



## **KanCare Ombudsman**

**Volunteer Training Program**

**Day 2 – Online Training**

Questions about any of the training information should be directed to KanCare Ombudsman Volunteer Coordinator, Pam Brown. Phone 785-296-2081. KanCare Ombudsman toll free number 855-643-8180 or email [pam.brown@kdads.ks.gov](mailto:pam.brown@kdads.ks.gov)

## Outline of Training – Day 2

- Review of Day 1 Training
- KanCare/Medicaid Application for Medical Assistance for the Elderly and Disabled
- Elderly and Disabled Application
- Financial Eligibility and Requirements
- Types of Assistance for Elderly and Disabled
- Estate Recovery
- Groups Excluded from KanCare



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Summary of what we will be covering in Day 2 of online training. This presentation is included in your KanCare Ombudsman Volunteer Training Notebook.

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## Review of Day 1



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## Review Day 1

- Introduced KanCare
  - KanCare = Medicaid in Kansas
- Introduced the KanCare Ombudsman
  - Kerrie Bacon assists people in finding answers to their questions and concerns about KanCare.
- Introduction to Medicaid and Medicare
  - Medicaid was established by federal law. It is managed by the Centers for Medicare and Medicaid Services (CMS) in the Department of Health and Human Services (HHS). Medicaid is a joint project between the federal government and states in the US.

## Review Day 1

- More on the Introduction to Medicaid:
  - Medicaid is a health care program for people with very low income who also meet other eligibility criteria:
    - Age, child or elder
    - Condition, pregnancy
    - Disability
  - States don't have to participate but all now do.
  - Partnership between federal government and State.
- We reviewed the Medicaid Timeline at kff.org:
  - <http://kaiserfamilyfoundation.files.wordpress.com/2008/04/5-02-13-medicaid-timeline.pdf>

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# Review Day 1

- We defined Medicaid
  - Medicaid provides health coverage to nearly 60 million children, families, pregnant women, the elderly, and people with disabilities.
  - Medicaid is available in every state.
  - A U.S. government program, financed by federal, state, and local funds, of hospitalization and medical insurance for persons of all ages within certain income limits.
- We discussed federal oversight of Medicaid
  - Centers for Medicare and Medicaid Services (CMS) which is a part of the Department of Health and Human Services (HHS).
    - CMS administers the Medicaid Program at the federal level.

## Review Day 1

- Looked at the Basic and Optional Medical Services of Medicaid
- Also discussed the details of Medicaid in Kansas which as of 2013 is called KanCare
  - There are still some programs that are modeled after the pre-2013 Medicaid called a fee-for-service program.
- Learned how to apply for KanCare Families with Children programs and the types of programs available.



## Review - Basic Medicaid Services

- Inpatient hospital services
- Outpatient hospital services
- EPSDT: Early and Periodic Screening, Diagnostic, and Treatment Services
- Nursing Facility Services
- Home health services
- Physician services
- Rural health clinic services
- Federally qualified health center services
- Laboratory and X-ray services
- Family planning services
- Nurse Midwife services
- Certified Pediatric and Family Nurse Practitioner services
- Freestanding Birth Center services (when licensed or otherwise recognized by the state)
- Transportation to medical care
- Tobacco cessation counseling for pregnant women



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Here are the basic services required by law for Medicaid coverage.

Review – there are basic services every Medicaid program must offer. See the slide above.

Any optional services can then be added in by each state. The list differs from state to state.

When we look at each of these services they are shaped by legislative rules. Like Medicare, medical services covered by Medicaid must be medically necessary, that is, reasonable and necessary in the treatment of an illness or injury.

## Review - Optional Medicaid Services

- Prescription Drugs
- Clinic services
- Physical therapy
- Occupational therapy
- Speech, hearing and language disorder services
- Respiratory care services
- Other diagnostic, screening, preventive and rehabilitative services
- Podiatry services
- Optometry services
- Dental Services
- Dentures
- Prosthetics
- Eyeglasses
- Chiropractic services



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A defining statement about the difference between mandatory and optional benefits for [www.medicaid.gov](http://www.medicaid.gov)

Remember that there are optional benefits that a State Medicaid Program may offer. Each state chooses if they are able to offer optional benefits. Medicaid benefits are unique fr

“States establish and administer their own Medicaid programs, and determine the type, amount, duration, and scope of services within broad federal guidelines. States are required to cover certain "mandatory benefits," and can choose to provide other "optional benefits" including prescription drugs. States receive federal matching funds to provide these benefits.”

It is important to remember each of these benefits has a definition attached to them.

## Review - Optional Medicaid Services

- Other practitioner services
- Private duty nursing services
- Personal Care
- Hospice
- Case management
- Services for Individuals Age 65 or Older in an Institution for Mental Disease (IMD)
- Services in an intermediate care facility for the mentally retarded (ICF-MR)  
\*\*Please note the term mentally retarded is obsolete. Someone who has a disability of this nature is referred to as having an intellectual or developmental disability (I/DD)\*\*
- State Plan Home and Community Based Services- 1915(i)
- Self-Directed Personal Assistance Services- 1915(j)
- Community First Choice Option- 1915(k)
- TB Related Services
- Inpatient psychiatric services for individuals under age 21
- Other services approved by the Secretary\*
- Health Homes for Enrollees with Chronic Conditions – Section 1945



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- Item – Other services approved by the Secretary\* (of Health and Human Services): This includes services furnished in a religious nonmedical health care institution, emergency hospital services by a non-Medicare certified hospital, and critical access hospital (CAH).
- TB - Tuberculosis

## KanCare Groups

- In Kansas you must meet the criteria for or belong to a “group” of people to receive KanCare/Medicaid benefits. Those groups of people in Kansas include groups we discussed in Day 1 of training (**bold**)
  - ***Children under the age of 19***
  - ***Pregnant women***
  - ***Low income families***
  - People age 65 and over
  - Persons determined blind or disabled by the Social Security Administration
- Reminder: In Kansas there are two types of Medicaid/KanCare applications:
  - Medicaid for the Elderly & Disabled
  - ***Families with Children Medical Programs***



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Being a member of a group whose members are covered by Medicaid is one of the qualification criteria. The other criterion is to meet the income qualifications which will be discussed later in this training.

In Day 1 training we discussed Children and Family Medical (bold/italic text)

## How to apply for KanCare Families with Children

- How to apply for KanCare
  - Families with Children application
    - Call the KanCare Clearinghouse to request an application
    - Complete the application, attach supporting documentation and mail to:
      - KanCare Clearinghouse
      - PO Box 3599
      - Topeka, KS 66601-9738
      - KanCare Clearinghouse contact number: 1-800-792-4884
      - KanCare Clearinghouse fax number: 1-800-498-1255
- Don't send original documents to the KanCare Clearinghouse. Send copies of requested information.



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There are multiple ways to apply for KanCare for Children and Families. Application options include mail, fax, and online.

Remember to let anyone know who calls to inquire about the status of their application – Process time for a KanCare application is 45 days.

Whether that application was mailed, faxed, delivered, or submitted online doesn't matter. 45 days from date of receipt is the time frame for processing applications. If information is missing or not included with application the processing will be delayed.

Effective date depends on the program requested and the date the application is received.

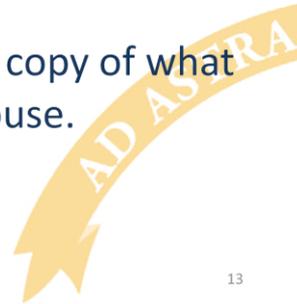
Remember! There are two types of KanCare applications available. The program a person is requesting determines which application a person completes.

1. Children and Families application.

2. Disabled and Elderly application. Elderly and Disabled applications are processed at the local DCF Service Centers across Kansas. This application process will be discussed in Day 2 of online training.

## How to apply for KanCare Families with Children

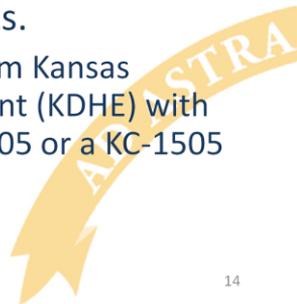
- Apply Online!
  - <https://cssp.kees.ks.gov/apspssp/>
    - Quick Screen for Eligibility or
    - Apply for Medical Assistance
- It is always a good idea to keep a copy of what is sent to the KanCare Clearinghouse.



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## KanCare Application

- Also please remember that there are two types of applications:
  - Medical Assistance for Families with Children.
  - Medical Assistance for the Elderly and Persons with Disabilities.
- If the wrong version of the application is sent in to be processed it will delay benefits.
  - This consumer will receive a letter from Kansas Department of Health and Environment (KDHE) with instructions on how to fill out a KC-1105 or a KC-1505 form.



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Examples of each form included in your training notebook.

## Day 2 – KanCare for Elderly and Disabled



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## KanCare=Kansas Medicaid

- January 1, 2013 KanCare went live becoming the Medicaid delivery system in Kansas.
- Timeline of KanCare development
  - <http://www.kancare.ks.gov/history.htm>
- Prior to 2013, Kansas Medicaid was a fee-for-service program with many agencies performing many functions.
- Medicaid, in its old form, was not sustainable in Kansas. Fee-for-service was more expensive and costs were increasing every year.

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Please note there are still some parts of Medicaid that retain the old fee-for-service system. Medi-Kan, Medicare Savings Program: QMB, LMB, and people in DD hospitals. More about this at in person training.

QMB – Qualified Medicare Beneficiary

LMB - Low-income Medicare Beneficiary

ELMB – Expanded Low-Income Medicare Beneficiary

DD – Developmental Disability

## KanCare Groups

- In Kansas you must meet the criteria or belong to a “group” of people to receive KanCare/Medicaid benefits. Those groups of people in Kansas included in Day 2 (**in bold**):
  - Children under the age of 19
  - Pregnant women
  - Low income families
  - **People age 65 and over**
  - **Persons determined disabled by Social Security Administration**
- Reminder: In Kansas there are two types of KanCare/Medicaid applications:
  - **Medicaid for the Elderly & Disabled**
  - Medical Assistance for Families with Children



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In Day 2 of training, today, we will discuss KanCare/Medicaid for people who are over the age of 65 or those who are considered blind or disabled by the Social Security Administration.

If a person is over 65, blind, or disabled they will fill out the Application for Medical Assistance for the Elderly and Persons with disabilities.

We will be discussing the specifics of the topics in red bold lettering.

Applications for Elderly and Disabled are processed at the local DCF service centers across Kansas.

## **KanCare Application Elderly and Disabled**



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## KanCare Application for Elderly and Disabled

- KanCare website: <http://www.kancare.ks.gov>
- Many ways to apply
  - Request an application from the local DCF office or print the application from the above website. This application can be delivered, mailed or faxed to your local DCF Office.
- How to locate the nearest DCF Service Center  
<http://www.dcf.ks.gov/services/Pages/DCFOfficeLocatorMap.aspx>

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It is important to remember to let anyone know who calls to inquire about the status of their application – Process time for a KanCare application is 45 days. For Elderly and Disabled application follow-up, the applicant should contact the their local DCF Office. See the above link to locate the nearest DCF Office.

Whether that application was mailed or submitted online doesn't matter. 45 days from date of receipt is the time frame for processing applications. If information is missing or lost from the application the processing time is longer.

Effective date depends on the program requested and the date the application information is complete and received.

There are two paths an application can take. (You will receive a copy of both applications in your education packet)

1. Medical Assistance for Families with Children
2. Medical Assistance for the Elderly and Disabled

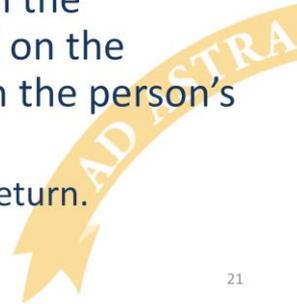
## How to apply for KanCare Elderly and Disabled

- Apply Online!
  - <https://cssp.kees.ks.gov/apspssp/>
- Don't send original documents to the KanCare Clearinghouse. Send copies of requested information.
- If you have questions about your online application please call the KanCare Clearinghouse at 1-800-792-4884



## General Requirements

- The applicant must be a person living in Kansas with the intent to stay
- The applicant must provide all needed information and cooperate with the application process.
- In addition, all persons residing in the household must also be included on the application as well as everyone in the person's tax household.
  - Status as filed on most recent tax return.



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Intent to stay—can apply the day they move to Kansas as long as there is intent to stay.

In general, hard copy documentation is required of citizenship, identity, and all forms of income. The KanCare Clearinghouse can verify some Kansas residents' citizenship and ID via a KDHE interface.

Legally responsible persons are needed in order to determine who is in the family group and what income to count to make a correct determination. It is acceptable to make comments or write a brief statement to include with your application to clarify what makes up a household. There is an area on the application to write comments.

## Application General Requirements

- The applicant must be able to act in their own behalf.
  - If the applicant is not able to act on their own behalf a Durable Power of Attorney, Power of Attorney, Guardian, Conservator, or Authorized Representative may apply for the consumer.
- To qualify for medical coverage persons must be a US citizen or eligible non-citizen.
- On the application, another person can be appointed to assist in the KanCare application process.



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In general, hard copy documentation of citizenship, identity, and all forms of income, is required.

Please note if a consumer has a guardian, conservator, or a guardian/conservator that person has been declared, by a court, unable to conduct their own business and their guardian/conservator must complete the application on their behalf.

## Financial Eligibility and Requirements Elderly and Disabled



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The financial eligibility and other requirements for Elderly and Disabled KanCare are different than Children and Family KanCare. Please keep this in mind when you are assisting a consumer with the application.

For Elderly and Disabled KanCare it is important to list both assets and resources, submit the application, wait for the application to be processed and for the program to determine eligibility.

KanCare Ombudsman Volunteers can give general information about each program and then assist in applying.

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## Financial Requirements

- To qualify, a household's income and/or assets must be below the specified limit for each eligibility group.
- The income guidelines vary from program to program



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The next criterion for eligibility is meeting the financial requirements of the program for which the person is applying.

## Income - Financial Requirements

- The countable income of the household is considered
- Earned income such as wages from a job or self-employment is used to determine income
- Unearned income is also considered.
  - Examples of unearned income like unemployment, child support and social security disability payments



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Income is what usually comes into your house on a regular basis such as wages from employment. If you are retired and receive a Social Security payment and a pension due to retirement those amounts are considered income.

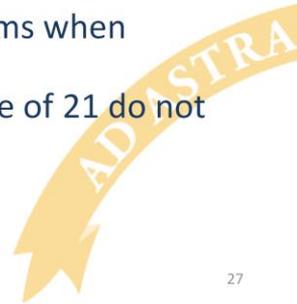
## Income – Financial Requirements

- Important note! Some types of income are exempt
  - Examples of exempt income include the wages of a child, certain VA payments, lump sum payments, interest under \$50 per month and payments received for a child in foster care.
- The best course of action is to complete the application and submit. The program will determine eligibility.
- If the applicant does not agree with the eligibility determination they may request a State Fair Hearing.



## Assets/Resources – Financial Information

- Assets/Resources are counted when applying for a KanCare Program for those who are elderly or disabled.
- Assets are the value of the things you own.
- Resources are things you can turn to cash (see next slide for list)
- \$2,000 individual countable resources
- \$3,000 couple countable resources
- Higher limit for Long-Term Care programs when Division of Assets rules apply
- Remember HCBS children under the age of 21 do not have an asset/resource test
- This is not a comprehensive list



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## Resources - Financial Requirements

- What can be counted as a resource\*\*?
  - Resources, can be converted to cash.

### Countable

- Bank accounts
- Stocks/Bonds
- Most trust funds
- Annuities, IRAs
- Life Insurance over \$1,500 (face value)
- Retirement Funds except for spouse
- Non-income producing property

### Exempt Resources

- Irrevocable burial plans up to \$7,000 plus burial merchandise.
- The home if spouse lives in it or if resident intends to return.
- Income producing property
- Life insurance less than \$1,500 (face value)
- Household/personal items
- One vehicle



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Note: \*\*this is not a comprehensive list

## **Types of Assistance Elderly and Disabled**



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## KanCare/Medicaid for Elderly & Disabled

- The front page of the KanCare application gives a very good description of the benefits available to elderly and disabled persons.
- See this link to the elderly and disabled application  
[http://www.kancare.ks.gov/download/advisory\\_council/KC1500\\_ED\\_Medical\\_Application.pdf](http://www.kancare.ks.gov/download/advisory_council/KC1500_ED_Medical_Application.pdf)



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There is also a paper application for Elderly and Disabled Kancare in your training notebook.

## **KanCare/Medicaid for Elderly & Disabled**

- Medically Needy
  - Spend down
- Working Healthy
- HCBS
  - Home and Community Based Services
- Nursing Home
- Child in an institution
- PACE
  - Program of All-Inclusive Care for the Elderly (PACE)
  - This particular program is not a part of KanCare
- Medicare Savings Program



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For all of the programs listed above a person must complete a paper or online Application for Medical Assistance for the Elderly and Persons with a Disability.

More detailed information on PACE is presented in Day 3 of Online Training.

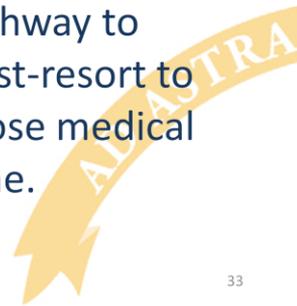
## KanCare Medical Assistance

- Medical Assistance programs provide medical coverage for the elderly and people with disabilities.
- Medical coverage may help pay for medical and hospital bills, doctor's visits, medicine, Medicare premium, in home assistance and nursing home care.
- There are specific financial guidelines to apply for KanCare Medical Assistance



## Medically Needy Program

- The medically needy program provides states the option to extend Medicaid eligibility to individuals with high medical expenses whose income exceeds the maximum threshold.
- The medically needy program remains an important and consequential pathway to Medicaid eligibility, acting as a last-resort to Medicaid eligibility for those whose medical expenses overwhelm their income.



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Remember when a consumer has other insurance such as Medicare or employer health coverage, Medicaid is the payer of last resort.

From Kaiser Family Foundation website:

<https://kaiserfamilyfoundation.files.wordpress.com/2013/01/4096.pdf>

## Medically Needy Program

- Elderly living in nursing homes and children and adults with disabilities who live in the community and incur high health care costs comprise a large portion of spending in the medically needy program.
- The medically needy program in KanCare/Medicare is hard to define in a single sentence.



## Medically Needy – Eligibility

- Someone who is medically needy can be any age.
- Requirements – Resources have been exhausted down to \$3,000 per couple and \$2,000 per single person.
- Income is not sufficient to meet this person's medical needs.
- Expenses must be related to an illness.
- The medically needy program is a safety net for those who are among the most vulnerable in our population



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## Medically Needy - Eligibility

- Monthly Income \$495.00
  - Income over \$495 considered “spend down”
- The Medically Needy program offers coverage to people who have income over the maximum allowable income standard.
- The spend down amount is the person’s share of medical bills.
- If the person has a **spend down** amount, KanCare/Medicaid would pay any medical bills over that amount



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Spend down – if a person’s income is over the monthly income amount for the program. The difference between actual income and program income criteria is called a spend down. It is similar to having a deductible on an insurance policy that must be met before medical benefits are paid on that policy.

## What is a Spend Down?

- A spend down works like an insurance deductible. Persons must incur medical costs equal to the spend down before KanCare/Medicaid will pay.
- The spend down is usually figured for a six-month base period.
- The person's monthly income is used to find their spend down amount.
- Almost every person has a different spend down amount.
- Note: Spend down cases can be required in Family Medical cases or Elderly and Disabled Medical cases.



## Spend down Example

- Mrs. Marshall is a 65 year old female who has been diagnosed with cancer.
- She has no insurance.
- She works 30 hours per week for her employer. She lives paycheck to paycheck.
- The costs of surgery and on-going chemotherapy will exceed her monthly income of \$1550.
- Mrs. Marshall doesn't collect leave time at her work. When she is off to have surgery and several weeks of recovery she will have no income.

## Spend down Example, continued

- The social worker at the cancer center encourages Mrs. Marshall to apply for KanCare/Medicaid.
1. Where can Mrs. Marshall apply for KanCare?
  2. What program?
  3. How long will it take to process her application?
  4. Why can't she apply for another type of KanCare? Family and children? Elderly and Disabled?
  5. Help Mrs. Marshall understand her spend down.

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Answers to the questions on the slide.

Question 1: Where can Mrs. Marshall apply for KanCare? Online at <http://www.kancare.ks.gov/apply.htm>, she can print an application from online and mail to the address on the application. She can also go to the nearest DCF office to pick up an application. When the KanCare Ombudsman Volunteer Program is up and running she can come to one of our office locations to pick up an application or receive assistance in completing the application. Or she can set an appointment with a KDHE Outstationed Eligibility Worker. There are multiple avenues to apply for KanCare/Medicaid

Question 2: Medically needy. Why? Unless she has dependent children, Family medical would not be an option. She has Medicare and KanCare.

Question 3: 45 days from the date the application is received.

Question 4: See the explanation for Question 2.

Question 5. Mrs. Marshall's income is \$1550. The allowable income for the Medically Needy program is \$475.00. There is a \$20 income disregard which makes her allowable income \$495.00

\$1,550  
- 495  

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\$1,055      Spenddown if she is able to work.

This means that Mrs. Marshall would have to pay the first \$1,055 of her Medical expenses and KanCare would cover any medical expense after her spenddown is met. Remember that a spenddown is like a deductible.

Definition of a deductible:    A clause in an insurance policy that exempts the insurer from paying an initial specified amount in the event that the insured sustains a loss or must pay for services otherwise covered under the policy. Example: \$500 deductible if you are involved in an automobile accident. You must pay the first \$500 of a claim before your insurance company will pay.

When Mrs. Marshall has no income during the months she is recovering or is unable to work, KanCare would cover all of the costs of her Medical care. She would report her the change to her income if she is not able to work or must work reduced hours. Her spenddown will be reduced according to what she is paid.

## Working Healthy

- What is Working Healthy?
  - Working Healthy is KanCare coverage. It allows people with disabilities to return to or increase their work effort without losing KanCare coverage.
  - Working Healthy encourages people to work and increase their income
- Website  
<http://www.kdheks.gov/hcf/workinghealthy/index.htm>



## Working Healthy

- Program Highlights
  - Earn more income without loss of medical coverage
  - Higher assets test than regular KanCare/Medicaid
  - Eliminate spend down substitutes affordable premium
  - Keep Medicaid coverage
  - Help with Medicare expenses
  - In some instances, payment of employer premiums
  - Personal assistance services under work
  - Benefits planning and assistance
  - Unlimited retirement accounts over and above the \$15,000 asset limit



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If a person is disabled according to Social Security Administration.

## Working Healthy

- To qualify for Working Healthy, a person must:
  - Have a disability determined by Social Security
  - Be no younger than 16 and no older than 64
  - Be employed
  - Have total countable income of less than 300% FPL
  - Not be receiving Home and Community Based Services
  - Not be an SSI recipient
  - Not be living in a nursing facility
  - Have countable resources that are less than \$15,000



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FPL – Federal Poverty Level

SSI – Social Security Supplemental Income

## Working Healthy

- To see if a consumer is eligible for Working Healthy please contact a Benefit Specialist in your region.

<http://www.kdheks.gov/hcf/workinghealthy/benefits.htm>

- See the Working Healthy FAQ for answers to frequently asked questions

<http://www.kdheks.gov/hcf/workinghealthy/faqs.htm>



## Nursing Facility Medical Program

- Nursing Facility is one of the Basic Services of KanCare/Medicaid.
  - <http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Institutional-Care/Nursing-Facilities-NF.html>
- Nursing Facility Services are provided by Medicaid certified nursing homes, which primarily provide three types of services:
  - Skilled nursing or medical care and related services;
  - Rehabilitation needed due to injury, disability, or illness;
  - Long term care; health-related care and services (above the level of room and board) not available in the community, needed regularly due to a mental or physical condition.

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Please note: A nursing facility is one of many settings for long term care including services and support provided outside an institution by Medicaid or other state agencies.

<http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Delivery-Systems/Institutional-Care/Nursing-Facilities-NF.html>

Please review the additional information at the link on this page. Great information about Nursing Facilities and Medicaid

Skilled Nursing Facility Care is not the same as Nursing Facility Care. Skilled Nursing Care is included in and paid for by Medicare.

Both take place in a nursing facility. The type of care we are discussing here involves help with activities of daily living such as bathing, dressing, toileting, transfer, walking, eating, and medicines.

<https://www.caring.com/articles/activities-of-daily-living-what-are-adls-and-iadls>

## Nursing Facility Medical Program

- Personal resources below \$2,000
- Protected income/Personal Needs Allowance: \$62.00 to cover non-essential items the nursing facility may provide. The nursing facility keeps this amount in a separate account for each resident to use as needed.
- Eligibility is determined by DCF
  - DCF website: [www.dcf.ks.gov](http://www.dcf.ks.gov)
  - Services offered by DCF
    - <http://www.dcf.ks.gov/services/Pages/default.aspx>



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DCF – Department of Children and Families

DCF website: [www.dcf.ks.gov](http://www.dcf.ks.gov)

## Nursing Facility Example

- This is a very general example of a call a KanCare Ombudsman Volunteer might receive about a client in nursing facility care.
  - Mr. M is a resident of XYZ Nursing Facility. He is in custodial care of that nursing facility. He had to move into the facility because of falling several times a week and he could no longer cook or care for himself very well.
  - A Client Assessment and Referral Evaluation (CARE) assessment confirmed his need for Nursing Facility care.
  - Mr. M, with the help of his son, sold his home because he will not be returning there. After selling his home he had about \$100,000 in savings and a \$25,000 IRA that he has cashed in to pay for Nursing Facility care.
  - Mr. M and his son are concerned because he only has enough money to pay for 2 more months in the nursing facility.
  - He has asked his son to find out more about help from the State of Kansas with his Nursing Facility costs.
  - Mr. M's son calls the KanCare Ombudsman's line to ask for assistance.

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Client Assessment and Referral Evaluation (CARE) is given to every person who enters a Nursing Facility to make sure that they meet the criteria of needing a nursing home level of care.

## Nursing Facility Example

- Explain that KanCare/Medicaid assists with costs of living in a Nursing Facility when a person has exhausted their resources.
- Resources must be spent until there is \$2,000 left. Mr. M cannot apply for assistance until that amount is left.
  - If Mr. M's Social Security Amount is \$1,100.00 per month that amount is subtracted from his bank account balance. So that he may apply with more than \$2,000 showing in his bank. Take current month's income and subtract current month's income. If less than \$2,000 go ahead and apply.
- The KanCare Volunteer should explain how Mr. M can apply for KanCare/Medicaid. (Elderly and Disabled Application)

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Reminder: Application process time is 45 days.

The applicant or their caregiver need to stay in touch with the Nursing Facility to make certain that once their application is approved that the Nursing Facility is receiving payment from the KanCare Managed Care Organization (MCO).

## Nursing Facility Example

- Let Mr. M's son know that it could take up to 45 days from the date the application is submitted to DCF for it to be processed.
- Mr. M and his son should have a conversation with XYZ Nursing Facility to let them know his resources have been exhausted and he will be applying for KanCare.
- There may be a short time where payment is delayed while the KanCare/Medicaid application is being processed.



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Nursing facilities have a social worker available who may be able to assist in completing the KanCare/Medicaid application.

## Nursing Facility Example

- It is important to provide all the information requested in the application so that it isn't delayed due to missing information.
  - Two important things to include with the application
    - Bank Statements
    - Life Insurance with cash value
- Please explain the applicant will receive more accurate figures once the application is processed.



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Life insurance – if the policy is term life insurance without cash value it is not counted as a asset.

Remember: it is not the job of a KanCare Ombudsman Volunteer to determine if a person is eligible for a program but to assist in completing an application and to let the program determine eligibility.

## Nursing Facility Example

- DCF will explain what expenses they allow or don't allow. For instance if Mr. M has health insurance through former employment, DCF will allow him the money needed to keep that insurance.
- Also remember there is the \$62 per month for incidental expenses



## Nursing Facility Example

Mr. M's income per month:	2,528
	- 62 allowance
	- 300 health ins.
	<hr/>
Mr. M pays	\$2,166
Monthly Nursing Facility Bill	6,450
Mr. M pays	- 2,166
	<hr/>
State of Kansas/Medicaid pays for Mr. M's Nursing Facility Care	\$4,284 per month



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This is a simplified example to help you understand how this works.

Mr. M pays what his income allows him to pay toward nursing facility care and the State of Kansas, through Medicaid, pays the difference or what he is no longer able to pay because he has exhausted his assets.

Mr. M's son is his durable power of attorney for both medical and financial decisions. He maintains control of Mr. M's money.

When the State pays for your healthcare there are other issues we must discuss such as Estate Recovery.

## Spousal Impoverishment/Division of Assets

- Spousal Impoverishment is also known as Division of Assets
  - The spousal impoverishment provisions of the Medicaid program change the Medicaid eligibility requirements for a person who needs long-term care in a nursing home or Home and Community Based Services (HCBS) setting when there is a spouse who remains at home. It protects a portion of the couple's income and resources so the spouse at home is not reduced to poverty. At the same time, these provisions help the spouse needing long-term medical care to qualify for Medicaid benefits, which can help in paying for that care.



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[www.Medicaid.gov](http://www.Medicaid.gov) has a great explanation of Spousal Impoverishment. Please visit this webpage and read through the information on the page: <http://www.Medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/Eligibility/Spousal-Impoverishment-Page.html>

## Spousal Impoverishment/Division of Assets

- Long-term Care (Nursing Facility, Home and Community Based Services or PACE) with community spouse limit is established by spousal impoverishment rules, between \$23,448 & \$117,240.
- In some cases, the long term care spouse can allocate income to the community spouse.



## **Estate Recovery Elderly and Disabled**



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Questions about anything in training please feel free to contact the KanCare Ombudsman Volunteer Coordinator, Pam Brown. Phone 785-296-2081. KanCare Ombudsman toll free number 855-643-8180 or email [pam.brown@kdads.ks.gov](mailto:pam.brown@kdads.ks.gov)

## Estate Recovery

- When a person applies for KanCare/Medicaid their situation will be evaluated with regard to monthly income, resources/assets and do they meet the criteria of the program for which they are applying.
- A person could be subject to Estate Recovery , if the State of Kansas pays for their care in a
  - Nursing Facility
  - HCBS Setting
  - PACE



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Statute on Estate Recovery: [http://content.dcf.ks.gov/EES/KEESM/Robo05-12/Robo\\_05\\_01\\_12/keesm1725.htm](http://content.dcf.ks.gov/EES/KEESM/Robo05-12/Robo_05_01_12/keesm1725.htm)

Estate Recovery is only after the consumer has received long-term care services and is now deceased.

### Exceptions to Estate Recovery

- Individuals with surviving children under the age of 21
- Individuals with surviving disabled children as defined by Social Security
- Individuals with a surviving spouse, recovery is delayed until the death of the surviving spouse

Please note: The Estate Recovery Process does not apply to:

- Medicare Savings Program only recipients
- Family Medical Programs

## Estate Recovery

- What is Estate Recovery?
  - KDHE is allowed to establish a legal claim for medical assistance provided after June 30, 1992 to persons who, prior to their death were:
    - 55 years of age or older and
    - Receiving long-term institutional care, including when provided through a Program of All-Inclusive Care for the Elderly (PACE) program at the time of death.
  - The claim is normally filed against the deceased client's estate.



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More information on Estate Recovery, please read:

<http://www.medicaid.gov/medicaid-chip-program-information/by-topics/eligibility/estate-recovery.html>

If a KanCare beneficiary or their responsible person or family (if deceased) have questions about Estate Recovery please refer to Estate Recovery in your phone number resource book.

## Look Back Period Elderly and Disabled



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## Look Back Period

- A Look Back Period only applies at the time of Long-Term Care application.
- If a person needs assistance paying for Nursing Facility Care, HCBS Services, or PACE they may be subject to Estate Recovery after they are deceased.
- There is a five year look back period on certain resources a person may have if they have requested assistance in paying for programs listed in the second bullet point.



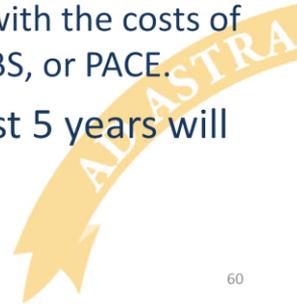
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HCBS – Home and Community Based Services

PACE – Program of All-Inclusive Care for the Elderly

## Transfer of Property

- Gifting, selling, or transferring property for less than fair market value can result in a period of ineligibility for LTC services.
- Look Back Period for Transfer of Resources
  - There is a 5-year look back period from the date the State of Kansas began to help with the costs of a person's nursing facility care, HCBS, or PACE.
- Any transfers made within the last 5 years will be evaluated.



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LTC – Long-Term Care Services including PACE, HCBS, and Nursing Facility

## Transfer Penalty

- Penalty – No Payment of Long-Term Care services
- Amount of penalty divided by about \$5000 = months of no eligibility



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Long-Term Care Services: PACE, HCBS, Nursing Facility

Questions about Transfer Penalty should be directed to the Estate Recovery resource in your Phone Resource Handbook.

The penalty amount changes from year to year and is an average of the cost of nursing facility stay. Determined by KDHE.

## Groups Excluded from KanCare



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## Excluded from KanCare

- Some beneficiaries are not included in the Managed Care Program but still get assistance in paying medical expenses from the State of Kansas.
- See the resource in your training notebook titled: “Beneficiaries Excluded from KanCare.”



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Please see the resource in your training guide, “Beneficiaries Excluded From KanCare”

Before we approach this section of training I would like to remind you that there is an abundance of information to be considered in the training. The point of this is for you to understand that not all people with Medicaid are a part of KanCare. There are other programs and circumstances that require individuals to seek assistance in paying for their medical expenses. People listed in this section of training are not part of the KanCare program and instead have a KDHE card that identifies them as being part of the “old style” fee-for-service program. The people included in this program must go to a provider who contracts with the State of Kansas and accepts the amount the State of Kansas pays in the fee-for-service system.

The person who qualifies for coverage under fee-for-service receives information and can contact KMAP customer service at 800 766 9012  
Or view the KMAP website at <https://kmap-state-ks.us/>

KMAP – Kansas Medical Assistance Program

Click on the beneficiary link to access items like finding a doctor, how to file an appeal or begin the process of a State Fair Hearing. There is also a beneficiary booklet with instructions on how the program works. Great resource!

## Medicare Savings Program (MSP)

- The Medicare Savings Program (MSP) has three levels of help.
  - QMB, Qualified Medicare Beneficiary
  - LMB, Low-income Medicare Beneficiary
  - ELMB, Expanded Low Income Medicare Beneficiary
- MSP provides assistance to beneficiaries whose income is too high to qualify for KanCare/Medicaid.
- Allows use of Medicaid dollars to assist with costs of Medicare.
- There is a separate application for MSP



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A reminder that we discussed earlier in this presentation what is counted as income and resources.

The application for Medical Assistance for Elderly and Disabled may be used or the shortened version of the application.

See your training notebook for examples of both types of applications.

## MSP – QMB

- Income
  - Individual: \$1,001
  - Couple: \$1,348
- Resources
  - Individual: \$ 7,280
  - Couple: \$10,930
- Benefits
  - Pays Medicare Premiums (see note below)
  - Pays Medicare co-pays, deductibles, and co-insurance
  - Automatic qualification for Extra Help with Medicare Part D. The Extra Help Program will pay the premium for Medicare Part D up to a certain amount and will help with prescription drug co-pays.

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Note: About 99% of Medicare beneficiaries have no premium for Medicare Part A. If a consumer has a Medicare Part A premium the Medicare Savings Program will pay their Part A.

When a person qualifies for the Medicare Savings Program at the QMB level, the program acts like a supplemental insurance and pays most of what Medicare does not pay for: co-payments, deductibles, and co-insurance.

Beneficiaries may be required to make a small contribution toward their care. When they apply for MSP and are approved they will receive a letter letting them know if they are required to pay a small co-pay.

The Extra Help Program is administered through Social Security and provides assistance with the cost of Medicare Part D Prescription Drugs only.

## MSP - LMB

- Income
  - Individual: \$1,197
  - Couple: \$1,613
- Resources
  - Individual: \$ 7,280
  - Couple: \$10,930
- Benefits
  - Pays Medicare Premiums
  - Automatically qualify for Extra Help with Medicare Part D. The Extra Help Program will pay the premium for Medicare Part D up to a certain amount and will help with prescription drug co-pays.



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The Extra Help Program is administered through Social Security and provides assistance with the cost of Medicare Part D Prescription Drugs only.

If a consumer has a spend down it is possible for them to be both LMB and trying to meet a spend down.

## MSP - ELMB

- Income
  - Individual: \$1,345
  - Couple: \$1,813
- Resources
  - Individual: \$ 7,280
  - Couple: \$10,930
- Benefits
  - Pays Medicare Premiums
  - Automatically qualify for Extra Help with Medicare Part D. The Extra Help Program will pay a portion of the premium for Medicare Part D up to a certain amount and will help with partial co-pays for prescription drugs.

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The Extra Help Program is administered through Social Security and provides assistance with the cost of Medicare Part D Prescription Drugs only.

When a person qualifies for an ELMB level of help they may receive a full-subsidy or a partial subsidy. The subsidy through the Extra Help program helps you with the cost of co-pays for prescription drugs.

ELBM – The “E” in ELMB stands for Expanded. Expanded in this instance means an expanded list of people and not expanded benefits. The expanded list of people are those with a higher income than QMB or LMB.

If a person is ELMB they cannot be both ELMB and trying to meet a spend down.

## **SOBRA**

- This program is for non-citizens who are undocumented who would otherwise qualify for Medicaid if not for their alien status.
- Eligible individuals may receive coverage only for approved emergency medical conditions.



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SOBRA - Sixth Omnibus Budget Reconciliation Act

## **AIDS Drug Assistance Program (ADAP)**

- This program is for individuals diagnosed with AIDS.
- Coverage for eligible individuals is limited to payment for prescription drugs related to treatment of AIDS
- Also known as the Ryan White Program administered by a division of Kansas Department of Health Environment (KDHE).



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There is other assistance for people diagnosed with HIV or AIDS through the Ryan White Program with the Kansas Department of Health and Environment.

Check out their webpage: [http://www.kdheks.gov/sti\\_hiv/ryan\\_white\\_care.htm](http://www.kdheks.gov/sti_hiv/ryan_white_care.htm)

## Tuberculosis (TB)

- This program is for individuals diagnosed with tuberculosis and in need of care for this condition.
- Coverage for eligible individuals is limited to inpatient hospital care or alternative community based services related to the condition.
- No income or resource test for this program.



## MEDIKAN

- This program is for individuals who qualify for a cash payment under the General Assistance program.
- Eligible individuals must meet program disability guidelines and must not be eligible for Medicaid.
- MediKan benefits is limited to 12 months.



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No longer any cash assistance program.

The effective date of the program starts when an application is submitted.

MediKan – must apply at DCF and administered at KDHE

Call DCF with any questions regarding MediKan

## **Residents of MHNF or State MH Hospitals**

- Residents of Mental Health Nursing Facilities (MHNF) and State Mental Health Hospitals (MH).
- See the detailed explanation on Beneficiaries Excluded from KanCare resource.



## Long-term Institutional Care (ICF)

- ICF/MR – Intermediate Care Facility/Mentally Retarded
  - An out of date use of what we would now call a developmental disability but still what CMS uses to describe this type of facility .
  - New terminology – Intellectually / Developmentally Disabled (I/DD)
- Individuals residing in a public ICF/MR.
- Individuals residing in a private ICF/MR are **not** excluded from KanCare.



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An example of a public ICF/MR facility is Kansas Neurological Institute (KNI) in Topeka, KS.

## References



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## Resources for Day 2 Online Training

- Websites
  - [www.hhs.gov](http://www.hhs.gov)
  - [www.cms.gov](http://www.cms.gov)
  - [www.medicare.gov](http://www.medicare.gov)
  - [www.medicaid.gov](http://www.medicaid.gov)
  - [www.kancare.ks.gov](http://www.kancare.ks.gov)
  - [www.kdads.ks.gov](http://www.kdads.ks.gov)
  - [www.kdheks.gov](http://www.kdheks.gov)
  - [www.kff.org](http://www.kff.org)
  - [www.dcf.ks.gov](http://www.dcf.ks.gov)



## Resources for Day 2 Online Training

- A huge thank you to the staff at KDHE for sharing several of their presentations that were used in compiling training materials for the KanCare Ombudsman Volunteer Program.

