Kansas
Department of Health and Environment
Division of Health Care Finance

Policy Memo	
KDHE-DHCF POLICY NO: 2018-10-02	**From: Jeanine Schieferecke, Senior Manager**
Date: October 24, 2018	**Medical KEESM:** **KFMAM:**
RE: Policy Changes – October 2018 KEES Release	**Program(s): All Medical Programs** **Section E (1, 2, 4) end dated 04-01-2022**

This memo implements changes to the Medical Assistance programs implemented with the KEES release on October 21, 2018. Except where noted, all changes are effective with eligibility actions (including system actions) taken on or after the KEES release. Revisions to the Medical KEESM and KFMAM manuals will be effective November 1, 2018.

Applicable to all Medical Programs:

- Changes to Medical Review Forms
- Standardized Aid Code Labels
- Notice Improvements
- Online Access to TALX Interface
- Implementation of KPERS Interface
- Date of Death Interface Process
- Review Period Change
- Pre-Implementation – MAGI Income Deductions

Applicable to Elderly and Disabled Medical Programs

- Medically Needy Spenddown Process Changes

1. Changes Impacting All Medical Programs

The following changes are applicable to all medical programs.

A. Changes to Medical Review Forms

Updates to the review process will be implemented with the KEES revision. Changes include updates to the forms that are generated as a result of review requirements as well as the specific type of review that is applicable. The changes to the forms will be effective with the next full review batch (on or about November 15, 2018) and to any manual review generated after the KEES release.

Changes to the types of reviews will be effective with the next full review batch, scheduled to run on or about November 15, 2018.

1. Review Types

The KEES batch will fully support existing policy with changes to ensure a Pre-Populated Review is generated in the following situations:

a. Self-Employment Income

Any program block with active, high-dated Self-Employment income are not eligible for a passive or super-passive review. This is true for cases with countable income for the self-employment enterprise as well as those with no countable income. This is because it is not possible to verify self-employment income through an interface. Therefore, these programs shall receive a pre-populated form.

In the event self-employment terminates for an existing consumer, staff must ensure the record is end-dated to avoid an incorrect review type in the future.

b. Denied or Discontinued Persons

Existing policy prohibits fully discontinuing medical assistance for a consumer as part of the review batch. Although the specific aid code/coverage may change as the result of the review, the consumer cannot fully lose coverage. Rules are implemented with this release to ensure a pre-populated review is generated when any person on the program is identified as a potential discontinued individual.

The pre-populated review will be generated when the review batch EDBC results in the elimination of coverage – either for a major aid code or a minor aid code. This is applicable for any discontinuance reason. A read only EDBC results and the pre-populated review is generated. The consumer must return the pre-populated review in order to retain coverage.

Consider the following examples:

1. Consumer has existing Medically Needy and MSP coverage. At review, batch EDBC fails due to a high-dated Non-Compliance record as the consumer previously requested LTC and failed to provide requested information related to a transfer of property. A read only EDBC results and a pre-populated review is generated.

2. Consumer has two children who receive CHIP with a $50 premium. Several months prior to the review, the consumer reported an income change which would make the children ineligible for CHIP but, due to continuous eligibility, coverage continued. At review, batch EDBC fails to due excess income. A read only EDBC results and a pre-populated review is generated.

2. Review Form Changes

Changes to the review forms are made in order to comply with federal rules and are part of a state corrective action plan. These updates impact the following review Forms:

- KC-1200: Pre-Populated Family Medical Review
- KC-1300: Passive Family Medical Review
- KC-1600: Pre-Populated Elderly and Disabled Review
- KC-1700: Passive Elderly and Disabled Review

a. No Information Reported

When generating a pre-populated review form, any information available in the KEES system will be written to the review form in the applicable area. However, when there is no information available, the phrase 'Nothing on File' was written onto the form. This phrase is no longer applicable and is being replaced by 'No Information Reported'. When consumers and staff see this phrase on the form it means there is not an active record known to KEES for that particular element.

b. Spousal/Dependent information

Information regarding a spouse and/or dependent family members will now be included on both the KC-1200 Family Medical Pre-Populated Review Form Instructions and KC-1600 E&D Pre-Populated Review Form Instructions. Three new sections are added to capture address, income, and expenses for the community spouse and any dependent family members.

The KC-1600 E&D Pre-Populated Review Form Instructions has been updated to include specific processing instruction for the newly added fields and is attached to this memo.

B. Standardized Aid Code/Program Labels

In an effort to improve the readability of notices and other materials, new program names/labels are implemented with this KEES release. For example, 'Medically Needy – Disabled LTC 300 Percent of SSI' will now be 'Long Term Care'. All KEES notices produced after the KEES release will include the new program label. These new labels will be automatically populated for any notices produced. In addition, all other communication shall also include the new label when referencing a specific program/aid code.

The KC-7007 Standard Medical Aid Code Labels lists the new program labels and is attached to this memo. The Standard Text for Copy and Paste spreadsheet located on the KEES Repository will be updated to include the new program labels, as appropriate.

C. Notice Improvements

The following enhancements have been made to KEES system-generated NOAs which will reduce or eliminate the need for eligibility staff to append system-generated NOAs or generate a manual notification to the consumer. When completing an eligibility action, staff are required to evaluate the NOA generated by KEES in order to determine if the information contained within is accurate.

1. Prior Medical Months

Effective with this KEES release, system-generated notices produced following approval or denial of prior medical months will now include the month of determination. This eliminates the need for eligibility staff to append the system-generated NOA to include the month of determination.

2. Past Due Premium Amounts

Effective with all CHIP notices generated after the KEES release informing a family that a premium has been eliminated, the total amount past due will not be included on the KEES notice. Instead, a general statement will appear informing the consumer they must pay any amount past due. This is being implemented to reduce confusion and conflict, as the statements from Premium Billing Vendor (currently DXC) will provide that information. Staff shall continue to refer any questions regarding premium statements to DXC Premium Billing.

3. SSI MEDICAL

In accordance with policy and processing changes implemented with policy memo 2018-10-01: Loss of SSI Recipient Status and Verification of Resources, the following fragment will no longer display in the system-generated NOA following discontinuance of SSI medical assistance.

"A new application form is being sent separately. If you wish to have your eligibility for continuing medical assistance determined, please complete and return this form."

4. DENIAL AND DISCONTINUANCE

a. When eligibility is denied, the correct current application date will display on the system-generated NOA thus eliminating the need for eligibility staff to append the NOA in order to include the correct application date.

b. When eligibility is discontinued due to death of the consumer and there are no other individuals in the household receiving medical assistance, the following fragment will no longer display in the system-generated discontinuance NOA.

"You can reapply at any time."

The Standard Text for Copy and Paste spreadsheet located on the KEES Repository will be updated to remove fragments which are no longer needed.

D. INTERFACE CHANGES

Updates to the TALX and KPERS interfaces are effective with this KEES release.

1. TALX THROUGH KEES

The TALX interface has been modified to resemble The Work Number/Equifax online display and includes the development of new screens within KEES. With the addition of this information in KEES, eligibility staff will no longer need to access The Work Number/Equifax directly.

a. NEW TALX INTERFACE SCREENS IN KEES

Below is a description of the new screens in KEES related to the TALX interface as well as the information provided within each screen.

i. TALX Interface List Page

The TALX Interface List page will display when the TALX hyperlink is selected within the applicable Response ID on the Real Time Interface Detail page that is associated to a successful TALX call for an individual. The TALX Interface List page will display the Employer Name, Person, Employment Status, Last Pay Period, and Call Date.

ii. TALX Interface Detail Page

The TALX Interface Detail page is accessed by selecting the employer name on the TALX Interface List page. Once an employer name is selected, information from one year prior to the date the interface was called will display. This includes information related to employment, benefits, income and deductions, as well as pay period detail. “Data Not Provided” will display if no information is returned for a particular field.

iii. TALX Paycheck List Page

The TALX Paycheck List page is accessed by selecting the Paycheck List button at the top or bottom of the TALX Interface Detail page. This page will populate with paycheck information for one year prior to the date the interface was called.

2. KPERS INTERFACE

KPERS interface functionality is included with this KEES release. The KPERS interface is a Tier One verification source and should be trusted even when not reported by the consumer.

a. KPERS INTERFACE SCREENS IN KEES

Below is a description of the new screens in KEES related to the KPERS interface as well as the information provided within each screen.

i. KPERS Interface List Page

The KPERS Interface List page will display when the KPERS hyperlink is selected within the applicable Response ID on the Real Time Interface Detail page that is associated to a successful KPERS call for an individual. The KPERS Interface List page will display Benefit Start Date, Benefit End Date, Person, Gross Monthly Benefit, and Call Date.

ii. KPERS Interface Detail Page

The KPERS Interface Detail page is accessed when a benefit start date is selected from the KPERS Interface List page, which will display the following information if data is found. "Data Not Provided" will display if no information is returned for a particular field.

a. *Person Name:* The first, middle, and last name of the individual receiving KPERS benefits.

b. *Member Type:* KPERS, KP&F, Judge, KPERS Special, KPERS After Retirement, or Legislative Session will display in this field. Income from KPERS is budgeted according to the policy outlined in KFMAM 5211 and Medical KEESM 6211 regardless of the member type shown.

c. *Deceased Date:* If a deceased date is present, it is considered verified. It is not necessary to obtain verification of the date of death from a secondary source.

d. *Benefit Start Date:* This is the date benefits began or the effective date of a change in benefit amount.

e. *Benefit End Date:* This date will appear if the KPERS income has ended or the benefit amount has changed.

f. *Issue Date:* This is the date the consumer's payment is actually issued.

g. *Benefit Year:* The year in which benefits are received.

h. *Thirteenth Check:* This field indicates whether the consumer receives a thirteenth KPERS check. Current policy outlined in KFMAM 5213 and Medical KEESM 6213 must be followed when the consumer receives a thirteenth KPERS check.

i. *Gross Benefit Amount:* This field displays the gross benefit amount received each month. The income amount shown in this field shall be budgeted for all medical assistance programs.

j. *Net Benefit Amount:* This field displays the net benefit amount received each month, after any deductions are taken from the gross monthly benefit amount.

k. *Benefit Deduction Amount:* This field displays the amount of any deductions taken from the gross monthly benefit amount. This field does not indicate what the deduction is for therefore it cannot be assumed the deduction is related to a health insurance premium expense. As indicated in section i immediately above, the gross benefit amount shall be budgeted. Additional information must be requested from the consumer if this deduction is related to a health insurance premium.

3. ACCESSING TALX AND KPERS INTERFACE INFORMATION IN KEES

Information from the TALX and KPERS interface may be accessed differently depending on the programs requiring income verification.

a. MAGI BUDGETED PROGRAMS

Programs which require a Reasonable Compatibility test as part of the eligibility determination will automatically access the TALX and KPERS interface through the “Request Verification” button on the Verifications List page in KEES.

It is important to note that eligibility staff shall only access the TALX Paycheck List page in situations where it is necessary to complete a manual Reasonable Compatibility test. As previously stated in policy memo 2018-03-01, the Manual Reasonable Compatibility Tool shall only be used if the KEES RC test fails to execute or an issue occurs and the KEES HelpDesk instructs staff to use the Manual RC Tool.

Information available through the TALX interface is not used to double-check the amounts listed on the Reasonable Compatibility Detail page. This includes comparing the employer information shown on the TALX interface with the employer information reported by the consumer. It is not unusual for the employer name shown on TALX to be different than the employer name known to and reported by the consumer. For example, the consumer reports working at Hardees which is owned and operated by CKE Restaurants Holdings, Inc. While CKE Restaurants Holdings, Inc. may appear on TALX, it is the same employer as Hardees and is not considered a red flag.

In situations where the consumer has not reported KPERS income and the KPERS interface verifies the consumer does receive a monthly benefit, the gross benefit amount shall be budgeted.

b. Long Term Care and Working Healthy

For Long Term Care and Working Healthy, where Reasonable Compatibility is not applicable, the TALX and KPERS interface may be accessed through the Interface Search page.

i. Interface Search Page

The Interface Search page is accessible from the Verifications List page in KEES. Medical users will be able to utilize the Interface Search functionality by changing the Program Type on the Verifications List page to reflect Non-Medical, then select the Interface Search button at the bottom of the page. Users must select the name of the consumer as well as the TALX and/or KPERS Interface Type before selecting the "Call" button. Multi-select functionality is available for both the Name and Interface Type.

ii. Use of TALX and KPERS Interface Data

a. TALX Interface

For Long Term Care and Working Healthy, the TALX interface is a Tier Three verification source. Effective with this release, TALX information shall be accessed through KEES instead of The Work Number/Equifax online.

b. KPERS Interface

As indicated above, the KPERS interface is a Tier One verification source. For Long Term Care and Working Healthy, the KPERS interface shall be called when an individual reports receiving a monthly KPERS benefit. It is not appropriate to call the interface in situations where the consumer has not indicated receiving income from this source.

E. Date of Death Interface Process

A new process to utilize information from the date of death interface with Vital Statistics is implemented with this release. The new process is designed to improve both timeliness and accuracy associated with processing a date of death. The process will automatically

import a date of death from the interface to KEES. Staff must then verify the date of death using a reliable source. Because this is a shared process with DCF, special attention must be given to clients who have both medical and non-medical cases.

As background, it is important to point out that KDHE has multiple interfaces that provide a date of death. The new automated process utilizes only the file from KDHE Vital Statistics. Information from other interfaces (such as MMIS, Social Security and CMS) may continue to provide a date of death and produce tasks, but will not initiate the automated process described here.

1. *Description of Process*

The new process begins when a date of death is received from Vital Statistics for an active KEES consumer. KEES will utilize specific criteria based on a weekly batch run of persons in Kansas who have passed away to determine if there is a matching consumer. Once the consumer is matched, the date of death from the interface file is written to the Deceased Date on the Individual Demographics page in KEES and the verification indicator is set to 'Pending'. At this point, a task is also created – 'KDHE Verify Date of Death' notifying staff there is a date of death pending for the individual.

Note that only the Deceased Date field will be populated. Other KEES action, such as updating the LTC Data Details page or shortening the Medically Needy base period, must be completed separately once the date of death has been updated and verified.

2. *Secondary Verification*

The Vital Statistics information is considered a lead. So, upon receiving the task, the newly reported date of death must be verified through another source. The same verification options used by staff today are used to substantiate the reported date of death. Secondary verification sources include SSA (including SDX, TPQY, Bendex), obituaries, etc. The method used to verify the DOD must always be documented.

Once verification is received the verification field is updated, other case actions completed (including LTC data details) and EDBC is executed.

In the event the DOD cannot be verified and the information is incorrect, the date of death is cleared and the facts are journaled.

3. *Coordination with DCF*

As indicated above, the date of death interface and process is shared with DCF. Because the DOD field is a shared element, special rules apply. While processing the interface records, KEES will recognize when both medical and non-medical cases exist.

Although only one record will be created on the Individual Demographics page, two tasks will be created – one for the medical case and one for the non-medical case.

Because the DOD and verification fields are shared, only one agency is required to verify the information. However, each agency is responsible for taking any final action on the respective cases. Because DCF utilizes more aggressive verification standards regarding the DOD, KDHE shall accept any verified DOD without additional information. For situations where DCF processes the task first and updates the verification field to 'Verified', KDHE must still complete the case by updating EDBC but new verification is not needed. In some situations, it may be necessary to access the non-medical cases to determine the action taken by the non-medical worker. Thorough documentation of actions taken as well as the method of DOD verification is required. When DOD has been verified by DCF, "Date of death verified through DCF records" shall be included in the Journal.

4. IMPORTANT REMINDERS

The new batch does not eliminate special processing required for LTC and Medically Needy programs. The special processes can be found in the Death of a Consumer Job Aid.

F. REVIEW PERIOD CHANGE

There is a change to the appropriate review period for MAGI households that include an 18 year old recipient. For program blocks that include an 18-year-old recipient and at least one other recipient child, the review date will no longer be tied to the month the 18-year-old turns age 19. Instead, the review date will be based on the CE period of the other recipient child. For cases where there are multiple children on the program block, the review date will be set based on the child with the earliest CE period. This is not applicable to 18-year-old who are not subject to a CE period (e.g. SSI recipients). In addition, if the 18-year-old has the same CE date as the other members, the review date will be same date as the 18-year-old (as it will be tied to the younger child).

Example: A new application is processed for 15-year-old brother and 18-year-old sister in December. Coverage for both begins in December. The CE date for brother continues to be set for November 2019. Sister's CE date is based on the month she turns 19 – May 2019. The review date for the program block will now be November 2019.

This change is applicable to any new application or review processed on or after the KEES release on October 21, 2018. Note the first full KEES review batch scheduled for mid-November will apply this new rule.

G. Pre-Implementation – MAGI Income Deductions

Beginning in December 2018 a new policy will be implemented to reduce countable earned income by any pre-tax deductions withheld from pay. In addition, allowable adjustments from federal income tax will also be used to reduce countable income. Although neither policy will be effective until December 1, functionality to support these changes is implemented with this KEES release. To avoid incorrectly processing a case in the interim, staff are not to use the functionality until instructed to do so. Most notably, there is to be no data entered in the new Pre-Tax Withholdings field on the Income Amount Detail page. The new Expense Category of MAGI Income Deductions shall also remain unused.

2. Changes Impacting Elderly and Disabled Medical Programs Only

The following changes are applicable to Elderly and Disabled Medical programs only.

A. Medically Needy Spenddown Process Changes

The changes described below are applicable to system-generated NOAs related to the Medically Needy Spenddown program. When completing an eligibility action, staff are required to evaluate the NOA generated by KEES in order to determine if the information contained within is accurate.

1. Treatment of Expenses

Effective with this release, KEES will consider all expenses, both high-dated and end-dated, for the entire Medically Needy spenddown period. As a result, when taking action to approve a Medically Needy spenddown, KEES will generate an accurate approval NOA which includes the correct spenddown amount, expense amount, and remaining spenddown amount. This eliminates the need for eligibility staff to generate a General Correspondence notice using approved language from the Standard Text for Copy and Paste spreadsheet on the KEES Repository to inform the consumer of their eligibility for a Medically Needy spenddown.

There is no change to the process in which eligibility staff add or update medical expenses in KEES however, it is important to note that eligibility staff must run EDBC in order, beginning with the month of application through the come-up month. A subsequent change NOA will not generate at the time of approval unless a change is made to the base period after the approval NOA has been generated.

Example: Consumer applies in 11/2018. They receive $1,254 each month in Social Security and also pay premium of $134 each month for Medicare Part B. When processing a Medically Needy spenddown, the Medicare Part B premium is allowed as an expense for the months of 11/2018 and 12/2018, as buy-in could potentially begin

1/2019. The approval NOA generated for 11/2018 indicates the consumer is approved with a remaining spenddown amount of $4,286. This amount is based on the Medicare Part B premium being allowed for only the first two months of the base period.

2. *Notification of Change in Spenddown Base Period*

Effective with this release, KEES will generate a change NOA when processing a subsequent Medically Needy spenddown base period (i.e. the second six-month base period) where no change in the spenddown amount has occurred. This eliminates the need for eligibility staff to manually generate notification to the consumer that informs them of a change to their base period.

Example: A consumer is approved for a spenddown with a six-month base period of January through June. The spenddown amount is $1,080. In July, the consumer is approved for a subsequent spenddown with a six-month base period of July through December. The spenddown amount remains $1,080. Upon running EDBC for July, a system-generated NOA is produced to notify the consumer of the new base period and spenddown amount. If the second base period is authorized after the MMIS Monthly file has ran, communication with the KEES HelpDesk is needed in order for the Medically Needy eligibility to update in the MMIS.

The Standard Text for Copy and Paste spreadsheet located on the KEES Repository will be updated to remove fragments which are no longer needed.

3. Questions

For questions or concerns related to this document, please contact one of the KDHE Medical Policy Staff listed below.

Jeanine Schieferecke, Senior Manager – Jeanine.Schieferecke@ks.gov
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Vacant, Family Medical Program Manager

Questions regarding any KEES issues are directed to the KEES Help Desk at KEES.HelpDesk@ks.gov