



**State of Florida
Department of Children and Families**

Rick Scott
Governor

David E. Wilkins
Secretary

DATE: February 8, 2013 **TRANSMITTAL NO.:** P-13-02-0002

TO: Economic Self-Sufficiency Operations Managers
Economic Self-Sufficiency Program Offices

FROM: Lawayne Salter, Chief, Program Policy (**Signature on File**)

SUBJECT: Nursing Home Bills as Deductible Expenses in Patient
Responsibility Calculation

EFFECTIVE: **December 13, 2012**

This is a reminder to all eligibility staff to deduct nursing home bills from income in determining a client's patient responsibility for purposes of ICP eligibility, as long as the bill(s) qualifies as an unreimbursed medical expense **under our existing policy or the attached State Plan Amendment.**

If there are policy questions, Region offices may contact Carrie Sheffield at (850) 717-4138.

Attachments

cc: Director (Jeri Flora)
Customer Call Center (Pat Badland, Hyung Kim)
EBT (Debbie McLemore)
FLORIDA Help Desk (Cassandra Shaw-Johnson)
Information Technology (Gay Munyon, Barbara Roglieri)
Medicaid Eligibility System (Suzanne Poirier, Susan Thomas)
Office of Appeal Hearings (John Pritchard)
Office of Communications (Joe Follick)
Office of the General Counsel (Herschel Minnis, Christopher Meadows)
Office of Quality Management (Jon Zachem)
Program Policy (Dorthene Baker, Jena Grignon, Tonyaleah Veltkamp)
Public Benefits Integrity (Amanda Huston, Sheri M. Lynn, Fred Young)
Technology & Data (William Martinez,)
AHCA (Lisa Gill, Melanie Brown-Woofter)
Florida Legal Services (Cindy Huddleston)

1317 Winewood Boulevard, Tallahassee, Florida 32399-0700

Nursing Home Bills as an Expense in UMED Calculation

The nursing home bill must satisfy the following criteria:

- Was incurred no earlier than the three months preceding the month of application,
- Is unpaid and will not be paid by Medicaid or another liable third party,
- If paid, was not paid by Medicaid or another liable third party,
- Was not incurred during a transfer of assets penalty period.

The bill must be deducted in its entirety after allowing for the individual's personal need allowance and the maintenance needs of the spouse, family or dependent, if applicable.

Procedure:

- Use existing policies for calculating UMED.
- Include nursing home bills that meet the criteria referenced in the memo.
- Ensure that the complete bill is utilized in the projection of expenses, even if all charges cannot be accounted for in one 6 month projection.
- Continue the projections until all charges are accounted for.
- Ensure a notice is mailed to the appropriate entities.

Example Scenario:

Mr. Sloan, a single individual, entered the nursing facility in October 15, 2012. He applied for Medicaid on December 3. He requested retroactive Medicaid, but due to assets over the limit, he did not qualify for any month of retro. His first month of eligibility begins December. His representative presented an unpaid nursing home bill for \$9,000 that covers from his admission through November. His monthly income is \$1200. He submitted no other bills for UMED.

Budget:

$\$1200 - \$35 \text{ (PNA)} = \$1165 - (\$9000/6 = \$1500 \text{ per month deduction})$

$\$1165 - \$1500 = 0$ patient responsibility for December through May 2013

Because Mr. Sloan only has \$1165 that he can pay the facility per month, he cannot pay the complete charges within the 6 month period. $\$1165 \times 6 = \6960 . **\$2040** remains to be used as a UMED. At the six month review, reconciliation is not necessary since an actual bill is used.

UMED Budget for the next six months is:

$1200 - \$35 \text{ (PNA)} = \$1165 - (\$2040 \text{ [balance of bill to use]} / 6 = \340

$\$1165 - \$340 = \$825$ patient responsibility.



RICK SCOTT
GOVERNOR

Better Health Care for all Floridians

ELIZABETH DUDEK
SECRETARY

December 21, 2012

Ms. Jackie Glaze
Associate Regional Administrator
Division of Medicaid & Children's Health
Centers for Medicare and Medicaid Services
61 Forsyth Street, Suite 4T20
Atlanta, Georgia 30303-8909

Dear Ms. Glaze:

Enclosed for your consideration is an amendment to our Title XIX Medicaid State Plan (SPA). The Transmittal Number is 2012-021 and the subject is Post-Eligibility Treatment of Income.

This amendment is being submitted to bring eligibility policy related to post-eligibility treatment of income for individuals in long term care facilities in line with recent federal guidance pursuant to 42 CFR § 435.725.

The State Plan is being amended to:

- Limit the deduction on incurred medical expenses to those incurred no earlier than the 3 months preceding the month of application,
- Remove the exclusion of nursing or other facility per diem costs as allowable deductions, and
- Include a prohibition of counting medical and remedial care expenses that were incurred as the result of imposition of a transfer of assets penalty period.

There will potentially be a fiscal impact as inclusion of nursing or other facility costs would reduce the patient responsibility amount, resulting in increased Medicaid payment to the facility. The potential impact is dependent on individuals actually incurring nursing or other facility costs not covered by Medicaid and having sufficient income to result in a patient responsibility amount that could then be reduced. In addition, the length of time the reduction in patient responsibility would occur is dependent on the amount of the expenses and the individual's income.



Ms. Jackie Glaze
December 21, 2012
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Thank you for your consideration of this amendment. Please contact April Cook of my staff by phone at (850) 412-4691, if you need additional information.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin M. Senior". The signature is written in a cursive style with a large initial "J" and "M".

Justin M. Senior
Deputy Secretary for Medicaid

JMS/ac

Enclosure: State Plan Documents and Forms

State Plan Amendment 2012-021 Treatment of Post Eligibility Income

The State Plan Amendment language affects Medicaid payment to long term care facilities. Individuals eligible for long term care benefits are required to contribute toward their cost of care by paying a portion of their long term care costs (known as patient responsibility) if they have sufficient income. This reduces the Medicaid payment to the facility. In determining the amount of patient responsibility, incurred medical expenses are deducted from income and thereby reduce the patient responsibility amount. While the amendment limits incurred medical expenses to no earlier than the three months prior to application for Medicaid, the amendment removes the exclusion of long term care costs as allowable medical deductions. Inclusion of these costs would reduce the patient responsibility amount, resulting in increased Medicaid payment to the facility.

There will be a fiscal impact but the cost is indeterminate as there is no historical data identifying what applicants owed the nursing homes 3 months prior. Although the Medicaid nursing home caseload, both current and projected is known (see attached caseloads for SFY 2012-2013 and 2013-2014), there are no dollar amounts available for patient costs prior to the specified 3-month time period. The potential impact is dependent on individuals actually incurring nursing or other facility costs not covered by Medicaid and having sufficient income to result in a patient responsibility amount that could then be reduced. Also, the length of time the reduction in patient responsibility would occur is dependent on the amount of the expenses and the individual's income.

In addition, per Kathy Austin: It would be difficult to “identify costs related to this issue in the future for individuals who have had their patient responsibility amount either reduced or eliminated due to the change in policy effected by this SPA. An individual's eligibility and patient responsibility amount (if any) would not come to FLMMIS with any additional information (as far as I know) to indicate it had been affected by the change in policy. For example, there is no way to tell in FLMMIS that the reason an individual has \$0 patient responsibility is because (a) they have no countable income, or (b) they had medical expenses that reduced their countable income to \$0. (I'm basing this on looking at an example of the data transmitted from the FLORIDA system to FLMMIS I found in Report ELG-8000-D, FLORIDA – To – MMIS Transaction File Dump.)”

Post-Eligibility Treatment of Institutionalized Individuals' Incomes

The following policy will be applied in considering medical expense deductions for institutionalized medical care cases in the post-eligibility treatment of income pursuant to 42 CFR § 435.725. The State will recognize as an uncovered medical expense and deduct from an institutional resident's income any premium, deductible, or coinsurance charges for health insurance coverage.

The following reasonable limits will be placed on other incurred medical expense deductions for residents of medical institutions in the post-eligibility treatment of income:

1. The service or item claimed as a deduction from the resident's income must:
 - a. be a medical or remedial care service recognized under state law;
 - b. be medically necessary;
 - c. have been incurred no earlier than the 3 months preceding the month of application; and
 - d. have not been paid for under the Medicaid State Plan.
2. For medically necessary care, services and items not paid for under the Medicaid State Plan, the actual billed amount will be used as the deduction, not to exceed the maximum payment or fee recognized by Medicare, commercial payers or any other third party payer for the same or similar item, care, or service.
3. Other resident health insurance policies will be treated as first payer and the beneficiary will have to demonstrate that other insurance has not/will not cover the expense.
4. The deduction for medical and remedial care expenses that were incurred as the result of imposition of a transfer of assets penalty period is limited to zero.

Post-Eligibility Treatment of Institutionalized Individuals' Incomes

Effective January 1, 2004, ~~the~~ The following policy will be applied in considering medical expense deductions for institutionalized medical care cases in the post-eligibility treatment of income ~~in accordance with~~ pursuant to 42 CFR § 435.725. The ~~s~~State will recognize as an uncovered medical expense and deduct from an institutional resident's income any premium, deductible, or coinsurance charges for health insurance coverage.

The following reasonable limits will be placed on other incurred medical expense deductions for residents of medical institutions in the post-eligibility treatment of income:

1. The service or item claimed as a deduction from the resident's income must:
 - a. ~~_____~~ be a medical/ or remedial care service recognized under state law;
 1. ~~b. _____~~ be:
~~Only medically necessary; services and items will be allowed as deductions.~~
 - c. ~~_____~~ have been incurred no earlier than the 3 months preceding the month of application; and
 2. ~~d. _____~~
3. ~~Services and items covered and paid for under~~ have not been paid for under the Medicaid State Plan ~~will not be allowed as deductions.~~
4. ~~Services and items covered by and paid for under the Medicaid nursing or other facility per diem will not be allowed as a medical expense deduction.~~
5. ~~2.~~ For medically necessary care, services and items not covered by paid for under the Medicaid State Plan, the actual paid/billed amount will be used as the deduction, subject to the following limit: not to exceed the highest of a maximum payment or/ fee recognized by Medicare, commercial payers or any other third party payer for the same or similar item, care, or service.
3. Other resident health insurance policies will be treated as first payer and the beneficiary will have to demonstrate that other insurance has not/will not cover the ~~elaimed~~ expense.
6. ~~4.~~ The deduction for medical and remedial care expenses that were incurred as the result of imposition of a transfer of assets penalty period is limited to zero.

2012- 021

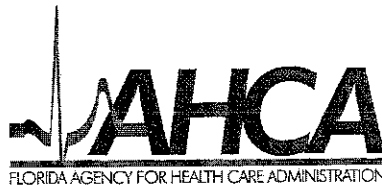
12/11/2012

Amendment 2004-007

Effective January 1, 2004

Supersedes 85-0804 007

Approval _____



RICK SCOTT
GOVERNOR

Better Health Care for all Floridians

ELIZABETH DUDEK
SECRETARY

October 30, 2012

Ms. Connie Whidden, MSW
Health Director
Seminole Tribe of Florida
3006 Josie Billie Avenue
Hollywood, FL 33024

Dear Ms. Whidden:

The State of Florida, Agency for Health Care Administration, intends to submit to the Centers for Medicare and Medicaid Services a request for an amendment to our Medicaid State Plan.

This amendment to Attachment 2.6-A, Supplement 3, reflects a change in the calculation of post-eligibility income to determine a nursing home resident's patient responsibility amount. With this change, medical or remedial care expenses will be limited to those incurred no earlier than the 3 months preceding the month of application. Medical or remedial care expenses that were incurred as the result of a "transfer of assets penalty period" will be excluded as deductions.

If you would like to make any comments or need additional information, please contact April Cook of my staff by phone at (850) 412-4691. If we don't receive any response from you within 30 days, Florida Medicaid will proceed with the submission to the Centers for Medicare and Medicaid Services (CMS).

Sincerely,

Justin M. Senior
Deputy Secretary for Medicaid

JMS/ac





RICK SCOTT
GOVERNOR

Better Health Care for all Floridians

ELIZABETH DUDEK
SECRETARY

October 30, 2012

Ms. Cassandra Osceola
Health Director
Miccosukee Tribe of Florida
P. O. Box 440021, Tamiami Station
Miami, FL 33144

Dear Ms. Osceola:

The State of Florida, Agency for Health Care Administration, intends to submit to the Centers for Medicare and Medicaid Services a request for an amendment to our Medicaid State Plan.

This amendment to Attachment 2.6-A, Supplement 3, reflects a change in the calculation of post-eligibility income to determine a nursing home resident's patient responsibility amount. With this change, medical or remedial care expenses will be limited to those incurred no earlier than the 3 months preceding the month of application. Medical or remedial care expenses that were incurred as the result of a "transfer of assets penalty period" will be excluded as deductions.

If you would like to make any comments or need additional information, please contact April Cook of my staff by phone at (850) 412-4691. If we don't receive any response from you within 30 days, Florida Medicaid will proceed with the submission to the Centers for Medicare and Medicaid Services (CMS).

Sincerely,

Justin M. Senior
Deputy Secretary for Medicaid

JMS/ac



sale of motorcycles manufactured by Chongqing Astronautical Bashan Motorcycle Manufacturer Co. Ltd. (line-make BASH) at 990 White Avenue, Graceville, (Jackson County), Florida 32440, on or after January 11, 2013.

The name and address of the dealer operator(s) and principal investor(s) of Skipper Limited, Inc., are dealer operator(s): Judy Bell, P.O. Box 301, Graceville, Florida 32440, principal investor(s): Judy Bell, P.O. Box 301, Graceville, Florida 32440.

The notice indicates intent to establish the new point location in a county of less than 300,000 population, according to the latest population estimates of the University of Florida, Bureau of Economic and Business Research.

Certain dealerships of the same line-make may have standing, pursuant to Section 320.642, Florida Statutes, to file a petition or complaint protesting the application.

Written petitions or complaints must be received by the Department of Highway Safety and Motor Vehicles within 30 days of the date of publication of this notice and must be submitted to: Nalini Vinayak, Administrator, Dealer License Section, Department of Highway Safety and Motor Vehicles, Room A-312, MS 65, Neil Kirkman Building, 2900 Apalachee Parkway, Tallahassee, Florida 32399-0635.

A copy of such petition or complaint must also be sent by US Mail to: Fang Liu, Peace Power Sports, Inc., 2533 Royal Lane, Suite 505, Dallas, Texas 75229.

If no petitions or complaints are received within 30 days of the date of publication, a final order will be issued by the Department of Highway Safety and Motor Vehicles approving the establishment of the dealership, subject to the applicant's compliance with the provisions of Chapter 320, Florida Statutes.

AGENCY FOR HEALTH CARE ADMINISTRATION
Medicaid

State Plan Amendment

The Agency for Health Care Administration announces that it is requesting an amendment to the Medicaid State Plan. The amendment will be to clarify the post-eligibility treatment of institutionalized individuals' incomes for the purpose of:

1. Deducting expenses of medically necessary services or items incurred no earlier than the 3 months preceding the month of application; and

2. Limiting the deduction for expenses incurred as the result of imposition of a transfer of assets penalty period to zero.

Interested parties may contact the following staff for further information:

Kathy Austin, Medicaid Services, located at 2727 Mahan Drive, Mail Stop 20, Tallahassee, Florida 32308-5407; by telephone at: (850)412-4193 or by e-mail at: kathy.austin@ahca.myflorida.com.

DEPARTMENT OF BUSINESS AND PROFESSIONAL REGULATION

Florida Building Commission

Notice of Florida Building Code Binding Interpretation

RULE NO.: RULE TITLE:

61G20-1.001: Florida Building Code Adopted

NOTICE IS HEREBY GIVEN THAT the Building Officials Association of Florida has issued a binding interpretation pursuant to Section 553.775, Florida Statutes, filed by Beachlen Development Company, LLC, on November 2, 2012. The following is a summary of the interpretation:

Section 3109, Florida Building Code, Building Volume (2007) as it applies to a building constructed within the Coastal Construction Control Line requires the lowest horizontal structural member to meet the minimum requirements of the Flood Insurance Rate Map as well as the Florida Department of Environmental Protection Coastal Construction Control Line elevation. The lowest horizontal structural member is permitted to be enclosed pursuant to FBC 3109.4.2(9), but cannot be considered a habitable space.

A copy of the Interpretation may be obtained from: [http://www.floridabuilding.org/Upload/Binding Interpretations](http://www.floridabuilding.org/Upload/Binding_Interpretations).

DEPARTMENT OF HEALTH

Board of Nursing

Emergency Action

On December 7, 2012, State Surgeon General issued an Order of Emergency Suspension Order with regard to the license of Heather Marlise Carmichael, A.R.N.P. License # RN 2967652. This Emergency Suspension Order was predicated upon the State Surgeon General's findings of an immediate and serious danger to the public health, safety and welfare pursuant to Sections 456.073(8) and 120.60(6), Florida Statutes (2011). The State Surgeon General determined that this summary procedure was fair under the circumstances, in that there was no other method available to adequately protect the public.

DEPARTMENT OF HEALTH

Board of Nursing

Emergency Action

On December 7, 2012, State Surgeon General issued an Order of Emergency Suspension Order with regard to the license of Debra Kay De Cesari, R.N. License # RN 9206578. This Emergency Suspension Order was predicated upon the State