and establish a subsequent 6 month base period (according to current policy). This will allow the case to be automatically rolled into January, 2014 and mass changed before the medical program is converted to KEES.

Note: For MS programs on the same case as a Food Assistance (FA) program this action should not be taken prior to Monday, September 30 to avoid impacting the scheduled FA mass change.

A list of all cases with a spenddown base period greater than one month and ending 11-30-13 is included with this memo. It is being distributed to the Program Administrator/Clearinghouse Manager as appropriate. All case work must be completed prior to the first day of the medical processing down time.

For each MA or MS case appearing on the report, staff must manually establish a new base period. If the individual has not met a spenddown recently, and doesn't appear to be able to meet a spenddown based on his/her current situation, evaluate an MS case for transition to an MSP-only case. Send a notice informing the recipient of the new base period. If necessary, establish a review date consistent with the instructions in Section 1 above and KDHE Policy Memo 2013-07-01, KEES Pre-Implementation Instruction and Information, This is specifically necessary if the work to establish the new base period has occurred after the Review Extension has already occurred.

Spenddown cases with a base period expiring 12-31-13 will experience a similar problem. But action cannot be taken at this time. If the case is rolled and a new base established it will fail mass change, as mass change will not occur on cases rolled past December. A special process to complete mass change in KEES will be issued at a later date.

F. Application Coordination Procedures

Additional transitional procedures have been developed, primarily to address issues with new application processes. Many of these processes are summarized in the document, DCF Cases in Transition (Attachment B).

1. The KanCare Self Service Portal will be updated with the new tax and relationship questions by 10-01-2013. These questions are added in advance of full ACA implementation to ensure the information is available for future processing. Responses to the tax questions will appear on the application PDF produced from the system. However, the relationship information will not be available on the PDF. An alternative method of delivering this information to staff is currently being developed. A second process to enter the information in the HP database, to allow the data to be automatically converted to KEES, is also being developed. More information on these issues will be communicated when available.

Note that the income tax and relationship information will be needed for applications that must have a secondary determination (per Item A above). If the original application is processed by DCF the information must then be provided to the Clearinghouse for the secondary determination.

Note: The availability of the KanCare Self Service Portal and Presumptive Eligibility (PE) Tool during the period of medical processing downtime has not been determined. An announcement will be made when a decision is reached.

2. DCF shall continue to send all Family Medical applications (including SOBRA applications) received after September 4, to the Clearinghouse for processing. Keep in mind; these are live applications that must be tracked. Preferably, these applications will be clearly marked and faxed to the Clearinghouse. A cover sheet is to be included with any document faxed to the Clearinghouse, indicating the type of document and other important details (e.g. pending application, information received on a denied application, etc.).

However, due to complications with faxing a mail in option is also available. All expedited and urgent applications must be faxed. All others may be **mailed** into the Clearinghouse. All mailed in applications must still be date stamped and should be batched up daily and mailed to the Clearinghouse. Since these are live applications, DCF must copy the second page of the dated application and retain this documentation in case the application is lost in transit. The copy of the second page is kept for 60 days. If an application is faxed in the hard copy of the application is not to be mailed.

DCF staff should make every effort to transfer all applications to the Clearinghouse by the Close of Business (COB) on the last working day prior to the medical down period. This will allow all pending work to be accounted for prior to KEES conversion.

3. All E & D applications received prior to the medical downtime are processed by DCF using current rules and processes, except a special notice for a secondary determination may be necessary. The screening for MAGI determination (aka The Big 4) screening is not required on these cases.
4. All applications received by DCF beginning with the first day of medical processing downtime must be screened for MAGI determination (The Big 4). For applications that are routed to the Clearinghouse, follow these processes:
 - Applications received after KEES go-live will be imaged and routed to the Clearinghouse using KEES processes.

- Applications received during the period of medical processing downtime are mailed daily, where they will be imaged and registered when KEES is fully implemented. As indicated in Item 2 above, a copy of the second page of the application must be retained by DCF.
5. The Clearinghouse will stop registering new applications approximately one week prior to medical down time, unless the case is an emergency in which case it will be processed immediately. Registering after KEES go live is more efficient due to work flow issues.
 6. DCF and Outstationed Workers shall make every effort to have applications registered in KAECSES by COB of the last work day prior to the medical down time. This will ensure work is converted with KEES Go-Live.
 7. DCF Outstationed workers follow DCF procedures and no special processes are put in place for DCF OSWs.
 8. Effective immediately, paper applications (and all supporting documents) that are sent to the Clearinghouse are to be kept in the DCF office for 60 days. They are to be destroyed when older than 60 days.
 9. Family Medical applications processed by DCF (those received prior to September 4) are CARC'd after processing and sent to the Clearinghouse in the same manner as Pre-September 4.
 10. With the KEES schedule, DCF staff are expected to have all Family Medical applications processed prior to the first day of the medical down time. Any application that is still pending on the last workday prior to the medical down time is CARC'd to the Clearinghouse.
 - The application must be CARC'd by COB on the last workday so it is converted to the Clearinghouse workload.
 - The application and all supporting materials must be sent (mail or fax) to the Clearinghouse
 - The coversheet must be labeled 'Post Go Live Pending/Registered Family Med App'
 - Because the application would be untimely if it is still pending, an explanation regarding the status of the application must be included with the fax. It is recommended that a DCF supervisor or PA review these prior to sending.
 11. When additional information is provided on applications initially denied by DCF (commonly called an IROD (Information Received On Denial), DCF is responsible for the subsequent redetermination. If the new information isn't worked by the last workday prior to the medical down time, or if the information is received after this date, it must be sent to the Clearinghouse. Since these transfers will occur after full KEES implementation, the pending application and all supporting materials will be routed to the Clearinghouse following these processes:
 - If the case file is not already converted into Image Now (via one note conversion), image the case file with the Field File Transfer Document Type into the **non-task** folder.
 - If there is information that is not part of the existing case file (e.g. newly received loose mail), image following normal procedures
 - Reassign the denied program block to the Clearinghouse (Worker ID KH0206Q100)

- Create a contact for the Clearinghouse (which will create a task for the Clearinghouse to process the IROD):
 - Agency = KDHE
 - Category = Application/Review Follow-Up
 - Contact Reason=Rec'd on Denied/Closed Program
- 12. As a general rule, loose documents sent to the Clearinghouse are to be faxed after KEES go-live. Applications are imaged with an appropriate doc type.
- 13. Fair Hearing requests received during this time period are handled by the agency making the decision. However, Central Office can be consulted for unusual circumstances.
- 14. The Clearinghouse will correct any errors on DCF-processed Family Medical cases. The PA will be notified when errors are discovered.

G. Questions

As indicated above, additional guidance will be provided prior to KEES implementation. For questions or concerns related to this document, please contact one of the Medical Policy staff below.

Allison Miller, Family Medical Policy Manager – amiller@kdheks.gov

Tim Schroeder, Elderly and Disabled Policy Manager – tschroeder@kdheks.gov

Russell Nittler, Senior Manager – rnittler@kdheks.gov

Jeanine Schieferecke, Senior Manager – jschieferecke@kdheks.gov

The KEES Resource Agents are also available to assist with KEES-related questions that end users may have. Each eligibility location is assigned a Resource Agent:

Brenda Schumacher, DCF West Region - Brenda.Schumacher@dcf.ks.gov

Donna Uhl, DCF East and Kansas City Regions Donna.Uhl@dcf.ks.gov

Kristen Zluticky, Wichita Region Kristen.Zluticky@dcf.ks.gov

Kim Burnam, Lead Agent, KDHE KanCare Clearinghouse and Presumptive Eligibility Qualified Entities KBurnam@kdheks.gov

For questions related to any of the special KAECSES processes, please contact the DCF HelpDesk at HelpdeskBusiness@dcf.ks.gov or (785) 296-4357.