TRANSMITTAL LETTER FOR MANUAL RELEASES

STATE OF MARYLAND
DEPARTMENT OF HEALTH AND MENTAL HYGIENE
BENEFICIARY SERVICES ADMINISTRATION
DIVISION OF ELIGIBILITY POLICY
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APPLICABILITY: Applications and redeterminations for waiver applicants and enrollees

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Chapter 10 – Eligibility for Institutionalized Persons		
Policy Alert 10-10 – Procedures for Processing Applications and Cases for Medicaid Home and Community Based Services Waivers	Policy Alert 10-10	Policy Alert 10-10

COMMENTS

This Manual Release updates Policy Alert 10-10 with information about Maryland's seven Medicaid Home and Community Based Services (HCBS) waivers. An updated chart summarizes the basic requirements for each waiver and identifies differences in the included coverage groups, MMIS and CARES coding, target population, administering agencies, and waiver services.

Policy Alert 10-10 outlines New Directions, the second waiver for individuals with developmental disabilities (DD), which is being implemented by DHMH's Developmental Disabilities Administration. Qualified individuals may now choose to enroll in New Directions or Community Pathways. New Directions offers a consumer-directed model of care by providing supports brokerage and fiscal management services to assist enrollees or their representatives with managing their care delivery at home and in the community. Community Pathways, with the traditional, agency-directed model of care, took effect in 1984. It includes residential rehabilitation services and other community-based supportive services.

The Policy Alert describes the policies for determining and redetermining Medicaid and waiver eligibility for waiver applicants and enrollees in various circumstances. **Only the DHMH Division of Eligibility Waiver Services (DEWS) may determine and redetermine Medicaid eligibility using waiver rules for the H-track.** Collaboration between DEWS and the local departments of social services (LDSSs) and local health departments (LHDs) is essential to assure proper handling of cases involving waiver applicants or recipients. The contact telephone number for DEWS is 410-767-8168.

- Many waiver applicants or enrollees are active in Medicaid community coverage groups (e.g., S02 and other S-track coverage groups with full Medicaid coverage, and certain E, F, and P track coverage groups). Medicaid eligibility is then determined and redetermined by a LDSS or LHD. The attached chart lists the community coverage groups included under each waiver. If an individual is active in an included coverage group at the time of waiver enrollment, the Medicaid case is not impacted and remains at the LDSS or LHD. DEWS approves waiver enrollment and has the waiver span opened on MMIS recipient screen 8, to authorize payment of providers' claims for waiver services.

- LDSS and LHD eligibility case workers should be on the alert for recipients in their caseloads who are enrolled in an HCBS waiver, and must inform DEWS before taking any action that may impact waiver enrollment. DEWS includes notation in the CARES narrative about waiver enrollment. The CARES "INST" screen now has a "HCB Waiver Type" field to indicate waiver enrollment. MMIS recipient screen 1 has a field for "Waiver," which is coded for "C" if a recipient is currently enrolled in an HCBS waiver or another special program (e.g., hospice care, Rare and Expensive Case Management). Specifics about waiver enrollment are on MMIS recipient screen 8.

- If a waiver enrollee in a community coverage group becomes ineligible for that category, the LDSS or LHD should notify DEWS to determine H-track eligibility before the Medicaid community case is closed. The recipient must be determined ineligible for Medicaid and the waiver before the individual's eligibility may be terminated.

- Some waiver applicants or recipients may be income-overscale for the H-track under waiver rules. Then, DEWS requests that the LDSS establish a spend-down case. This provides the individual with the opportunity to gain Medicaid and waiver eligibility by spending down to the community medically needy income limit through incurred medical expenses for services covered under the State Plan or the waiver or noncovered services.

- If an H-track waiver recipient has an associated case at a LDSS or LHD (e.g., Food Stamps, Medicaid community case, MCHP), CARES identifies the LDSS or LHD for the associated case as the district office (DO) of record. Although **only DEWS may determine and redetermine H-track eligibility**, the CARES redetermination notice instructs the H-track recipient or authorized representative to return the completed redetermination application to the LDSS/LHD DO and to contact the LDSS/LHD eligibility case worker if there are any questions. When a LDSS or LHD receives a completed redetermination application for an H-track recipient, the redetermination should be promptly initiated in CARES to record the date of receipt. The application form and any accompanying verifications or documentation should be immediately forwarded to DEWS, so that DEWS may complete the redetermination. Any correspondence or other communication related to an H-track case should be referred by the LDSS or LHD to DEWS for response.

- If a redetermination or interim change for an H-track recipient's associated case at the LDSS or LHD causes the recipient to become income or resource overscale for the H-track coverage group, CARES may attempt to close the H-track case or trickle the case

within the H-track. The LDSS or LHD should promptly notify DEWS, so that DEWS may appropriately handle the H-track case.

If you have any questions about these policies or procedures, contact the DHMH Division of Eligibility Policy and MCHP at 410-767-1463 or 1-800-492-5231 (select option 2 and request extension 1463). Questions regarding CARES processing should be directed to Cathy Sturgill at 410-238-1247 or via email at csturgil@dhr.state.md.us. DEWS may be contacted at 410-767-8168.

POLICY ALERT 10 - 10
Procedures for Processing Applications and Cases for
Medicaid Home and Community Based Services Waivers

In 1981, Congress authorized the waiver of certain federal Medicaid (MA) requirements under §1915(c) of the Social Security Act so that states could provide Medicaid-funded supportive services to individuals in home and community-based settings as an alternative to institutionalization in nursing facilities, hospitals, or institutions for the mentally retarded/developmentally disabled (ICF/MRs). Medicaid programs developed under this authority are called Medicaid Home and Community Based Services (HCBS) waivers or section 1915(c) waivers. States apply to the Centers for Medicare and Medicaid Services (CMS) for approval of each waiver program. The application must demonstrate the waiver's feasibility, legal sufficiency, and cost-neutrality.

Each waiver has a target population and criteria for participation. Waivers provide full Medicaid coverage as well as funding for enhanced services or services not otherwise available through Medicaid such as enhanced personal care, consumer or family training, personal emergency response systems, respite care, residential or day habilitation, supported employment services, assisted living services, home-delivered meals, and home modifications.

- **There are higher income caps for waivers than for community MA.**
- **Medicaid institutional rules are used for determining eligibility.**
- **Each applicant is considered as an assistance unit of one person.**
- **There are provisions to prevent spousal impoverishment.**

MARYLAND'S HOME AND COMMUNITY- BASED SERVICES WAIVERS

The Department of Health and Mental Hygiene (DHMH) administers seven HCBS waiver programs. Each waiver targets a specific population, covers certain waiver services, and is administered by a different State agency. Targeting criteria include an institutional level of care certification and factors such as age and diagnosis. (See the attached comparison chart.)

The DHMH Division of Eligibility Waiver Services (DEWS) makes the determination of MA eligibility under the waivers. The determination is made in conjunction with findings from the State agency administering the particular waiver. For this reason, any waiver applications or redetermination packages for H-track recipients received at a local department of social services (LDSS) or local health department (LHD) should be **promptly** forwarded to DEWS.

ELIGIBILITY DETERMINATION PROCESS FOR AN HCBS WAIVER

To qualify for an HCBS waiver, an applicant must meet the waiver's specific financial, medical, and technical criteria in addition to meeting MA eligibility requirements. An applicant may qualify for MA under a waiver by:

(1) having an **active** MA community case at a LDSS/LHD in a coverage group included under the waiver (specified coverage groups in the E, F, P, and S tracks), or

(2) being determined by DEWS as eligible for an H-track coverage group under the waiver's special rules.

Each waiver specifies "included community coverage groups" that are eligible to participate in that waiver without a separate MA determination (e.g., SSI, PAA, FAC, ABD, foster care, and certain MCHP recipients). MA recipients who are active in a community coverage group that is **not** included in that waiver (e.g., P13, P14, MCHP Premium, MPAP, QMB, or SLMB) will **require** an MA determination for the H-track by DEWS. DEWS also determines H-track eligibility for waiver applicants who are not active MA recipients. (See the attached waiver comparison chart.)

All HCBS waiver applications are submitted to DEWS, which is solely responsible for applying the appropriate standards related to included coverage groups and MA eligibility for the waiver. DEWS is also responsible for all H-track determinations and re-determinations and for instructing DHMH to open or close waiver spans in DHMH's Medicaid Management Information System (MMIS).

Since many waiver participants are active in Medicaid coverage groups other than the H-track (e.g., S02 for SSI beneficiaries), it is important to check the CARES narration for information about waiver eligibility. CARES now has a "HCB Waiver Type" field on the "INST" screen, to indicate that a customer is a participant in an HCBS waiver, even if the customer is not active in the H-track. Also, MMIS recipient screen 1 has a field for "Waiver," which is coded for "C" if a recipient is currently enrolled in a waiver. The type of waiver and the waiver eligibility span are specified on MMIS recipient screen 8, which also has information about current and previous waiver enrollment.

COORDINATION OF MA DETERMINATION AND WAIVER ENROLLMENT BETWEEN THE LOCAL DEPARTMENTS AND DEWS

Waiver applicants will generally receive information about their enrollment options from their **waiver** case managers (e.g., Area Agencies on Aging and other Medicaid providers of waiver case management services). If the individual is not currently enrolled in MA and only wants waiver services, the individual's MA eligibility is determined by DEWS. If the individual also wants MA coverage for family members or wants additional assistance (e.g., Food Stamps or Public Assistance to Adults), the individual is advised to apply for MA at the LDSS/LHD in conjunction with submitting a waiver application to DEWS through the waiver case manager.

When a waiver applicant is community MA-eligible in an included coverage group, the case will remain at the LDSS/LHD as long as the individual remains eligible in the "included" coverage group, even while the recipient is participating in a waiver program. If DEWS determines that the applicant is waiver eligible, DEWS will narrate on CARES that the recipient is a participant in an HCBS waiver, enter the waiver code on the CARES INST screen, and instruct DHMH to open a waiver span on MMIS recipient screen 8. The case will remain at the LDSS/LHD in the **current** MA coverage group, and the MA certification period will not change.

If the LDSS/LHD determines that a waiver participant is no longer eligible in a community coverage group covered under the waiver (e.g., S02, S98, S99), the LDSS/LHD must notify DEWS **before** closing the case on CARES or preserving the case for

spend-down. DEWS will have entered CARES narration to indicate that they must be notified. DEWS will test for MA eligibility in the H-track, using the information on CARES and requesting additional information as necessary. If DEWS determines that the recipient is eligible for the H-track, DEWS will change the coverage group, and the case will be transferred to the DEWS district office (if there isn't an associated case at the LDSS/LHD). If DEWS determines that the recipient is not MA eligible under waiver rules, DEWS will terminate waiver eligibility and will notify the LDSS/LHD to proceed and either close the MA case or preserve the case for spend-down.

When a waiver applicant is community MA-eligible at an LDSS/LHD in a coverage group not included under the waiver, DEWS will test for MA eligibility in the H-track. DEWS also tests for H-track eligibility for individuals who are preserved ("M" status) or active for spend-down eligibility. If the applicant is waiver-eligible for the H-track, DEWS will change the coverage group and enter the waiver code on the CARES INST screen, a waiver span will be opened on MMIS, and the case will be transferred to DEWS (if there isn't an associated case at the LDSS/LHD). If the waiver applicant is not waiver-eligible, the recipient remains MA eligible at the LDSS/LHD, and is denied waiver eligibility by DEWS.

When a redetermination is due for an H-track waiver recipient, the CARES notice instructs the recipient to return the completed application to the eligibility case worker at the district office (DO) of record. If the recipient is a member of an associated case or is receiving Food Stamps, the LDSS/LHD is recorded on CARES as the DO. The CARES notice instructs the recipient to return the waiver redetermination application to the LDSS/LHD rather than to DEWS. When the LDSS/LHD receives a redetermination application for an H-track recipient, the LDSS/LHD should **immediately** initiate the redetermination on CARES in order to record the date of receipt, and should forward the application form and any accompanying documentation to DEWS for completion of the redetermination. **Under no circumstances should the LDSS/LHD complete the redetermination for an H-track recipient.** If DEWS has not received the redetermination application by a month before the application is due, DEWS will contact the LDSS/LHD to ask whether it was received. If not, DEWS must issue a reminder notice to the recipient and

any representative. For more information, see DHR/FIA Information Memo 04-39 and Policy Alert 10-10 Supplement.

If the LDSS/LHD conducts a redetermination for an H01 waiver recipient's associated case (e.g., Food Stamps, MCHP, FAC, ABD) that makes the waiver recipient income or resource over-scale for coverage group H01, CARES may automatically initiate a redetermination of the H-track case and trickle the H01 to coverage group H98 or H99. This is incorrect. All processing of H-track cases should be conducted manually by DEWS. The LDSS/LHD case worker immediately should inform DEWS and prevent the H01 case from closing until DEWS completes a redetermination and takes the proper action.

If an H-track MA recipient loses waiver eligibility, DEWS terminates H-track eligibility on CARES and on MMIS recipient screen 8, and sends a proper manual notice to the customer. If the individual may be eligible for a MA/MCHP coverage group (e.g., spend-down), DEWS transfers the case through CARES and mails the case record to the LDSS/LHD for an eligibility determination. If the LDSS/LHD subsequently determines that the individual is eligible in a MA/MCHP coverage group included under the waiver (e.g., E, F, P, or S track), the LDSS/LHD should promptly notify DEWS. Then, DEWS may have DHMH reopen the waiver span on MMIS recipient screen 8, if the individual still is approved for a waiver slot. For more information, see the Policy Alert 10-10 Supplement.

When a waiver applicant is currently MA eligible in a long-term care facility (LTCF), it is still necessary for the individual to submit a waiver application. The individual may not be determined as waiver-eligible until the individual is discharged from the LTCF. See the policies and procedures in Policy Alert 10-11 for how to handle the case.

When a waiver participant enters a LTCF for a stay longer than 30 days, follow the policies and procedures in the Policy Alert 10-10 Supplement.

Comparison of Maryland's Home and Community–Based Services Waivers

	Waiver for Older Adults	Living at Home: MD Community Choices	Waiver for Children with Autism Spectrum Disorder	Community Pathways Waiver and New Directions Waiver	Model Waiver for Disabled Children	Model Waiver for Adults with Traumatic Brain Injury
Contact numbers:	Area Agency on Aging (AAA) in their jurisdiction or MDoA at 1-800-AGE-DIAL	DHMH Office of Health Services (OHS) at 410-767-7479 or 1-877-463-3464	The local school system, the local lead agency for the early intervention system, or MSDE at 410-767- 0264	The DDA Regional Office in their jurisdiction (preferred), or DDA at 410-767-5421	Coordinating Center for Home and Community Care at 410-987-1048 or 301-621-7830	DHMH Mental Hygiene Administration (MHA) at 410-402-8476
Other names used for the waiver:	Senior Waiver Aging Waiver Assisted Living Waiver Senior Assisted Housing Waiver	Attendant Care Waiver Personal Assistance Waiver Waiver for Adults with Physical Disabilities	Autism Waiver	MR/DD Waiver DD Waiver Mentally Retarded Waiver	Technology Dependent Waiver Model Waiver Waiver for Medically Fragile Children	TBI Waiver
Agencies Responsible for Employing Case Managers:	Area Agencies on Aging	Contracted case management agencies: Independence Now, Coordinating Center, Making Choices for Independent Living	Local school system or local lead agency for the early intervention system	Resource coordination or case management agencies	Coordinating Center	Mental Hygiene Administration
Agency that Operates the Waiver:	Maryland Department of Aging (MDoA)	OHS at Department of Health & Mental Hygiene (DHMH)	Maryland State Department of Education (MSDE)	Developmental Disabilities Administration at DHMH	OHS at DHMH	MHA at DHMH
Age requirements:	50 years or older	18 to 59 years old at time of admission to the waiver	1 year old through the end of school semester that child turns 21	No age restrictions	Less than 22 years old at time of admission to the waiver	Aged 22-64 at time of admission to the waiver
Level of Care Requirement:	Nursing Facility	Nursing Facility	ICF/MR	ICF/MR	Chronic Hospital or Nursing Facility	Chronic Hospital or Nursing Facility
Included Coverage Groups:	F01-F05, F98, F99 H01, H98 S01, S02, S04, S05, S98, S99	F01-F05, F98, F99 H01 P02, P11 S02, S04, S05, S98, S99	E01, E02 F01-F05 H01 P07, P08 S02, S04, S05	E01, E02 F01-F05, F98, F99 H01 P02, P03, P06, P07, P08, P11, P12 S01, S02, S04, S05, S98, S99	E01, E02 F01-F05, F98, F99 H01 P02, P03, P06, P07, P08, P11, P12 S01, S02, S04, S05, S98, S99	F01-F05 H01 P02, P11 S01, S02, S04, S05
Waiver Special Program Code on MMIS Screen 8:	OAA: living in assisted living facility OAH: receiving waiver services at home	ACI: deinstitutionalized ACD: diverted	AUT	MRW deinstitutionalized DRW diverted NRW New Directions NRX day-only	MOD deinstitutionalized MWD diverted	TBW
Waiver Code on CARES INST screen:	WOA	ACW	CAW	MRW, DRW, NRX NRW New Directions	MOD	TBI

	Waiver for Older Adults	Living at Home MD Community Choices	Waiver for Children with Autism Spectrum Disorder	Community Pathways Waiver and New Directions Waiver	Model Waiver for Disabled Children	Model Waiver for Adults with Traumatic Brain Injury
WAIVER SERVICES:	Assisted Living Services including Environmental Modifications & Assistive Equipment	Attendant Care	Respite Care	Service Coordination or Targeted Case Management	Case Management	Residential Habilitation
	Personal Care Services including nursing supervision	Skilled Nursing Supervision of Attendants	Supported Employment	Residential Habilitation (Community Pathways Waiver only)	Home health aide services	Day Habilitation & Supported Employment
	Respite Care Services	Assistive Technology	Therapeutic Integration Services	Day Habilitation & Supported Employment	Specialized medical equipment/ supplies	Case management as a Medicaid administrative service
	Personal Emergency Response Systems	Personal Emergency Response Systems	Intensive Individual Support Services	Accessibility Adaptations	Private Duty Nursing if 21 or older (covered under State Plan if under 21)	
	Environmental Accessibility Adaptations	Environmental Accessibility Adaptations	Residential Habilitation (regular/intensive)	Respite Care	Participation of a physician in plan of care meetings	
	Family or Consumer Training	Family Training	Environmental Accessibility Adaptations	Personal Support		
	Senior Center Plus	Consumer Training	Family Training	Assistive Technology & Adaptive Equipment		
	Dietitian/Nutritionist Services	Transition Services	Service coordination as a Medicaid State Plan service	Behavioral Supports		
	Environmental Assessments	Case management as a Medicaid administrative service		Community Access Transportation		
	Home Delivered Meals			Family & Individual Support Services		
	Behavioral Consultation Services			Transition Services		
	Assistive Devices			Supports Brokerage & Fiscal Management Services (New Directions Waiver only)		
	Case management as a Medicaid administrative service					