pennsylvania
DEPARTMENT OF PUBLIC WELFARE

DATE: **11/6/14**

OPERATIONS MEMORANDUM #14-11-01

SUBJECT: Medicaid Eligibility Rule Changes Under the *Healthy Pennsylvania* 1115 Waiver (*Healthy PA*)

TO: Executive Directors

FROM: Tom Strickler
Director
Bureau of Operations

PURPOSE

To inform County Assistance Offices (CAOs) of changes in Medical Assistance (MA) that are effective statewide with the implementation of the *Healthy PA* provisions on January 1, 2015.

BACKGROUND

The *Healthy PA* waiver, approved by the Centers for Medicare & Medicaid Services (CMS) on August 28, 2014, makes several changes to the MA program, including converting the current 15 health care benefit packages to six (three new packages and three current packages), creating a new adult group using Modified Adjusted Gross Income (MAGI) rules, the removal and/or modification of categories in General Assistance (GA)-related MA and Medically-Needy Only (MNO), and instituting additional simplified eligibility criteria. Additional changes will occur throughout the five-year demonstration and information will be provided when these changes occur.

DISCUSSION

This document describes the following major provisions of *Healthy PA*:

- Creation of new MA categories.
- Creation of the *Healthy PA* Private Coverage Option (PCO) category.
- Changes in the eligibility rules for pregnant women.
- Elimination of all GA-related MA categories with the exception of the Non Continuance Eligibility (NCE) inpatient inmate categories (PD 38 and 39).
- Elimination of MNO categories, including spend-down, except for children under 21, adults age 65 and over, and pregnant women.
- Changes to Presumptive Eligibility (PE).
- Conversion of current health care benefit packages to one of six benefit packages (Children's, Healthy, Healthy Plus, Presumptive Eligibility for

Pregnant Women, Medicare Cost-Sharing Only and *Healthy PA* Private Coverage Option).
- Addition of a self-attested health screening and a clinical validation.
- Changes related to processing applications and renewals prior to full integration.
- Changes to the application and renewal forms.
- New copayment rules.
- Changes in eligible non-citizens.

Healthy PA does not affect the following individuals in any way other than their benefit package being changed to Healthy Plus:

- Individuals for whom income determinations are not required, such as individuals receiving Supplemental Security Income (SSI) and recipients of Breast and Cervical Cancer Prevention and Treatment (BCCPT) services.
- Individuals evaluated for Long Term Care (LTC) facility services or Home and Community Based Services (HCBS).
- Healthy Horizons individuals with income less than or equal to 100% of the Federal Poverty Limit (FPL).
- Individuals enrolled in the Medical Assistance for Workers with Disabilities (MAWD) program.
- Pregnant women.

Healthy PA does not affect the following individuals in any way:

- Individuals eligible for Medicare cost-sharing assistance (PG00). These individuals will keep their current benefit package.
- Individuals eligible for Buy-In only (TA/TJ 65 or 67). These individuals do not receive a health care benefit package, but will continue to have their Medicare Part B premium paid by MA.
- Children under age 21.

1. New *Healthy PA* Categories

Creation of New MA Categories

Effective January 1, 2015, adults (ages 21 through 64) and children (ages 19 and 20) will be covered under *Healthy PA* through four new MA categories and three new *Healthy PA* PCO categories (discussed later). The new categories will follow MAGI eligibility criteria, using the same income deductions and excluding resources.

- **MG 91** – Newly Eligible Traditional MA – a broad new category that will cover the following populations:

  - Medically-frail parents/caretakers age 21 through 64 whose MAGI household has income greater than the MNO income limit and less than or equal to 133% FPL.
  - Medically-frail childless adults age 21 through 64 whose MAGI household has income less than or equal to 133% FPL.
  - Disabled adults under 65 whose MAGI household has income greater than the MNO income limit but less than or equal to 133% FPL who are not receiving Medicare.
  - Children ages 19 and 20 whose MAGI household has income greater than the MNO income limit but less than or equal to 133% FPL.

- **MG 92** – Former MNO Traditional MA – this category covers the following populations whose MAGI household has income less than or equal to the MNO income limit:

  - Medically-frail parents/caretakers ages 21 through 64.
  - Permanently disabled adults ages 21 through 64 (including those receiving Medicare).
  - Children ages 19 and 20.

- **MG 93** – Newly Eligible PCO Gap Coverage – this category provides Fee-for-Service (FFS) coverage to individuals who are determined eligible for PCO 91 during their retroactive period, if necessary, and from the date of application until the day before the PCO enrollment date.

- **MG 94** – Former MNO PCO Gap Coverage – this category provides FFS coverage to individuals who are determined eligible for PCO 92 during their retroactive period, if necessary, and from the date of application until the day before the PCO enrollment date.

  Note: Individuals who receive MG 93 or MG 94 will not receive an ACCESS card as they are only receiving NCE benefits until their PCO enrollment begins. These individuals will receive their ACCESS number on their notice and must provide this number to their MA provider to receive services.

Healthy PA Private Coverage Option (PCO)

Currently, there are individuals that do not have health care coverage: childless able-bodied adults not meeting GA-related MA criteria and able-bodied adults with children who are over-income. These individuals will be covered under *Healthy PA* if

they meet eligibility criteria through the *Healthy PA* Private Coverage Option (PCO). The *Healthy PA* PCO is not considered MA.

The *Healthy PA* PCO covers non-medically frail individuals, ages 21 through 64, whose income is less than or equal to 133% FPL that are not eligible for other MA categories. The *Healthy PA* PCO follows MAGI eligibility criteria, using the same income deductions, and excluding resources. The benefit package will be dependent upon the provider and the plan the recipient chooses by contacting Pennsylvania Enrollment Services. All *Healthy PA* PCO plans must provide the Minimum Essential Health Benefits required under the Affordable Care Act (ACA).

Healthy PA PCO coverage begins the 1st of the following month if processed on or before the 15th day of the month or on the 15th of the following month if processed on or after the 16th day of the month.

An individual who is eligible for the *Healthy PA* PCO will receive coverage in the MG 93 or MG 94 category until their PCO enrollment begins. If the individual requires retroactive coverage during the month of application or any of the previous three months from the date of application (same rules as MA), the individual will be authorized in MG 93 or MG 94 for those months, if they meet *Healthy PA* PCO criteria.

Healthy PA PCO categories are:

PCO 91 – Newly Eligible *Healthy PA* PCO – non-medically frail childless adults ages 21 through 64 whose MAGI household has income less than or equal to 133% FPL; or non-medically frail parents/caretakers ages 21 through 64 whose MAGI household has income greater than the MNO income limit but less than or equal to 133% FPL.

PCO 92 – Former MNO *Healthy PA* PCO – non-medically frail parents/caretakers ages 21 through 64 whose MAGI household has income less than or equal to the MNO income limit.

PCO 99 – Pregnant *Healthy PA* PCO – PCO-eligible women who become pregnant after enrollment and choose not to switch to MA for the duration of their pregnancy and post-partum period. This category is discussed in detail in the next section.

Example: Becky (28), a single childless adult earning $800/month, applies for health care benefits on April 7, 2015. All documentation is provided on April 20th. A caseworker runs the case on April 26th. Becky is determined eligible for PCO 91 effective May 15, 2015. From April 7, 2015 to May 14, 2015, Becky receives MG 93 (Newly Eligible PCO Gap Coverage).

Pregnant Women & PCO 99

The determination of the PCO 99 category over any MA category when a pregnant woman is a PCO-enrollee is at the discretion of the pregnant woman (See Attachment 1 for the comparison). She has the option to remain in the PCO plan, where she'll have access to the same practitioners, or to switch to MA.

To capture the woman's decision in the system, caseworkers will be given the ability to select this choice (Chooses MA) on the pregnancy screen. If the selection is left blank or "no" or "not applicable" is selected, the woman will stay in *Healthy PA* PCO and be placed into the PCO 99 category. If the caseworker selects "yes", she will be switched to MA for the duration of her pregnancy and post-partum period. Regardless of her selection, she will receive a notice explaining what category she is receiving.

If a pregnant woman chooses MA, she cannot switch back to *Healthy PA* PCO until the end of her post-partum period. If a pregnant woman decides to stay in *Healthy PA* PCO, she can switch to MA at any time, including during the post-partum period.

Regardless of what category she chooses, the newborn will be opened in MA until his/her first birthday.

PCO 99 is not available to any pregnant woman who is already enrolled in MA. She will remain in MA, although her benefit package may change.

Similar to MG 18, PCO 99 has no income limit. As a result, she can have income greater than 215% FPL with no change in category.

Women who choose to remain in PCO 99 will not be getting the Healthy Plus package, but will remain in the *Healthy PA* PCO plan they were enrolled in prior to pregnancy. Women who are switched to MA will be placed in the Healthy Plus package.

2. Eliminations, Modifications, and Changes of Categories

Elimination of GA-related MA

General Assistance (GA) MA will be eliminated with the exception of the NCE categories for inpatient prison inmates (PD 38 and 39). GA-related MA individuals, with the exception of permanent residents (Citizenship Code 02) subject to the five-year-bar and temporary residents (Citizenship Code 03), will be eligible under *Healthy PA* and will receive a comprehensive benefit package.

Permanent residents subject to the five-year-bar and temporary residents may receive MA if they are pregnant, under 21 years of age, or they have an approved emergency medical condition.

Undocumented non-citizens (Citizenship Code 05) may receive MA only if they have an approved emergency medical condition.

Emergency MA (EMA) is always issued as an NCE. Therefore, EMA is not available through the *Healthy PA* PCO.

With the discontinuance of GA-related MA, TD 55 will no longer be an available category. Since *Healthy PA* does not require medical documentation for eligibility, MA will be opened once required verifications are provided.

> **Reminder**: Medical requests will not be postponed while waiting for verifications for other programs.

For TANF applicants who state that they are unable to meet Employment and Training Program (ETP) requirements, MA is authorized once verification of MA-eligibility is provided. The individual can then have the PA 1663 or the PA 635 completed by a medical professional. Once TANF documentation is provided, the caseworker will process the TANF request.

> **Example:** Jorge (38) is applying for TANF and MA for himself and his triplets, age 5. He reports he is disabled and his income is verified at zero. Because the household income is known, the caseworker opens MG 27 for the household, pending the TANF program request. Jorge has the PA 635 form completed by his doctor, indicating he is permanently disabled and unable to work. Jorge returns the form and all other requested documentation to his caseworker, who then processes the TANF budget as usual.

Modification of MNO and MNO Spend-Down

The implementation of *Healthy PA* results in some categories being discontinued while reducing other categories to specific eligibility groups.

MNO categories, specifically TC, TU, and TJ, are restricted to children under age 21 or pregnant women. TA remains for any individuals age 65 or older. These eligibility groups still qualify for spend-down.

During Transition, current recipients age 21 through 64 receiving MNO:

- With MAGI household income less than or equal to the MNO income limit will be placed in MG 92 or PCO 92 effective January 1, 2015.
- With MAGI household income greater than the MNO income limit but less than or equal to 133% FPL will be placed in MG 91 or PCO 91 effective January 1, 2015.
- With income over 133% FPL will be transferred to the Federally Facilitated Marketplace (FFM) for Advanced Premium Tax Credit eligibility.

After Transition, new applicants age 21 through 64 eligible for *Healthy PA*:

- With MAGI household income less than or equal to the MNO income limit will be placed in MG 92 or PCO 92.
- With MAGI household income greater than the MNO income limit but less than or equal to 133% FPL will be placed in MG 91 or PCO 91.
- With income over 133% FPL will be transferred to the FFM for Advanced Premium Tax Credit eligibility.

During and After Transition, individuals age 19 and 20 eligible for *Healthy PA*:

- With MAGI household income less than or equal to the MNO income limit will placed in MG 92.
- With MAGI household income greater than the MNO income limit but less than or equal to 133% FPL will be placed in MG 91.
- With MAGI household income over 133% FPL and the individual has income less than or equal to the MNO income limit will be placed in TC, TU, or TJ.
- With MAGI household income over 133% FPL and the individual has income greater than the MNO income limit will be transferred to the FFM for Advanced Premium Tax Credit eligibility.

Changes in Presumptive Eligibility (PE)

Healthy PA has no effect on the rules for Presumptive Eligibility (PE). Refer to Medical Assistance Eligibility Handbook section 312.9 for the PE rules.

Effective January 1, 2015, qualified providers may determine PE for the new *Healthy PA* group.

The new category for PE will be MG 17 A. Resources are excluded and the income limit for this category is less than or equal to 133% FPL.

If an application is received and ongoing eligibility can be determined at application receipt, ongoing health care benefits should be processed with the start date the same as the PE determination date (or "Date of First Treatment" on COMPASS).

If an application is received and ongoing eligibility cannot be determined, follow normal guidelines by opening a PE period and then process ongoing health care benefits once documentation is provided.

3. Benefit Packages and Determination of Benefit Packages

Benefit Packages and Opt-Out

Effective January 1, 2015, health care benefit packages will be determined based upon age and health status instead of category, program status code, and target type.

There are two categories that will remain with benefit packages specific to them:

- Medicare Cost-Sharing (PG 00)
- PE for Pregnant Women (PS 17)

The 15 current benefit packages are condensed to the following six packages:

- **Children's**: for individuals under age 21; the same package individuals under 21 are presently receiving.

- **Healthy Plus**: for individuals who are 65 or older, disabled, pregnant, or medically frail.

    - Individuals enrolled in this benefit package have the right to opt out and be put into the Healthy benefit package.
    - Opt-out eligibility is available for 18 days after the determination of Healthy Plus.
    - The client will be instructed to contact the Statewide Customer Service Center (1-877-395-8930 or 1-215-560-7226 in Philadelphia) to complete the opt out. Caseworkers will be able to perform the function after reading the client the Opt out script (See Attachment 2).
    - Once the caseworker reads the script and discusses it with the client, if the client still wishes to opt out, the caseworker will indicate this by checking the box on the *Healthy PA* screen.
    - The decision to opt out cannot be reversed once made in the system, regardless of a change in the individual's health or circumstances, until the individual's annual renewal.

- The opt out is available for those who are in a non-annual renewal budget (such as SSI). If a recipient in an MA category with no annual renewal opts out, an alert must be set for one year to move the recipient back to Healthy Plus.

- **Healthy**: for non-medically frail individuals ages 21 through 64 who are eligible in an MA category. It covers the same services as Healthy Plus, but with lower limits on coverage.

  Note: There are procedures to get exceptions to these limits using the same process that exists today. A claims review will be done three times per year or at the client's request (process explained below) to determine if a client should be switched from Healthy to Healthy Plus. Supervisors will be able to override a benefit package determination (i.e., changing from Healthy to Healthy Plus OR Healthy Plus to Healthy) based upon a pending appeal or a finalized appeal.

- **PE for Pregnant Women**: only for pregnant women enrolled in PS 17. Covers only ambulatory prenatal services.

- **Medicare Cost-Sharing**: For individuals enrolled in PG 00 only. Covers any Medicare copayments and deductibles only.

  Note: For individuals under age 65, these individuals may switch to MG 92 if they meet the non-financial and financial criteria.

- ***Healthy PA* Private Coverage Option (PCO)**: for non-medically frail individuals ages 21 through 64 who do not meet MA non-financial criteria. Covers the Minimum Essential Health Benefits required under the ACA.

Automatic Benefit Package Assignment

Some eligible individuals will have their benefit packages automatically determined based upon age, category, program status code, or target type.

- Any individual under the age of 21 is assigned to the Children's benefit package, regardless of that individual's category.
- Categories assigned to the Healthy Plus benefit package include:
  - SSI and SSI-related
  - Healthy Horizons
  - LTC
  - HCBS Waiver categories

  - MAWD
  - BCCPT
- Other criteria for the Healthy Plus benefit package include:
  - Aged 65 or older
  - Pregnant women
  - Disabled with MRT or SSA certification
  - Certain waiver and facility codes (See Attachment 3)
- Categories that are assigned to the Healthy benefit package include:
  - Inpatient Inmate NCE
  - Qualified Hospital Presumptive Eligibility
  - Newly Eligible PCO Gap Coverage
  - Former MNO PCO Gap Coverage
- Individuals will be assigned to the *Healthy PA* PCO category based on health screening results.

Note: The benefit packages for PE for Pregnant Women (PS 17) and Medicare Cost-Sharing (PG 00) are not changing.

Medical Frailty and Medical Evaluation

Medical frailty describes individuals who have one or more of the following:

- A disabling mental disorder.
- An active chronic substance abuse disorder.
- A serious and complex medical condition.
- A physical, intellectual, or developmental disability that significantly impairs their functioning.
- A determination of disability based on SSA criteria.

To determine who is medically frail, there will be a 3-step process for the evaluation:

1. If the client is active, claims data will be analyzed three times per year to determine benefit package. Clients can request a change to their health status at any time by contacting their caseworker or the Statewide Customer Service Center. A PA 1663 or PA 635 will have to be completed by a medical professional and returned.

   - Procedure for client-requested change in health status once the PA 1663 or PA 635 forms have been returned:
     - If disability is indicated, the caseworker should input the disability information into eCIS and re-run eligibility. If the client is eligible for Healthy Horizons or a SSI-related category, a DAP/MRT referral should be

completed following existing policy. If the client is eligible for a category that is not assigned to the Healthy Plus benefit package, the caseworker supervisor submits a ServiceNow request to the Clinical Validation Team (CVT) for analysis. Results are sent back to the caseworker supervisor via ServiceNow within 30 days.
    - If a benefit package change is needed, an override is performed.
    - If no change is needed, the caseworker informs the client that no change will be made to their benefit package. At the client's request, the caseworker will manually send out a notice.
- If no disability is indicated, the caseworker informs the client that no change will be made to their benefit package.

2. Individuals can complete a health screening at application or renewal, available through My COMPASS Account (MCA) or by calling the PA Consumer Service Center at 1-866-550-4355. The client can choose to not complete the health screening, in which case the client will not be considered for medical frailty at application or renewal. Workers will receive an alert when a client has completed or skipped the screening.

3. If the health screening completed by the client shows they meet the criteria for "medically-frail," the screening will be transferred to the CVT for clinical validation. Until validation is received, the individual will be placed in the Healthy Plus benefit package. When validation is received, the individual will either remain in the Healthy Plus benefit package or be switched to the Healthy benefit package or the *Healthy PA* PCO category.

    - If the individual is eligible in a legacy MA category, they will be enrolled in an MCO.
    - If the individual is eligible for the new MG 91 or 92 categories, he/she will be enrolled in FFS until validation is received. If validation verifies medical frailty, the individual will be enrolled into an MCO. If the validation verifies non-medical frailty, the individual will be transferred to the *Healthy PA* PCO.

      Note: If the individual is already enrolled in an MCO and is pending clinical validation in the new MG 91 or 92 categories, they will remain in the MCO and not switched to FFS.

    - The caseworker receives an alert to re-run eligibility when validation is received that causes a change in benefit package or the individual needs to be enrolled in an MCO.

      Note: If the validation does not cause a change in benefit package and the recipient is already in an MCO, the caseworker will not receive an alert.

Individuals who are determined to be not medically frail after this process will be placed either in the Healthy benefit package or *Healthy PA* PCO.

Health Screening

The health screening will be triggered for certain individuals during the pre-transition activities, and can only be triggered for certain individuals in the future. Individuals under age 21 and those 65 or older are exempt from the health screening since their benefit package is based on age. Individuals who are pregnant, permanently disabled, in an LTC facility, or receiving HCBS are exempt. All other adults will be asked to complete the health screening.

An individual has skipped the health screening when:

- The health screening (Appendix C) has been left blank.
- The individual actively selected "skip" in COMPASS or through the PA Consumer Service Center.
- The individual fails to complete a pended screening within 18 days.
- The individual informs their caseworker that they do not intend to complete the health screening.

Two new screens will be added in Case Processing (CP) to indicate *Healthy PA* information, such as the health screening:

- On the first screen, the caseworker must:
  - Pend for the health screening's completion
    OR
  - Mark that the individual skipped the screening
    OR
  - Mark that the individual is exempt (not applicable) from the screening
    OR
  - Mark that the individual completed the screening

- On the second screen, the caseworker must input the health screening answers if the individual completed the screening.

Note: COMPASS applications (except HealthCare HandShake and FFM applications) will have these screens pre-populated and are unable to be modified. The only exceptions are individuals who were determined exempt by COMPASS during their application process, as these individuals may have been incorrectly exempted and need an opportunity to complete a health screening included on the PA 253 pending letter.

Changes made to accommodate the Health Screening:

- COMPASS (including provider-submitted) will be updated effective December 1, 2014 to allow the applicant the opportunity to answer the health screening questions.
- Paper applications (PA 600 and PA 600HC) will be updated to allow the applicant the opportunity to answer the health screening questions.
    - There will be one health screening questionnaire per application.
    - Applicants are instructed to make copies and complete the health screening for all adults not meeting the exemption criteria.
    - For updated applications:
        - If none of the questions are answered, the client has skipped the health screening.
        - If even one of the questions has been answered, the client has completed the screening.
- For pended health screenings, the client will have to complete the screening in their MCA or by contacting the PA Consumer Service Center.
- Individuals turning 21 will automatically be sent an invitation to health screen 60 days prior to their 21st birthday, if not otherwise exempt.
- Pregnant women will automatically be sent an invitation to health screen when the pregnancy termination date is entered in eCIS, if the woman is not otherwise exempt.

The health screening can be pended through CP by a caseworker along with other pending items, but will only be done if the individual did not have the opportunity to answer the health screening through their application.

When to pend for a health screening:

- If the client completes a non-updated application, the caseworker must pend for the screening unless the client is exempt.
- If the application is from the FFM or CHIP, the client has not been offered the health screening and it must be pended, unless the individual is exempt.

Example: Bill (25), a single childless adult with no income, applies for health care through the FFM. The FFM transfers Bill's information to the CAO. Since Bill was not given the opportunity to complete a health screening through the FFM, it is listed on his Pending Verification letter (PA 253). When Bill completes the screening, skips the screening, or if the 18-day pending period has passed, an alert is generated letting the IMCW know that they can finish processing Bill's FFM referral.

Example: Angie (30), a single mother, submits a paper application for health care for herself and her daughter, Maxine (10). The application is a new version that includes the health screening at Appendix C. Angie left the questionnaire blank. The health screening will not be included on Angie's PA 253 because she was given the opportunity to health screen.

Health screening flyers will be sent to households prior to renewal to have individuals complete a health screening through their MCA or by contacting the PA Consumer Service Center. Households that only contain individuals exempt from the health screening will not be sent the health screening flyer.

4. Transition Activities

Pre-Transition

Beginning November 5, 2014, adult cash and MA recipients will receive letters informing them that they appear to be eligible in one of the three new benefit packages, Healthy, Healthy Plus, or the *Healthy PA* PCO. GA-related MA non-citizen recipients will receive letters informing them that their MA program is ending as of December 31, 2014, and encouraging them to report any changes in their case or to apply for other health care benefits through DPW or the FFM. A letter will not be sent to households who are not in a discontinued MA category or do not have a change in benefit packages. Individuals who are placed into the Healthy or *Healthy PA* PCO benefit packages will be given the opportunity to complete a health screening. The transitional health screening will be available through COMPASS in the recipient's MCA or by contacting the PA Consumer Service Center until midnight on November 26, 2014. The system will use these results to complete the transition. The pre-transition letter is non-appealable. To view examples of each of the pre-transition letters, see Attachment 4.

Note: If the individual chooses not to complete the health screening through their MCA or by calling the PA Consumer Service Center, it is considered "skipped" and the individual will be automatically placed into the Healthy benefit package or the *Healthy PA* PCO package.

Example: Jessica (27) has MA open for her two children, Mark (8) and Alexa (2), but does not receive MA herself. This household will not receive a pre-transition letter since Mark and Alexa will not be moved to a new benefit package.

Example: Jake (29), his pregnant wife, Marissa (29), and their daughter, Jane (4), are open MG 27. The household will receive a pre-transition letter informing them that Jake is eligible for the Healthy benefit package beginning January 1, 2015, and that he has the option to complete a health screening. The letter also

informs Marissa that, due to information in her record, she has been determined eligible for the Healthy Plus benefit package beginning January 1, 2015. The letter also states that children's benefits are not affected.

Transition

During Thanksgiving weekend (November 27, 2014 to November 30, 2014), the system will undergo an update to affect many changes, discussed in further detail below. Adult cash and MA recipients will be sent notices (which are appealable) informing them of one or more of the following:

- Their MA benefits are being discontinued effective December 31, 2014 and they may apply for other health care benefits (only sent to GA-related MA non-citizens).
- Their MA benefits are being discontinued effective December 31, 2014 and they are eligible in a *Healthy PA* MA category effective January 1, 2015. Their new benefit package will be listed with information that the new package will be effective January 1, 2015.
- Their MA benefits are being discontinued effective December 31, 2014 and they are eligible in the *Healthy PA* PCO category effective January 1, 2015. Their new benefit package will be listed with information that the new package will be effective January 1, 2015.
- Their MA category will not be changing, but their benefit package will be changed effective January 1, 2015.
- Their health care benefit package has been determined based upon their health screening results and the information has been forwarded via TruCare for clinical validation.

Example: Paul (38) was open TD 00 W and received the pre-transition letter informing him that he was determined potentially eligible for *Healthy PA* PCO benefit package and invited him to complete a health screening. Paul completed the health screening and was determined eligible for MG 91 with the Healthy Plus benefit package effective January 1, 2015. He will receive a notice stating this and that his screening results will be sent to the CVT for clinical validation.

Processing Applications Received Between December 1, 2014 and December 31, 2014 AND Applications Being Processed After December 1, 2014

The system will automatically create an NCE period as needed for the time period ending December 31, 2014 using legacy MA rules and opening the new *Healthy PA* category with benefit package for ongoing health care effective January 1, 2015 using the new *Healthy PA* eligibility rules.

Applications received prior to December 1, 2014 can have the health screening pended through eCIS if processed after December 1, 2014. The client is given 18 days to return the health screening and eligibility will not be run until:

- The applicant has completed the health screening
- The applicant has notified the caseworker that they are skipping the screening
- The applicant becomes exempt from the health screening
- The 18 days has passed.

COMPASS applications started on or after December 1, 2014 provide the applicant the opportunity to health screen. A caseworker will pend for the screening if the individual was incorrectly deemed exempt by COMPASS.

For applications dated January 1, 2015 or after, the system will use *Healthy PA* eligibility rules for ongoing eligibility and legacy MA rules for any retroactive benefits requested prior to January 1, 2015.

Example: Ben (41), a single childless adult with $500 biweekly income, applies for health care benefits on November 23, 2014. The caseworker is unable to prescreen the application until December 4, 2014. During the prescreen, the caseworker pends Ben's health screening and request to provide proof of income with a due date of December 22, 2014. Ben turns in his income verification on December 8, but does not complete the health screening until December 22. The caseworker will wait to process ongoing benefits until December 23. The system determines Ben is ineligible for benefits from November 23, 2014 to December 31, 2014, but determines he meets criteria for the *Healthy PA* PCO 91 category effective January 15, 2015 with an MG 93 NCE from January 1, 2015 to January 14, 2015.

Example: Lucy (28), a single pregnant woman with $200 per week income, applies for health care benefits via COMPASS on December 5, 2014. Since she submitted an application through COMPASS after December 1, 2014, she had the opportunity to health screen if she had not been otherwise exempted. Lucy turns in her income verification on December 9, 2014. When the caseworker processes her application on January 3, 2015, the system creates an NCE of MG 00 P for December 5, 2014 through December 31, 2014 using legacy rules and then builds the same category effective January 1, 2015 using *Healthy PA* rules.

Reminder: Although the category is the same, the benefit package is different effective January 1, 2015.

Example: Greg (42) applies for health care for himself, his wife Janine (36), and their two children, Kevin (9) and Bethany (6), on January 16, 2015. The MAGI household income is below the MNO income limit. Greg screens high and Janine screens low on their health screening. When the caseworker processes the application on January 25, 2015, she notices that Greg requested retroactive MA back to December 1, 2015 to cover a December 16th hospital bill. He also has a doctor bill he'd like covered for January 2nd. When eligibility is run, the system builds an NCE of TC 00 T for Greg from December 1, 2014 to December 31, 2014 using legacy rules and an ongoing budget of MG 92 using *Healthy PA* rules. Since retroactive benefits were not requested for Janine and the children, their eligibility is processed using only *Healthy PA* rules. Janine is eligible for PCO 92 effective February 15, 2015 and MG 94 from January 16, 2015 to February 14, 2015. The children are eligible in MG 00 Y effective January 16, 2015.

5. Miscellaneous Changes

Copayment Changes

Beginning January 1, 2015, providers may deny providing service to an adult with income greater than 100% FPL who refuses to pay his/her copayment. It must be the provider's standard practice to deny services for failure to pay a copayment for all patients, not just MA recipients. Providers cannot deny service for individuals with income less than or equal to 100% FPL, individuals under age 21, or individuals seeking emergency care. Providers can check through their MA billing system if the individual is an MA recipient with income less than or equal to 100% FPL.

Changes in Eligibility for Non-Citizens

Currently:

- Permanent Residents (Citizenship Code 02) are not eligible for ongoing MA benefits if they are subject to the Five-Year-Bar unless they are:
  - Enrolled in GA-related MA (which has no Five-Year-Bar)
  - Pregnant
  - Under age 21
  - Meet exemption criteria found in MAEH 322.321.

- Temporary Aliens (Citizenship Code 03) and other Lawfully-Residing Non-Citizens are currently only eligible for ongoing benefits when pregnant or under age 21 (See OPS Memo 12-05-02), or receiving GA related MA (See PMG-16236-322).

- Undocumented Non-Citizens (Citizenship Code 05) are only eligible for MA with an approved emergency medical condition.

With implementation of *Healthy PA*:

- Permanent Residents subject to the Five-Year-Bar will only be eligible for ongoing MA benefits when:
  - Pregnant
  - Under age 21
  - Meeting other exemption criteria found in MAEH 322.321.

  Note: This means that all other Permanent Residents subject to the Five-Year-Bar, including those previously in a GA-related MA category, will not be eligible for MA unless they have an approved emergency medical condition.

- Temporary aliens will only be eligible for ongoing MA benefits when:
  - Pregnant
  - Under age 21

  Note: This means all other temporary aliens, including those previously in a GA-related MA category, will not be eligible for MA unless they have an approved emergency medical condition.

- There is no change from current practice for Undocumented Non-Citizens.

EMA will exist for all non-citizens, but only in the MG 91 or MG 92 categories or other legacy MA categories. EMA is not available through the *Healthy PA* PCO since the *Healthy PA* PCO can never be processed as an NCE budget, and EMA will always be authorized as an NCE.

Category Changes Between PCO and MA

The system has rules in place to prevent an overlap in MCO coverage and PCO coverage. However, the system will allow FFS coverage to exist with PCO coverage, provided that PCO is treated as the individual's primary insurance and the FFS as secondary.

In order to ensure this, if an individual is moving from the *Healthy PA* PCO category to a Traditional MA category, the system will automatically create a Third-Party Liability (TPL) entry for the PCO that will end once the PCO is scheduled to end with no caseworker involvement needed.

Example: David (23) lives with his son, Byron (7). David's income is less than the MNO income limit and he is enrolled in PCO 92. When David loses his job on March 13th and his income drops below 33% FPL, he notifies his caseworker and provides proof of the job loss. When the caseworker inputs the income change in the system on March 14th, David is moved from the PCO 92 category to the MG 27 category. David will receive FFS (effective March 14th) in addition to the PCO coverage until the MCO starts on April 1st. The system automatically creates a TPL entry for David's PCO active from March 14th to March 31st.

No TPL entry will be created if an individual moves from a Traditional MA category into the *Healthy PA* PCO category.

For more information on how system rules avoid overlap between PCO and MCO, please refer to the PCO Enrollment Desk Guide (See Attachment 5).

6. SelectPlan for Women

Further guidance regarding the SelectPlan for Women program will be forthcoming. These recipients will continue to receive the same benefits that they do currently.

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.