

MEDICAID OVERVIEW

Division of Medical Assistance
Medicaid Eligibility
June 2015



What is Medicaid?

- Medicaid is a health insurance program for certain low income and needy people.
- It is governed by federal and state laws and regulations.
- Examples of covered services include hospital care, long term care, doctor's visits, dental care, prescriptions, and eyeglasses (limitations, depending on program).

Two Major Program Areas in Medicaid:

- Aged, Blind, and Disabled (MAA, MAB, MAD)
- Families and Children (MAF, MIC, MPW, FPP)



Automatic Eligibility

- Individuals who are eligible for and receiving assistance in the following program are automatically eligible for Medicaid:
 - Supplemental Security Income (SSI)

Aged, Blind, and Disabled

- MAA - People aged 65 or older
- MAD, MAB - People under the age of 65 who are disabled or blind according to Social Security standards.



General Eligibility Requirements

- Be a resident of North Carolina
- Be a US citizen or qualified alien
- Not be incarcerated or a resident of a public institution
- Have income below the standard for the applicable category
- Have assets below the allowable limits (not applicable to all Medicaid programs)
- Provide verification of all health insurance
- Provide a SSN or apply for one
- Cooperate in establishing child support when applying for both the child and the caretaker (post-eligibility)

Eligibility Groups

- Mandatory Groups
 - Every state is required to cover based on federal regulations
- Optional Groups
 - NC chooses to cover



Medically Needy

- If the applicant income exceeds the limit in this classification, he may qualify for Medicaid by meeting a deductible.
- A deductible is defined as an amount for medical expenses that must be paid or incurred by the applicant or a current household member before Medicaid can be authorized.

Medically Needy

A deductible is calculated by subtracting the appropriate maintenance allowance from the total countable income. This result is considered a monthly excess, which is then multiplied by the number of months in the certification period. The applicant is not authorized until the deductible is met.

Medically Needy Example

- *Helen is a widow, age 75 and applies for Medicaid on 4/11. She has monthly Social Security benefit of \$1041.00. With a \$ 20.00 general deduction, here countable income is \$1021.00 . Her resources are under \$2000. She is applying for Medicaid for the Aged (MAA).*
- *Because her monthly income exceeds the limit of \$981.00 for full Medicaid, the only way she can qualify for full benefits is to meet a deductible.*

Medically Needy

\$1041.00 Helen's countable income

- 20.00 General deduction

\$1021.00 Countable monthly income

- 242.00 Maintenance allowance

\$ 779.00 Monthly excess Income

x 6 # of months in a certification period

*\$4674.00 Deductible amount for period 4/1
through 9/30*

How is a deductible met?

Similar to insurance deductibles, you must incur medical expenses that total the amount of the deductible. Requirements include:

- ❖ Medical bills must be the applicant's responsibility to pay, and**
- ❖ Have unpaid medical bills incurred within the last 2 years or if older than 2 years, must have had a payment within the past 2 years.**

Resource Requirements

- The resource limit is \$2000 for one and \$3000 for a couple in the MAA, MAB, or MAD categories.
- Examples include: Cash on hand, bank accounts, retirement accounts if the balance can be withdrawn, cash value of life insurance, stocks, mutual funds, promissory notes, motor vehicles, real property, etc.



Medicaid for Long Term Care

- **A Medicare-Medicaid certified nursing facility**
- **ICF-MR, Skilled nursing facility (SNF)**
- **SNF Rehab**
- **Skilled nursing care in a general hospital (called a swing bed or inappropriate level of care bed).**
- **Psychiatric unit in a state mental hospital (Age 65 or older, or under age 21)**
- **Psychiatric Residential Treatment Facility (PRTF) (Age 65 or older, or under age 21)**
- **General/Acute Care Hospital**
- **In one's home setting (under waiver/PACE)**

Medicaid for Long Term Care

Requirements:

- Must meet nursing home level of care
- Must meet general eligibility requirements for Medicaid
- Income is budgeted differently
- Must not have transferred assets for less than current market value
- Some income and resources may be protected for the spouse at home
- Must agree to Medicaid estate recovery

Long Term Care Budgeting

Individuals who apply for Medicaid for assistance with nursing home care are budgeted “long term care” meaning that from their gross income certain deductions and allowances are given and the remainder of their income is owed to the NF as their Patient Monthly Liability. The income must be paid to the NF each month and Medicaid pays the balance.

Long Term Care Budget Example

Mr. Smith has monthly income \$950.00 from Social Security

- Establish financial need by comparing income to the minimum Medicaid reimbursement rate for 31 days.

\$950 Total countable income

- \$30 personal needs

\$920 amount owed to NF each month as Patient Monthly Liability

Income Allocation for Spouse at Home

- Same situation as on previous slide except there is a wife at home.
- Her income is \$700 SS monthly.
- \$1967 Basic Allowance
 - 700 Wife's income
 - \$1267 Maximum amount spouse is allowed to keep which is greater than \$950

New budget for LTC $\$950 - 30 = \920 amount available for spouse. \$0 owed to the NF each month.

Covered LTC Services

- Room charge
- General nursing care
- Personal items (diapers, bandages, laundry services, basic hair cut, etc.)
- Over the counter medicines
- Crutches, walkers, wheelchairs, canes, etc.
- Dietary services
- Physical, speech, or occupational therapy

CAP – Community Alternative Programs

- Medicaid home and community based services waivers granted by the Centers for Medicare and Medicaid Services (CMS)
- Allows individuals who would otherwise need nursing home care to remain at home
- The Medicaid cost of home and community services may not exceed the cost limit for the CAP program. This limit is compared to the cost of institutional care.

Community Alternatives Program (CAP)

- Must meet general eligibility requirements for Medicaid
- Must be eligible in the Aged, Blind, and Disabled Medicaid categories with a few exceptions.
- Income of the parent or spouse is not counted
- Deductibles are monthly rather than 6 months
- Like LTC, some resources may be protected for the spouse
- Must not have transferred assets for less than current market value
- Payment for CAP services is not retroactive.
- Must agree to Medicaid estate recovery

Medicaid for Qualified Beneficiaries (MQB)

- MQB is a special Medicaid program for people on Medicare who have limited income and assets but are not eligible for full Medicaid. The resource limits are higher than traditional Medicaid. The limit for 1 is \$7280 and for a couple, \$10,930.

MQB Categories

- MQB-Q – Pays Medicare Part B premiums, Medicare deductibles, and coinsurance.
- MQB-B and MQB-E – Pays the Part B premium only
- Beneficiaries do not receive a Medicaid card.

How To Apply for Medicaid

- In person at the local Department of Social Services in the county where you live.
- By mail-applications are available at www.ncdhhs.gov
- On-line at www.epass.nc.gov
- By telephone
- Representatives may apply on behalf of individuals unable to apply for themselves.
- Staff at some hospitals may assist in completing an application.

DMA Website

For additional information, visit the DMA website at www.ncdhhs.gov/dma.



Or call your local Department of Social Services.