

SECTION OUTLINE FOR MA-2270, MAABD MANUAL

page #

**I. POLICY RULES**

**A. Effective Date Of LTC Budgeting 1**

**B. General LTC Rules 1-2**

1. CPI

2. Medical institution

3. Prior Approval

**C. Long Term Budgeting Rules 2-3**

1. Step I, financial need

2. Step II, amount of PML

3. Step III, amount of deductible

**II. BUDGET UNIT MEMBERSHIP**

**A. Adult Applicant/Recipient 3-4**

1. Months Prior to CPI

2. Month CPI Begins

3. Month after CPI begins

**B. Institutionalized Minors 4**

**C. Institutionalized Couple Who Are Legally Married 4-5**

**D. Applicant/Recipient Under A Transfer Sanction 5**

**III. LTC BUDGETING COMPUTATION PROCEDURES**

**A. Step I: Establish Financial Need 5-6**

1. Ways of meeting the financial need requirement

2. Step I deductions to determine net income

**B. Countable Income in Step II 7**

**C. Deductions from Countable Income in Step II 7-10**

1. Total personal needs deduction same as PLA maintenance

a. Personal Needs Allowance

b. Guardianship fees

- c.
- d. Mandatory deductions
- e. Work incentive allowance

2. Deductions for community spouse, dependents, and a/r expected to return home within six months

(III. Budgeting Computations)

page #

3. Deduct Unmet Medical Needs

- D.** Rules And Procedures When A/R Is Expected To Return Home Within Six Months of the First Day of Institutionalization 9-10
- E.** Step II: Eligibility for Help With Cost of Care 10
- F.** Post-Eligibility Determination of Patient Monthly Liability 11
- G.** Step III Procedures For Other Medicaid Covered Services Only. 11-13
- H.** PLA Procedures For Help With Other Covered Services Only When The Institutionalized A/R Is Ineligible For LTC Budgeting 13-16
  - 1. Budgeting rules
  - 2. If PLA budgeting results in no deductible
  - 3. If PLA budgeting results in a deductible
  - 4. Ineligibility reasons which result in PLA budgeting

**IV.** THE COMMUNITY SPOUSE INCOME ALLOWANCE

- A.** Rules For Community Spouse Income Allowance Eligibility 16-16a
- B.** Maximum Amount Available From The A/R For Spousal 16a
- C.** Income Allowance 16a-16b
- D.** Procedure For Determining Basic Spousal Income Allowance 17-19
- E.** Procedures For Consideration Of Excess Shelter Costs

**V.** THE DEPENDENT FAMILY MEMBER ALLOWANCE

- A.** Rules For Dependent Family Member Allowance Eligibility 19
- B.** Maximum Monthly Dependent Allowance 19
- C.** Procedure To Determine The Dependent Family Member Allowance Amount 19-20
- D.** Procedure To Determine Allocation For Dependents Only 20

**VI. UNMET MEDICAL NEEDS ALLOWANCE**

- A. General Rules 20-22**
  - 1. Medical tax deduction
  - 2. Not paid by Medicaid
  - 3. Incurred in a LTC budgeting month
  - 4. Patient's liability to pay
  - 5. Not covered by Medicare or other TPR
  - 6. Never used to meet a Medicaid deductible
  - 7. Never deducted from a Medicaid PML
  - 8. Reported timely
- B. Specific Rules To Deduct Cost Of Care In A Nursing Facility 22-24**
- C. Specific Rules To Deduct The Cost Of A Private Duty RN/LPN 24**
- D. Specific Rules To Deduct A Physician Charge 24-24a**
- E. Specific Rules To Deduct A Prescription Drug Charge 24a**
- F. When To Decrease The Liability (PHL) With UMN Deductions 25**
- G. Rules For Reporting Of Costs 25-26**
- H. Special Situations Involving Unmet Medical Needs 26**
  - 1. Non-covered transportation costs
  - 2. Non-covered days in psych unit of state mental hospital
- I. Budgeting Procedures For UNM Changes And Corrections 26-27**
  - 1. Incorrect, untimely, or fraudulent reporting
  - 2. A/R rebudgeted as PLA
  - 3. A/R dies

**VII. HOSPITAL LEVEL OF CARE CHANGE AND DECERTIFIED FACILITY PROCEDURES**

- A. Hospital Inappropriate Level Of Care Bed Or Swing Bed 28-29**
- B. Decertified LTC Facility 29-30**

**VIII. CHANGE IN SITUATION**

- A. Active Recipient Becomes Institutionalized (Change From PLA To LTC) 30-32**
- B. Recipient Of Special Allowance Moves to Nursing (SNF/ICF) Level Of Care 32-33**

**(VIII. CHANGE IN SITUATION)**

**page #**

- C. Recipient In Nursing Home Level Moves To A Domiciliary Level Of Care 33**
- D. VA Contract For Payment Of Cost Of Care Ends 33**
- E. From LTC Facility To Hospital 34**
- F. From LTC Facility To A New LTC Facility 34**
- G. From LTC To A Private Living Arrangement 34-35**

**IX. REPORTING OF PML ON DMA-5016**

- A. Purpose Of DMA-5016 35**
- B. Completion Of The DMA-5016 35-36**
- C. Requirements To Change The Amount Of PML 36-36b**
- D. Split Liabilities 37**

**X. MEDICARE COVERAGE**

- A. Approved Medicare SNF Care In A Nursing Facility 37-38**
- B. Medicare Hospitalization Benefits 38-39**

**XI. PRIOR APPROVALS (FL-2 AND MR-2)**

- A. Levels Which Require Prior Approval 39**
- B. Determination Of Level Of Care 39-40**
- C. Prior Approval Process 40-41**
- D. Types Of Prior Approval 41**
  - 1. Telephone
  - 2. Retroactive Prior Approval

<b>E.</b>	Validity Of Approval And Expiration Dates	42
<b>F.</b>	Completion Of Prior Approval	42-43
<b>G.</b>	Patient Approved For Domiciliary Level Of Care	43
<b>H.</b>	Responsibilities Of The County DSS	43
<b>I.</b>	Responsibilities Of The Prior Approval Unit	43-44
<b>J.</b>	Responsibilities Of The Nursing Facility (NF)	44

**K.** Reconsideration Review 44-45

**XII.** RECOUPMENT PROCEDURES FOR VA LUMP SUM PAYMENTS

**A.** No Basis For Recoupment Effective June 1, 1994 45

**B.** Medicaid Authorized Period Covered By The Retroactive VA Payment 45

**C.** Amount To Be Refunded To Medicaid 45-46

**D.** Notification Of Responsibility To Repay 46-47

**XIII.** LONG TERM CARE OMBUDSMEN 47

**XIV.** FIGURES

**A.** Figure 2270-1, NOTICE OF OPPORTUNITY TO PROVIDE MEDICAL COSTS

**B.** Figure 2270-2, Notification of Utilization Review Decision to Change Level of Care from SNF to ICF

**C.** Figure 2270-3, REQUEST FOR RECONSIDERATION REVIEW

**D.** Figure 2270-4, Notification of Date and Time of Reconsideration Review to be held at DMA, Raleigh

**E.** Figure 2270-5, Notification/Request to Correct PML Amount

**XV.** TABLES

**A.** TABLE A -- RATES

**B.** TABLE B -- Medicare Co-Payment Amounts

**C.** TABLE C -- Standard Utility Allowance

**D.** TABLE D -- When To Submit An FL-2 For Prior Approval



