

DATE: April 22, 2015

OPERATIONS MEMORANDUM #15-04-02

SUBJECT: Medical Assistance (MA) Rule Changes Under HealthChoices Expansion (HCE) in Pennsylvania

TO: Executive Directors

FROM: Inez Titus
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PURPOSE

To inform County Assistance Offices (CAOs) of the implementation of HCE beginning April 27, 2015 and the changes to MA related to the expansion.

BACKGROUND

On February 2, 2015, Governor Tom Wolf announced the transition from the *Healthy Pennsylvania* 1115 Demonstration Waiver (*Healthy PA*) to HCE.

DISCUSSION

This document describes the following major provisions of HCE:

- Effect on current MA recipients and current health care benefit packages (HCBPs).
- Phased transition to HCE and gradual removal of the *Healthy PA* Private Coverage Option (PCO).
- Removal of the health screening and clinical validation.
- Changes to the Raise Your Hand Process and its phasing out.
- MA eligibility rules that are not changing under HCE.
- Handling appeals

Current MA Recipients and HCBPs Transition

All adult individuals eligible for MA in a non-PCO category will be transitioned from the Healthy or Healthy Plus HCBP to the Adult HCBP. Recipients received a benefit notice explaining this change during the week of March 23, 2015. Please see [OPS Memo 15-03-03](#) describing these benefit notices for more information.

HCE has no effect on the following individuals, categories, and their related HCBPs:

- PG 00, Medicare Cost Sharing.
- TA/TJ 65 or 67, Buy-In only.
- PS 17, Presumptive Eligibility (PE) for Pregnant Women.
- Children under age 21.

Phased Transition and Gradual Removal of PCO Categories

The transition from *Healthy PA* to HCE will occur in two phases.

The first transition phase, occurring April 25, 2015 to April 26, 2015, will:

- Transition individuals who received MA (including SelectPlan for Women) at any point in the month of December 2014 and are open in PCO 91/92 or who have PCO Gap Coverage (MG 93/94) on April 25, 2015.

Reminder: PCO Gap Coverage are MA categories enrolled in Fee-For-Service (FFS) pending the opening of the PCO category. These categories are used for PCO-eligible recipients for either retroactive MA requests or to provide MA coverage between the date of application and the PCO begin date.

Note: When the first transition phase occurs, any individual with a future PCO begin date who did not receive MA in the month of December 2014, will still be placed into the PCO category. This population is scheduled to transition in the second phase.

- An automated transition notice will be sent to these individuals. See [Attachment 1](#) for transitioning PCO recipients and [Attachment 2](#) for PCO Gap Coverage recipients.

Note: Although the attachments do not contain the Fair Hearing Notice, a Fair Hearing Notice will be included in the transition notices sent to recipients.

- Recipients scheduled to transition in the first transition phase will transition as follows:
 - PCO 91 and MG 93 will transition to MG 91.
 - PCO 92 and MG 94 will transition to MG 92.

- PCO 99 will transition to MG 00 (Target Type P), the MAGI category that is used for pregnant women with income equal to or less than the 215 percent of the Federal Poverty Limit (FPL).

Note: Individuals who only received TD 55, TJ 65, or TJ 67 during December 2014 and who are open in PCO (or PCO Gap Coverage) on April 25, 2015 will not be transitioned on this date.

- Remove PCO and PCO Gap Coverage as categories from the MA cascade for eligibility.
- Rename all references in eCIS of both Healthy and Healthy Plus HCBPs as Adult HCBP.

The second transition phase, occurring July 25, 2015 to July 26, 2015, will transition any individuals remaining in the PCO to MA:

- PCO 91 will transition to MG 91
- PCO 92 will transition to MG 92
- PCO 99 will transition to MG 00 (Target Type P)

For cases that are scheduled to be transitioned in the second phase, any change reported that results in an eligibility review or case closure prior to July 25, 2015, will follow standard procedures. The PCO category is being removed from the MA cascade as of April 25, 2015. Therefore, if eligibility is run, the individual's PCO will correctly close and appropriate notice will be generated. If the individual remains eligible for MA, the appropriate MA category will be opened and appropriate eligibility notices will be generated. The PCO category will close based on existing rules (see examples below). If the individual is moving from PCO to MA and is eligible for Managed Care Organization (MCO) coverage, the MCO will begin the day after the PCO closes. During the period between the day the change was processed and the MCO begin date, the individual will receive any MA services that are not covered by the PCO through FFS. The Client Information System (CIS) will automatically create a Third Party Liability (TPL) record for the PCO for the overlap period.

Example: Mary is receiving PCO 91 and never received MA previously. On May 5, 2015, she calls the CAO and requests to be moved to MA and the CAO runs eligibility the same day. Mary's PCO 91 will close effective May 31, 2015. Her MG 91 will start effective May 5, 2015 in FFS. Her MA MCO coverage will begin on June 1, 2015. A TPL will be created for the PCO from May 5, 2015 through May 31, 2015.

Example: John is receiving PCO 91 and never received MA previously. On May 24, 2015, he submits a health screening and the CAO runs eligibility the same day. John's PCO 91 will close effective June 30, 2015. His MG 91 will start effective May 24, 2015 in FFS. His MCO coverage will begin on July 1, 2015. A TPL will be created for the PCO from May 24, 2015 through June 30, 2015.

NOTE: If the Raise Your Hand request is submitted because the individual has a pending Medical Assistance Transportation Program request, dental appointment or other service covered under MA but not PCO, eligibility will be run no later than the date that the service is needed.

If a Drug and Alcohol (D&A) provider, to include a treatment facility, contacts the CAO (either themselves or by sending the recipient into the CAO) and reports that a PCO recipient who has not yet been transitioned has entered residential (inpatient) D&A treatment or a halfway house, a Facility Code of 01 will be entered and MG 91 or MG 92 will be authorized back to the first of the month. Once the MA has been authorized, the CAO will enter narrative using the following template:

Name of individual requesting MCO:
Type/name of facility:
Treatment start date:
Treatment:
PCO eligibility end date:
MA eligibility begin date (beginning of month, when possible):
Date email sent to the Membership Management mailbox:

The CAO will then copy the narrative into an email, add the recipient's individual number, and send the email to Membership Management mailbox with the subject line of "Expedited PCO to MCO". The Office of Medical Assistance Programs will then negate the PCO period, recoup any capitation payments as appropriate, and forward to the Office of Mental Health and Substance Abuse Services (OMHSAS). OMHSAS will then open the Behavioral Health MCO with the appropriate begin date, based on the MA eligibility begin date.

NOTE: This process is only for those who are PCO recipients scheduled to be transitioned in the second phase and then enter a D&A facility or halfway house. Other individuals who have an urgent need for a quicker conversion from PCO to MCO coverage may be considered on a case-by-case basis.

Health Screening, Clinical Validation, and Raise Your Hand

Effective April 25, 2015, individuals will no longer be provided with a health screening at application or renewal. The Health Screening will no longer be presented in COMPASS and it will be removed from the paper application. The *Healthy PA* page in eCIS is also being removed and caseworkers will be unable to enter health screening data.

Any health screening provided by an individual after April 25, 2015, including at application or renewal, will be disregarded unless the individual is enrolled in the PCO or PCO Gap Coverage categories. These individuals will continue to follow the Raise Your Hand process originally outlined in [OPS Memo 15-01-02](#) with some alterations discussed below.

Additionally, effective April 25, 2015, clinical validation will no longer be performed. This includes clinical validations done as a result of a Raise Your Hand request.

MG 91 and MG 92 categories will not have medical frailty as a non-financial requirement after the first transition phase.

The Raise Your Hand procedure will continue for those remaining in the PCO until July 27, 2015. A recipient may raise his/her hand by completing a health screening, by submitting a PA 1663 or PA 635 medical form, or by calling his/her caseworker or the Statewide Customer Service Center. A health screening that is submitted with at least the recipient's name and date of birth completed is considered a valid Raise Your Hand request. The health screening and/or medical forms, if received, will be scanned into Imaging. Regardless of how the recipient initiates a Raise Your Hand request, eligibility will be re-run within two business days of receiving the Raise Your Hand request. This will move the client from the PCO to the appropriate MA category. The narrative to be used upon completion of a Raise Your Hand request must include:

- The date of the Raise Your Hand request
- The recipient who made the request
- How the request was submitted
- Date the PCO 91/92 closes
- Date the MG 91/92 opens
- Notices were sent

The following narrative may also be used:

“On xx/xx/xxxx, (recipient identifier, such as name or line number) submitted a Raise Your Hand request by (method of request initiation). Eligibility was run and the individual’s PCO 91/92 budget closes on xx/xx/xxxx. The individual’s MG 91/92 budget opens effective xx/xx/xxxx. System-generated PCO closure and MA opening notices were sent.”

Example: On 05/13/2015, Line 02 submitted a Raise Your Hand request by calling into the CAO. Eligibility was run and the individual’s PCO 91 budget closes on 5/31/2015. The individual’s MG 91 budget opens effective 05/13/2015. System-generated PCO closure and MA opening notices were sent.

Example: On 04/29/2015, Ashley submitted a Raise Your Hand request by turning in a health screening. Eligibility was run and Ashley’s PCO 92 budget closes on 5/31/2015. Her MG 92 budget opens effective 04/29/2015. System-generated PCO closure and MA opening notices were sent.

Effective July 27, 2015, the Raise Your Hand process will be discontinued.

MA Eligibility Rules That Are Not Changing

The following MA rules are not changing with implementation of HCE:

- Resources are excluded for all MAGI-related categories.
- Noncitizens eligible for ongoing MA in a GA-related MA category will remain in FFS and will not be enrolled in an MCO.
- Eligibility rules for MG 91:
 - Non-financial Eligibility Groups
 - Parents/caretakers age 21 through 64
 - Childless adults age 21 through 64
 - Disabled adults under 65 who are not receiving Medicare
 - Children aged 19 and 20
 - Income limits
 - MAGI household income is greater than the former Medically Needy Only (MNO) income limit, but less than or equal to 133 percent FPL
 - Parents/Caretakers
 - Disabled adults
 - Children aged 19 and 20
 - MAGI household income is less than or equal to 133 percent FPL
 - Childless adults

- MAGI five percent disregard and tax deductions are still applicable
- Eligibility rules for MG 92:
 - Non-financial Eligibility Groups
 - Parents/caretakers age 21 through 64
 - Disabled adults under 65 who may be receiving Medicare
 - Children aged 19 and 20
 - Recipients are placed in this category if their household income is less than or equal to the former MNO income limit.
 - MAGI five percent disregard and tax deductions are still applicable
- Eligibility rules for TC 00 N
 - Children aged 19 and 20
 - MAGI household income is greater than 133 percent FPL but individual income is below category income limits
- Individuals eligible for Medicare are not eligible in MG 91, but may be eligible in MG 92 if they meet the non-financial and financial criteria.
- Individuals age 65 and over are not eligible in MG 91 or MG 92.
- Individuals under age 19 are not eligible in MG 91 or MG 92.
- MNO spend-down budgets remain limited to individuals under age 21, age 65 and older, pregnant, or noncitizens eligible in a GA-related MA category.

Non-Citizen Eligibility

Legal permanent residents (Citizenship Code 02) subject to the five-year bar and temporary residents (Citizenship Code 03) may receive federally-funded MA if they are pregnant, under 21 years of age, meet criteria in [MAEH 322.321](#), or they have an approved emergency medical condition. If not meeting this criteria, these individuals may be eligible under GA-related MA if they meet GA-related MA eligibility criteria. GA-related MA individuals will receive the Adult HCBP and be placed in FFS.

Undocumented non-citizens (Citizenship Code 05) may receive federally-funded MA only if they have an approved emergency medical condition. The emergency MA will be processed as an NCE segment. Undocumented non-citizens may not receive GA-related MA, even for an approved emergency medical condition.

Appeals

Appeals received based on the closure of the recipient's PCO when MA eligibility is approved can still be submitted; however they will remain in the approved MA category pending the adjudication of the appeal. The individual cannot be placed back into the PCO or PCO Gap Coverage category as those categories cannot be opened after April 25, 2015, even for retroactive requests.

Appeals received based on the closure of the PCO when the recipient is also determined ineligible for MA can still be submitted. If the appeal is submitted within 15 days of the mailing date, the client will be authorized in the corresponding MG category until the appeal is adjudicated. PCO 91 appeals will be placed in MG 91; PCO 92 appeals will be placed in MG 92; and PCO 99 appeals will be placed in MG 00 (Target Type P).

Standard procedures regarding eligibility and overpayments will be followed once the appeal is adjudicated.

NEXT STEPS

1. Share and review this information with appropriate staff members.
2. Direct questions regarding this Operations Memorandum to your Area Manager.
3. This Operations Memorandum will become obsolete when this information is incorporated into the MA Eligibility Handbook.
4. This Operations Memorandum obsoletes Operations Memoranda 14-11-01 and 15-01-02, effective July 27, 2015.