Appendix 42 ▪ Institutional Deeming Waiver Aid Codes Department of Health Services Letter Number: 03-22

State of California—Health and Human Services Agency
Department of Health Services

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TO: ALL COUNTY WELFARE DIRECTORS
ALL COUNTY ADMINISTRATIVE OFFICERS
ALL COUNTY MEDI-CAL PROGRAM SPECIALISTS/LIAISONS
ALL COUNTY HEALTH EXECUTIVES
ALL COUNTY MENTAL HEALTH DIRECTORS
ALL COUNTY MEDI-CAL LIAISONS

Letter No.: 03-22

SUBJECT: NEW MULTIPURPOSE SENIOR SERVICES PROGRAM WAIVER AID CODES

The purpose of this letter is to inform counties of a change in eligibility rules for certain persons 65 years and older who are certifiable for placement in a nursing facility, but wish to live at home with a spouse. These persons are currently not eligible for Medi-Cal or would have a share-of-cost (SOC).

Background

The Department of Aging Multipurpose Senior Services Program Waiver (MSSP) has been in existence since 1983 and has provided non-traditional Medi-Cal community-based services to persons 65 years and older who meet the Medi-Cal criteria for inpatient care in a nursing facility. Program eligibility requirements are:

- Be age 65 or older;
  Receive full-scope Medi-Cal under an acceptable aid code;
- Are certifiable for placement in a nursing facility;
- Live within a site's service area;
- Able to be served within the program's cost limitations; and
- Be appropriate for care management services.

The goal of the program is to arrange for and monitor the use of community services to prevent or delay premature institutional placement of these frail clients. The services must be provided at a cost lower than that for nursing facility care.

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MSSP provides the interdisciplinary (nurse and social work) care management services that coordinate the utilization of community-based services. Care managers initiate and oversee the process of assessments, care plan development, service arrangement, ongoing monitoring, and reassessment of a client's needs. To arrange for services, care management staff first explore support that might be available through family, friends and the volunteer community. They then review existing publicly funded services and make direct referrals whenever possible. If needed services are not available through these resources, the care management team can authorize the purchase of some services from MSSP funds. Services that may be purchased under the waiver include: health care (skilled nursing); adult social day care; housing assistance; chore and personal care; respite; transportation; meal services; protective services; and special communication services. Referrals to the program come from a variety of sources including, but not limited to, local county agencies, social service and aging organizations, hospitals, home care agencies, and a variety of other community-based groups.

New Amendment

An amendment to this waiver was recently approved by the Centers for Medicare and Medicaid Services. The new amendment will allow MSSP to bill Medi-Cal for transitional services that were provided during the last six months of a Medi-Cal individual's institutional stay. These services must be to support the de-institutionalization of a Medi-Cal individual, and are billed once the individual leaves the institution. The new amendment also will now allow the county to determine eligibility using institutional deeming rules (spousal impoverishment) for a person who moves from the institution and returns home to his/her spouse or for a person who is already living at home with his or her spouse. The number of persons eligible under this provision is limited to five percent of the total waiver clients or about 816 persons state-wide. The MSSP will be responsible for ensuring this limit is not exceeded.

Referring Agency: California Department of Aging (CDA)

CDA has an interagency agreement with the Department of Health Services (DHS) to operate the MSSP Waiver. Within CDA, the MSSP Section of the Medi-Cal Services Branch is the unit responsible for reviewing and monitoring the program. CDA contracts with either public entities or private nonprofit agencies (MSSP sites) to run the program at the local level. CDA is responsible for oversight of these contracts.

The local MSSP sites will determine the medical appropriateness of waiver coverage before referral to the county by reviewing the applicant's health and psychosocial needs

and functional status. If appropriate, the MSSP site will refer him or her to the county for an eligibility determination or redetermination via the MSSP Waiver Referral form. Counties may share ongoing eligibility information with the local MSSP sites. Each site has identified a staff person to liaison with the county.

The MSSP Process

Individuals who are Medi-Cal eligible using regular income and property rules (including spousal impoverishment if they are institutionalized and have community spouses) and who need MSSP services are evaluated by the MSSP program to determine whether they meet the MSSP criteria. These individuals may currently be in a nursing facility and wish to return to the home of their spouse or are already living at home with their spouse. Counties will not receive a referral for individuals who are already eligible for Medi-Cal without an SOC and are currently receiving MSSP services unless they have a change in circumstances. **Exception:** Some individuals are eligible for MSSP services who have an SOC if they also have a secondary Personal Care Services Program (PCSP) tracking aid code. (The SOC is certified as met at the beginning of the month based on the beneficiary's projected costs for his or her PCSP services.)

Modified Eligibility Determination Under the MSSP Waiver

When the county contact person receives an MSSP referral form for a married applicant or beneficiary and the county determines that the individual will be property ineligible or has an SOC using regular rules, the waiver allows institutional deeming rules to apply. The Medi-Cal MSSP eligibility determination is as follows:

- The applicant/beneficiary is treated as if he or she was institutionalized for purposes of the treatment of income and resources.
- Spousal impoverishment rules apply.
- The MSSP individual is in his/her own Medi-Cal Family Budget Unit (MFBU). If other family members wish to be aided, the individual is treated similar to those on public assistance, e.g., the individual may be used to link other family members although the individual is not in the family's MFBU.

- The MSSP individual must be eligible for full benefits with or without an SOC. **NOTE:** A person residing in a nursing home under the limited state-only Aid Code of 53, a person in another limited-scope aid code, or a person who does not have satisfactory immigration status is not eligible.

- The county should use the most beneficial full-scope Medi-Cal program to determine eligibility that is applicable to the applicant, e.g., Pickle, the Aged and Disabled program, the Medically Needy (MN) program. Eligibility is based on the individual's own income and resources, including amounts remaining after spousal impoverishment rules are applied.

Example A

John is a 70 year old applicant who is referred to the county by the MSSP site. He is living at home with his spouse. They have no minor children living in the home. The county determines that he is property eligible, but is not eligible for the Aged and Disabled Federal Poverty Level Program and would have an SOC as an MN person. The county then applies spousal impoverishment rules after certain deductions from his gross income. John may allocate the lesser of the maximum spousal income allocation to his spouse or up to her limit for the spouse at home. His monthly SOC is based on the remaining amount of his income. The county identifies him on the Medi-Cal Eligibility Data System with the appropriate new MSSP waiver aid code.

Example B

Tom is 65 years old and currently eligible in the MN program with a monthly SOC of $1,000. The county receives a referral by the MSSP site. He is living at home with his spouse. There are no minor children in the home. The county applies spousal impoverishment rules and his SOC is reduced to zero.

Example C

Paul is 80 years old and referred to the county by the MSSP site. He is living at home with his spouse and there are no minor children in the home. The county determines he is property ineligible for any Medi-Cal program and his own income is below the MN limit. The county then applies spousal impoverishment rules and finds him to be property eligible. Since his income is already below the MN limit, there is no need to allocate any of his income to the spouse.

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New Aid Codes

Aid codes for individuals qualifying for the MSSP waiver under these special institutional deeming rules are:

1X MSSP No SOC

1Y MSSP SOC

The effective date for these aid codes is June 1, 2003.

In most counties, persons in 1X (No SOC) may choose to be in either fee-for-service or a managed care plan. 1X is not a mandatory Managed Care Plan aid code.

Notices of Action (NOAs) and the CDA MSSP Referral Form

Enclosed are camera-ready NOAs in English and Spanish and an MSSP Referral Form.

MSSP Site Roster

Persons inquiring about the MSSP program should be referred to the appropriate agency on the enclosed MSSP Site Roster and contact list; however, only those persons who live within the boundaries of the sites may be eligible for MSSP services. There are some locations that are not within the boundaries of an agency at this time. Counties should phone the nearest contact person for more information.

County Contact Person

Also enclosed is a list of the county contacts for waivers that require special income and property determinations (waiver of parental deeming and spousal impoverishment rules). Please report any changes to Ms. Margie Buzdas of my staff at (916) 657-0726 or email her at mbuzdas@dhs.ca.gov.

ORIGINAL SIGNED BY
Beth Fife, Chief
Medi-Cal Eligibility Branch

Enclosures

Enclosures have not been included with this exhibit.