

17.1 INTRODUCTION 1

NURSING FACILITY SERVICES

17.2 APPLICATION/REDETERMINATION 2

 A. THE APPLICATION PROCESS 2

 B. REDETERMINATION PROCESS 4

17.3 CASE MAINTENANCE 7

 A. COUNTY TRANSFER 7

 B. CHANGES AFFECTING INCOME AND POST-ELIGIBILITY CALCULATIONS . 7

 C. DISCHARGES AND CLOSURES 7

17.4 VERIFICATION 8

17.5 RESOURCE DEVELOPMENT 9

17.6 NOTIFICATION 10

 A. WHO RECEIVES NOTIFICATION 10

 B. ES-NH-3, NOTICE OF CLIENT'S CONTRIBUTION TOWARD HIS COST OF CARE 10

 C. IM-NL-LTC-1 11

 D. IM-NL-LTC-2 11

 E. ES-NL-D 11

 F. IM-NL-AC-1 11

17.7 COMMON ELIGIBILITY REQUIREMENTS 12

17.8 ELIGIBILITY DETERMINATION GROUPS 13

 A. THE BENEFIT GROUP 13

Long Term Care

B. THE INCOME GROUP 13

C. THE NEEDS GROUP 13

D. CASE COMPOSITION 13

17.9 INCOME 14

A. EXCLUDED INCOME SOURCES 14

B. BUDGETING METHOD 14

C. FINANCIAL ELIGIBILITY PROCESS 16

D. POST-ELIGIBILITY PROCESS 18

E. EXAMPLES 26

17.10 ASSETS 30

A. ASSET ASSESSMENTS 30

B. TRANSFER OF RESOURCES 33

 1. Definitions 34

 2. Effective Date 36

 3. Look-Back Period 36

 4. Permissible Transfers 36

 5. Transfers Which Are Not Permissible 38

 6. Transfer With Retention Of A Life Estate 38

 7. Transfer To Purchase An Annuity 39

 8. Transfer Penalty 40

 9. Treatment Of The Transfer Of A Stream Of Income 43

 10. Treatment Of Jointly Owned Resources 44

C. HOMESTEAD PROPERTY EXCLUSION 44

**17.11 ESTABLISHING MEDICAID CATEGORICAL RELATEDNESS AND THE MEDICAL
NECESSITY FOR NURSING FACILITY CARE 46**

A. ESTABLISHING MEDICAID CATEGORICAL RELATEDNESS 46

B. ESTABLISHING MEDICAL NECESSITY, THE PAS-2000 46

Long Term Care

C. ESTABLISHING MEDICAL NECESSITY, PHYSICIAN'S PROGRESS NOTES OR ORDERS 50

17.12 SPECIAL PROCEDURES RELATED TO COVERAGE GROUPS 52

A. SSI RECIPIENTS 52

B. DEEMED SSI RECIPIENTS 52

C. QUALIFIED MEDICARE BENEFICIARIES (QMB) 52

D. APPLICATION OF TRUST AND TRANSFER OF RESOURCES POLICY 52

17.13 BENEFIT REPAYMENT 53

A. RECIPIENT REPAYMENT 53

B. PROVIDER FRAUD 53

C. ESTATE RECOVERY 53

17.14 RESERVED FOR FUTURE USE 54

17.15 MANAGEMENT OF THE PERSONAL NEEDS ALLOWANCE 55

A. NURSING FACILITY RESPONSIBILITIES 55

B. PERSONAL NEEDS ALLOWANCE CHARGES NOT PERMITTED 55

C. CHARGES PERMITTED 57

D. WORKER RESPONSIBILITIES 58

17.16 BILLING PROCEDURES AND PAYMENT AMOUNTS 59

HOME AND COMMUNITY BASED WAIVER (HCB)

17.17 THE APPLICATION/REDETERMINATION PROCESS 60

17.18 CASE MAINTENANCE 62

A. COUNTY TRANSFER 62

Long Term Care

B. CHANGES IN INCOME 62

C. CHANGE IN MEDICAL CONDITION 62

17.19 VERIFICATION 64

17.20 RESOURCE DEVELOPMENT 65

17.21 NOTIFICATION 66

A. CLIENT 66

B. CASE MANAGEMENT AGENCY 66

C. OTHER 66

17.22 COMMON ELIGIBILITY REQUIREMENTS 67

17.23 ELIGIBILITY DETERMINATION GROUPS 68

A. THE BENEFIT GROUP 68

B. THE INCOME GROUP 68

C. THE NEEDS GROUP 68

D. CASE COMPOSITION 68

17.24 INCOME 69

17.25 ASSETS 70

17.26 ESTABLISHING MEDICAL NECESSITY 71

17.27 SPECIAL PROCEDURES RELATED TO COVERAGE GROUPS 72

A. SSI AND DEEMED SSI RECIPIENTS 72

B. ALL OTHERS 72

17.28 BENEFIT REPAYMENT 73

A. RECIPIENT REPAYMENT 73

Long Term Care

B. PROVIDER FRAUD 73

C. ESTATE RECOVERY 73

17.29 SPECIAL DATA SYSTEM INSTRUCTIONS 74

A. SSI AND DEEMED SSI RECIPIENTS 74

B. ALL OTHERS 74

17.30 MANAGEMENT OF THE PERSONAL NEEDS ALLOWANCE 75

17.31 BILLING PROCEDURES AND PAYMENT AMOUNTS 76

MENTALLY RETARDED/DEVELOPMENTALLY DISABLED (MR/DD)

17.32 THE APPLICATION/REDETERMINATION PROCESS 77

17.33 CASE MAINTENANCE 78

A. COUNTY TRANSFER 78

B. CHANGES IN INCOME 78

C. CLOSURE/DENIAL 78

17.34 VERIFICATION 79

17.35 RESOURCE DEVELOPMENT 80

17.36 NOTIFICATION 81

A. CLIENT 81

B. CASE MANAGER 81

C. OTHER 81

17.37 COMMON ELIGIBILITY REQUIREMENTS 82

17.38 ELIGIBILITY DETERMINATION GROUPS 83

A. THE BENEFIT GROUP 83

Long Term Care

B. THE INCOME GROUP 83

C. THE NEEDS GROUPS 83

D. CASE COMPOSITION 83

17.39 INCOME 84

17.40 ASSETS 85

17.41 ESTABLISHING MEDICAL NECESSITY 86

17.42 SPECIAL PROCEDURES RELATED TO COVERAGE GROUPS 87

A. SSI RECIPIENTS AND DEEMED SSI RECIPIENTS 87

B. ALL OTHERS 87

17.43 BENEFIT REPAYMENT 88

A. RECIPIENT REPAYMENT 88

B. PROVIDER FRAUD 88

C. ESTATE RECOVERY 88

17.44 SPECIAL DATA SYSTEM INSTRUCTIONS 89

A. SSI RECIPIENTS AND DEEMED SSI RECIPIENTS 89

B. ALL OTHERS 89

17.45 PERSONAL NEEDS ALLOWANCE 90

17.46 BILLING PROCEDURES AND PAYMENT AMOUNTS 91

INTERMEDIATE CARE FACILITY/MENTALLY RETARDED (ICF/MR)

17.47 THE APPLICATION/REDETERMINATION PROCESS 92

17.48 CASE MAINTENANCE 94

A. COUNTY TRANSFER 94

Long Term Care

B. CHANGES IN INCOME 94

C. CLOSURE/DENIALS 94

17.49 VERIFICATION 95

17.50 RESOURCE DEVELOPMENT 96

17.51 NOTIFICATION 97

A. CLIENT 97

B. LTC/AC UNIT 97

17.52 COMMON ELIGIBILITY REQUIREMENTS 98

17.53 ELIGIBILITY DETERMINATION GROUPS 99

A. THE BENEFIT GROUP 99

B. THE INCOME GROUP 99

C. THE NEEDS GROUP 99

D. CASE COMPOSITION 99

17.54 INCOME 100

A. ELIGIBILITY 100

B. POST-ELIGIBILITY 100

17.55 ASSETS 101

17.56 ESTABLISHING MEDICAL NECESSITY 102

17.57 SPECIAL PROCEDURES RELATED TO COVERAGE GROUPS 103

A. SSI RECIPIENTS AND DEEMED SSI RECIPIENTS 103

B. ALL OTHERS 103

Long Term Care

17.58 BENEFIT REPLACEMENT 104

 A. RECIPIENT REPAYMENT 104

 B. PROVIDER FRAUD 104

 C. ESTATE RECOVERY 104

17.59 SPECIAL DATA SYSTEM INSTRUCTIONS 105

17.60 MANAGEMENT OF PERSONAL NEEDS ALLOWANCE 106

17.61 BILLING PROCEDURES AND PAYMENT AMOUNTS 107

APPENDIX A TRANSFER OF RESOURCE POLICIES A-1

APPENDIX B REMAINDER INTEREST TABLES B-1

APPENDIX C PATIENT'S RIGHTS C-1

**APPENDIX D SAS DATA SET INFORMATION SCREEN - SPOUSAL ASSETS
ASSESSMENT** D-1

APPENDIX E LIFE EXPECTANCY TABLES E-1