

# Minnesota Health Care Programs

## Eligibility Policy Manual



Minnesota Department of **Human Services**

This document provides clarification and additional information in the Minnesota Department of Human Service's Minnesota Health Care Programs Eligibility Policy Manual.

**Manual Letter #16.1**

**June 1, 2016**

# Manual Letter #16.1

Welcome to the Minnesota Department of Human Service's (DHS) Minnesota Health Care Programs (MHCP) Eligibility Policy Manual (EPM). The manual replaces the Health Care Program Manual (HCPM) and the Insurance Affordability Programs Manual (IAPM) as of June 1, 2016. Bulletin #16-21-03 announced the implementation of the EPM. The archived HCPM and IAPM will remain accessible online.

**Note about procedural and system instructions:** ONEsource contains procedural instructions, system instructions for the Minnesota Eligibility Technology System (METS), and some of the system instructions for MAXIS. However, some procedural and MAXIS instructions are still found only in the HCPM. Over the next several months, these instructions will be moved to ONEsource. Until these instructions are available in ONEsource, please continue to access them in the HCPM.

The EPM is a tool for county, tribal, and state agency staff who assist with eligibility determinations. It is also intended to be a guide to the general public regarding MHCP eligibility policy. The manual incorporates policies concerning Medical Assistance (MA), MinnesotaCare, the Minnesota Family Planning Program (MFPP), and the Medicare Savings Program (MSP). Policies regarding the Advance Premium Tax Credits (APTC) and Cost-Sharing Reductions (CSR) do not appear in the EPM, because MNsure, not DHS, administers these programs. See [MNsure](#) for information about APTC and qualified health plans.

The manual will be updated periodically, as needed. DHS will use manual letters to announce policy changes in the EPM, document the sections that were updated, and provide a description of the policy change.

This manual letter outlines the EPM organization, incorporates recent bulletins, and summarizes the policy clarifications and additions in the EPM. The effective date of new or revised policy may not be the same date the information is added to the EPM. Refer to the Policy Clarifications and Additional Information section to identify when DHS implemented the policy.

## Manual Chapter Organization

The EPM is organized by health care program. There are four main chapters and six appendices:

- Chapter 1. Minnesota Health Care Programs
- Chapter 2. Medical Assistance
  - 2.1 MA Overview
  - 2.2 MA for Families with Children & Adults
  - 2.3 MA for People Age 65 or Older, or People who are Blind, or have a Disability
  - 2.4 MA Payment of Long-Term Care Services
  - 2.5 MA for Certain Populations

- Chapter 3. MinnesotaCare
- Chapter 4. Other Health Care Programs
  - 4.1 Minnesota Family Planning Program
  - 4.2 Medicare Savings Programs
- Appendices
  - A. Types of Assets
  - B. Types of Income
  - C. Types of Other Health Care
  - D. Community Living Arrangements
  - E. Institutions for Mental Diseases
  - F. Standards and Guidelines
  - G. Life Estate Mortality Table
  - H. Lawfully Present Noncitizens

Each program chapter or subchapter (with the exception of the subchapter about MA for Long-Term Care Services) includes four parts:

- General Requirements, which includes information about the following:
  - Rights
  - Responsibilities
  - mandatory verifications
- Non-Financial Eligibility, which includes information about the following eligibility factors not related to income or assets:
  - bases of eligibility
  - citizenship and immigration status
  - county and state residency, living arrangement
  - Social Security Number
- Financial Eligibility, which includes information about the following:
  - assets
  - income
  - household composition and family size
- Post-Eligibility, which includes policies that apply to people after they are enrolled in an MHCP, on the following topics:
  - begin and end dates
  - responsibilities

- health care delivery
- renewals

## Manual Formatting

The EPM is designed as a web manual. Generally, a policy is stated once and links to the policy are included in other related topics. Each program has a main landing page and a landing page for each of the four parts. Landing pages include links to topics within the chapter or subchapter as well as to topics in other parts of the manual that apply to the program. Readers should review landing pages to see which policies apply to a program.

Applicable legal citations are provided at the bottom of each topic page. DHS has made every effort to include all applicable statutes, laws, regulations, and other presiding authorities; however, erroneous citations or the absence of citations does not imply that no applicable legal citations exist.

The EPM incorporates existing eligibility policy content from prior manuals and bulletins, which have been edited for clarity using plain language, per [Minnesota Executive Order 14-7, Implementing Plain Language in the Executive Branch](#). Terminology, sentence structure, and organizational structure may be different in this manual than in the HCPM and IAPM. The EPM is not intended to announce new policy. We will continue to issue information about new health care program eligibility policy via bulletins or other communications before including it in the EPM.

## Bulletins Incorporated

The EPM incorporates information from the following DHS bulletins. Bulletins regarding MHCP that are not listed here are either expired or the policy is incorporated into the appropriate EPM sections.

- 2016 Bulletins
  - 16-21-01 DHS Explains MA for LTC-Facility Services for Families with Children and Adults
  - 16-21-02 DHS Clarifies MA Eligibility Rules for Non-Title IV-E Northstar Foster Care and Kinship Assistance
- 2015 Bulletins
  - 15-21-01 Effects of the Nursing Home Level of Care (LOC) Changes on Medical Assistance (MA) Payment of Long-Term Care (LTC) services
  - 15-21-02 Hospital Presumptive Eligibility
  - 15-21-03 Changes to MinnesotaCare Household Composition Rules
  - 15-21-04 Change in Determining Asset Eligibility for a Long-Term Care Spouse
  - 15-21-05 Legislative Changes to Medical Assistance and MinnesotaCare
  - 15-21-06 Entering Recovery Obligations in MMIS
  - 15-21-07C Corrected #15-21-07: Changes to Medical Assistance for Employed Persons with Disabilities (MA-EPD) Premiums and Billing

- 15-21-08 MA-EPD Premiums Paid and MA Estate Recovery
- 15-21-09 Medical Assistance Coverage for People Who Are Incarcerated
- 2014 Bulletins
  - 14-21-01 Same-Sex Marriage and Minnesota Health Care Programs Eligibility
  - 14-21-02 Health Care Programs Application for Certain Populations
  - 14-21-03 MA Estate Claim Recovery and Undue Hardship Waivers
  - 14-21-03C Revised #14-21-03: MA Estate Claim Recovery and Undue Hardship Waivers
  - 14-21-03C-01 Corrected #14-21-03-1: MA Estate Claim Recovery and Undue Hardship Waivers
  - 14-21-04 Deduction of Court-Ordered Spousal Maintenance for Long-Term Care Facility Residents
  - 14-21-05 Medical Assistance and MinnesotaCare Renewal Process for Cases in the New Eligibility System

## **Policy Clarifications and Additional Information**

This section highlights policy clarifications and additional information that were not included in the HCPM and IAPM. It also incorporates information from bulletins.

### **Chapter 1: Minnesota Health Care Programs**

- Section 1.1 MHCP Program Overview includes summaries of MSP and MFPP.
- Section 1.2.1 MHCP Application Forms describes the various application forms and supplements people use to apply for MHCPs. Application processing procedures and references to the former Minnesota Community Application Agent (MNCAA) Program were removed.
- Section 1.2.2 MHCP Application Submission explains the definition and responsibilities of an application filer.
- Section 1.2.3 MHCP Date of Application includes policy about electronically submitted MNsure applications. It clarifies that specific date of applications for certain populations follow MA policy and it removes references to the obsolete Minnesota Community Application Agent (MNCAA) program. Request to apply policy is also explained on this page.
- Section 1.3.1 MHCP Rights centralizes the rights that apply to all MHCP applicants and enrollees: appeals, authorized representative, civil rights, data privacy and notices. The Limited English Proficiency (LEP) Program information has moved to the civil rights policy. Bulletin #14-21-02 was incorporated into this policy.
- Section 1.3.1.1 MHCP Appeals updated policy about how to request an appeal.
- Section 1.3.1.4 MHCP Data Privacy incorporates Bulletin #14-85-01 clarifying record retention policies under the Patient Protection and Affordable Care Act (ACA).

- Section 1.3.2 MHCP Responsibilities centralizes the responsibilities that apply to all MHCP applicants and enrollees: change in circumstances, cooperation, fraud, inconsistent information and overpayments.
- Section 1.3.2.1 MHCP Changes in Circumstances clarifies how changes can be reported. It includes a separate section for reporting deadlines, and a section about eligibility redeterminations for MA, MinnesotaCare, and MSP.
- Section 1.3.2.3 MHCP Fraud removed the section about Transitional MA (TMA) or Transition Year MA (TYMA) fraud. Clarifies that Minnesota Statutes, section 256.98 subd. 8 applies to people who are 65 years and older who are eligible for MinnesotaCare using state funds. They can be disqualified for MinnesotaCare if they are found to have committed an Intentional Program Violation (IPV).
- Section 1.3.2.4 MHCP Inconsistent Information includes electronic data as a possible source of inconsistent information.
- Section 1.3.2.5 MHCP Overpayment policy clarifies that when an enrollee reports a change timely, but there is a delay in acting on the change, the enrollee cannot be charged an overpayment
- Section 1.4 MHCP State Residency includes four policies: interstate residency agreements, state residency for adoption assistance and foster care, state residency for people in an institution, and temporary absence. County residency is under the MA chapter.
- Section 1.4.4 MHCP Temporary Absence incorporates language from federal statute to clarify that a person who has left the household is considered temporarily absent when he or she returns to the permanent living arrangement in the same calendar month or the next month. It also clarifies that to be considered temporarily absent, a person who has left the state must have a definitive place to return to in Minnesota.
- Section 1.5 MHCP Mandatory Verifications includes ACA changes that affect all MHCPs. It clarifies that specific eligibility requirements must be verified. Each program includes a list of mandatory verifications under the General Requirements section. It explains electronic verification must be used first, when available.

## **Chapter 2: Medical Assistance**

### **2.1 MA Overview**

- Section 2.1.1.2.1 MA Benefit Recovery groups the ways Minnesota recovers the cost of MA services. Included are the estate recovery, liens, third party liability, cost-effective insurance, medical support and overpayment policies.
- Section 2.1.1.2.1.1 MA Estate Recovery incorporates Bulletins #14-21-03C-1 and #16-21-01.
- Section 2.1.1.2.1.2 MA Liens incorporates Bulletin #14-21-03C-1 and Bulletin #16-21-01.
- Section 2.1.1.2.1.3 MA Third Party Liability clarifies that people who are enrolled in the Safe at Home program are not required to cooperate with third party liability if the policyholder is their probable assailant.

- Section 2.1.1.2.1.3.1 MA Cost Effective Insurance elaborates on enrollee responsibilities and the types of insurance that may be cost-effective and eligible for premium reimbursement.
- Section 2.1.1.2.1.3.2 MA Medical Support clarifies that a medical support referral is only required when both the parent and child are enrolled in MA. A voluntary medical support or child support referral may be requested by a parent when not required as a condition of eligibility for MA. It also incorporates Bulletin #15-21-05. This section does not include medical support referral information for MinnesotaCare, because medical support is no longer a requirement.
- Section 2.1.1.2.1.3.3 MA Other Third Party Liability clarifies that Health Reimbursement Arrangements (HRAs) are treated as third party liability.
- Section 2.1.1.2.2 MA Cooperation centralizes the list of eligibility requirements enrollees must cooperate with or their MA coverage may end.
- Section 2.1.1.2.3 MA Cost Sharing centralizes information about cost sharing for MA enrollees.
- Section 2.1.2.2.2. MA Immigration Status simplifies the list of what immigration statuses are eligible for MA. It also links to the federal government's Immigration Documentation Type webpage. This replaces the lengthy, difficult to maintain information previously in the HCPM and the 2008 Health Care Eligibility for Noncitizens.
- Section 2.1.2.3 MA County Residency clarifies that the policy only applies to MA and MSP.
- Section 2.1.2.4 MA Living Arrangement defines different living arrangements eligible for MA and links to the Community Living Arrangement appendix.
- Section 2.1.2.5 MA Social Security Number (SSN) clarifies that SSNs must be verified electronically; paper documentation is not sufficient to verify SSNs.
- Section 2.1.3.1 MA Asset Limit lists all relevant asset limits by Federal Poverty Guideline (FPG).
- Section 2.1.3.2 MA Income Limit lists all relevant income limits by FPG. This page links to the current MHCP Income and Asset Guidelines.
- Section 2.1.4.1 MA Begin and End Dates explains eligibility and coverage begin and end dates.
- Section 2.1.4.2 MA Qualifying Health Care Coverage describes policy related to the federal mandate that United States residents have health coverage. It explains what types of MA meet the requirement and the 1095B form sent annually to MA enrollees. It also clarifies information regarding MA with a Spenddown – Hardship Exemption in context shared responsibility payment and how or where it can be granted.

## **2.2 MA for Families with Children and Adults**

- Section 2.2.1.1 MA-FCA Hospital Presumptive Eligibility incorporates Bulletin #15-21-02, regarding participating hospitals that approve temporary MA for people who meet the basic criteria for MA-FCA.

- Section 2.2.1.2 MA-FCA Mandatory Verifications policy covers the eligibility requirements that must be verified for MA-FCA. The ACA eliminated verification of pregnancy for all MA programs.
- Section 2.2.2.1 MA-FCA Bases of Eligibility clarifies policy regarding who cannot use the Adults without Children basis of eligibility. This includes people receiving Supplemental Security Income (SSI), people receiving SSI through a 1619 (a) or (b) status from the Social Security Administration (SSA), or people who stopped receiving SSI due to receiving benefits as a disabled adult child or a widow/widower.
- Section 2.2.3.2.1 Sponsor Deeming clarifies information about the safety net provision for sponsored noncitizens under MA-FCA.
- Section 2.2.3.2 MA-FCA Household Composition and Family Size describes when a deceased person is counted in the household composition of a tax filer or tax dependent. The IAPM Whose Income Counts policy was included in the revised MA-FCA Household Composition and Family Size policy.
- Section 2.2.3.4 MA-FCA Income Methodology policy was revised to clarify what income is and is not counted for MA-FCA. Federal Income Tax Deductions was renamed to Federal Income Tax Adjustments to match the wording on federal income tax returns.
- Section 2.2.3.6 MA-FCA Income Verification was expanded to include examples of acceptable paper proofs for income and adjustments.
- Section 2.2.3.6 MA-FCA Medical Spenddown is a new policy. Parents, relative caretakers, pregnant women and children may be eligible for MA with a spenddown. The former Method A is used to determine income and asset eligibility. This policy and related procedures were published in ONEsource in January 2014.
- Section 2.2.4.2 MA-FCA Renewals incorporates Bulletin #14-21-05.
- Section 2.2.4.3 MA-FCA TMA/TYMA clarifies policy about how, in limited situations, certain pregnant women and children may be eligible for TMA/TYMA

## **2.3 MA for People who are Age 65 or Older and People who are Blind or have a Disability**

- Section 2.3.3.2.5 MA-ABD Unknown Assets clarifies how assets are evaluated when a person is unaware of their ownership interest.
- Section 2.3.3.2.7.3 MA-ABD Health Expense Accounts identifies health expense accounts available to offset health care costs.
- Section 2.3.3.2.7.3.1 MA-ABD Health Flexible Spending Arrangements explains how Health flexible spending arrangements are evaluated.
- Section 2.3.3.2.7.3.2. MA-ABD Health Savings Account describes how Health Savings Accounts are evaluated.
- Section 2.3.3.2.7.4.2 MA-ABD Non-Homestead Real Property clarifies how non-homestead real property is evaluated and how encumbrances are verified.
- Section 2.3.3.2.7.4.4 MA-ABD Other Property Interests is a new subchapter that clarifies how some property interests not specifically addressed in the HCPM are evaluated.



- Section 2.3.3.2.7.5 MA-ABD Contract for Deed and Other Property Agreements updates the policy on reasonable effort to sell a property agreement.
- Section 2.3.3.2.7.11 MA-ABD Burial Contracts was reorganized to clarify that both the burial contracts and the funding source must be evaluated. It explains the effect of assignment and proceeds of ownership on burial exclusions.
- Section 2.3.3.2.7.11.1 MA-ABD Burial Space Exclusion clarifies the requirements for an asset to be excluded under the Burial Space Exclusion.
- Section 2.3.3.2.3.7.11.2 MA-ABD Burial Fund Exclusion clarifies the order of assets applied to the burial fund exclusion.
- Section 2.3.3.4 MA-ABD Spenddowns incorporates Bulletin #15-21-05 by indicating that the spenddown standard will increase to 80% FPG for people whose eligibility for MA is based on being blind, having a disability, or being age 65 or older and whose income is above 100% FPG.
- Section 2.3.4.3 MA-ABD Renewals clarifies that only people with a spenddown are subject to a six-month renewal.
- Section 2.3.5 MA-EPD clarifies that the only people who cannot enroll in MA-EPD are SSI recipients, including people with 1619 (a) or 1619 (b) status.
- Section 2.3.5.1.2 MA-EPD Premiums and Cost Sharing clarifies that premium relief may exist for a period of time while emergency lasts. It also incorporates Bulletin #15-21-07C.
- Section 2.3.5.1.3 MA-EPD Work Requirements eliminated the seasonal and temporary jobs exclusion from the job loss policy.
- Section 2.3.5.2.1 MA-EPD Living Arrangement eliminated two groups previously considered ineligible for MA-EPD: people who reside in a group residential home and people who reside in a long-term care facility.
- Section 2.3.5.3.1 MA-EPD Assets incorporates Bulletin #13-21-01. MA-EPD enrollees who turn age 65 and have had 24 months of uninterrupted coverage can retain the \$20,000 asset allowance when moving to basic MA. It also includes the MA asset disregard and disregard of spouse's assets.
- Section 2.3.8 MA-1619 clarifies the non-financial eligibility requirements for 1619 (a) and 1619 (b) status.

## **2.4 MA Payment for Long-Term Care Services**

- Section 2.4.1 LTC Eligibility Requirements removed references to transfers made prior to February 8, 2006 as these transfers would have occurred outside the lookback period. It also clarifies that MA eligibility is required to determine MA-LTC eligibility and incorporates Bulletin #16-21-01 regarding MA-LTC for people using an MA-FCA eligibility basis.
- Section 2.4.2.3.1 HCBS Waivers for People with Disabilities clarifies household composition and family size for HCBS waivers for people with disabilities.
- Section 2.4.1.4 Annuities incorporates Bulletin #15-21-04.

## 2.5 MA for Certain Populations

- Section 2.5.1.1.1 MA-BC Application clarifies the requirement for processing presumptive eligibility application forms, regardless of ongoing eligibility.
- Section 2.5.1.1.2 MA-BC Mandatory Verifications clarifies use of electronic data source for verifications and the differences in verifications needed for Presumptive Eligibility and ongoing MA-BC Eligibility.
- Section 2.5.1.2.1 MA-BC Basis of Eligibility identifies other healthcare coverage preempting MA-BC eligibility.
- Section 2.5.1.4.3 MA-BC Renewals clarifies the requirements for certification of further treatment required upon renewal.
- Section 2.5.2 MA for people receiving services at the Center for Victims of Torture (MA-CVT) updates terminologies to eliminate obsolete references to NMED.
- Section 2.5.3 Emergency Medical Assistance updates terminologies to eliminate obsolete references to NMED.
- Section 2.5.4 Institutions for Mental Disease (IMD) identifies health care enrollees who need to be transferred from MA to program IM when living in an IMD.
- Section 2.5.4.4.1 IMD Cost Effective Delivery explains when a person living in an IMD may be eligible for reimbursement of Medicare premiums.
- Section 2.5.4.4.2 IMD Health Care Delivery clarifies the options IMD residents have for coverage under Program IM.
- Section 2.5.4.4.3 IMD Leave Days clarifies status of IMD residents who go on leave from the IMD.
- Section 2.5.5 MA for Hospitalized Incarcerated Individuals incorporates Bulletin #15-21-09.
- Section 2.5.6 Northstar Care incorporates Bulletin #14-68-17. Northstar Care is an updated term to encompass all foster care and adoption assistance programs. Northstar aligns funds to focus on needs, and supports permanency for Minnesota children. Northstar Care has three components: Northstar Foster Care, Northstar Kinship Assistance, and Northstar Adoption Assistance. This replaces information in the HCPM regarding foster care and adoption assistance.
- Section 2.5.6.1 Northstar Adoption Assistance provides MA eligibility criteria for children who receive Northstar Adoption Assistance. It aligns Title IV-E or Non-Title IV-E Adoption Assistance (also known as State-Funded Adoption Assistance) policy used to determine eligibility for MA.
- Section 2.5.6.1.4.2 Title IV-E and Medicare clarifies that DHS pays the monthly Medicare Part B premiums for Medicare eligible children with Title IV-E Adoption Assistance and Kinship Assistance.
- Section 2.5.6.3 Title IV-E Foster Care and Kinship Assistance incorporates Bulletin #15-68-15 and clarifies MA eligibility criteria for children who receive Title IV-E Northstar Kinship Assistance.

- Section 2.5.6.4 Non-Title IV-E Foster Care and Kinship Assistance incorporates Bulletin # 16-21-02.
- Section 2.5.7 Refugee Medical Assistance (RMA) clarifies that RMA provides healthcare coverage for certain newly arrived refugees that are not otherwise eligible for MA.

### **Chapter 3: MinnesotaCare**

- Section 3.1.2.1 MinnesotaCare Cooperation clarifies the cooperation requirements for MinnesotaCare eligibility.
- Section 3.1.2.2. MinnesotaCare Premiums and Cost Sharing explains who is required to pay a premium and who is exempt. It incorporates Bulletin #15-21-05 by explaining the MinnesotaCare premium grace month. This section also clarifies cost sharing for MinnesotaCare enrollees.
- Section 3.2.1.1 MinnesotaCare Citizenship provides additional information about what proofs may be provided for verification of citizenship when electronic sources are not available.
- Section 3.2.1.2 MinnesotaCare Lawful Presence discusses the lawful presence requirement and links to [healthcare.gov](http://healthcare.gov) for immigration documentation types.
- Section 3.2 MinnesotaCare Incarceration Status explains that a person who is incarcerated pending disposition of charges may be eligible for MinnesotaCare.
- Section 3.2.3 MinnesotaCare Insurance Barriers clarifies MinnesotaCare eligibility for spouses and tax dependents who have access to employer-sponsored coverage through an employee. It includes information regarding voluntary disenrollment from employer-sponsored coverage and removes policy related to people who are eligible for more than one employer-sponsored plan. This section also explains an employee's obligation to report accurate information about the affordability of their employer-sponsored coverage at application and at renewal.
- Section 3.2.4 MinnesotaCare SSN clarifies that SSNs must be verified electronically; paper documentation is not sufficient to verify SSNs.
- Section 3.3.1 MinnesotaCare Household Composition and Family Size incorporates Bulletin #15-21-03 describing the changes to MinnesotaCare Household Composition rules.
- Section 3.3.3 MinnesotaCare Income Methodology clarifies and defines Modified Adjusted Gross Income (MAGI).
- Section 3.3.4 MinnesotaCare Income Verification incorporates Bulletin #16-21-03 with information about Projected Annual Income (PAI).
- Section 3.4.1 MinnesotaCare Begin and End Dates clarifies the difference of begin/end dates for eligibility versus coverage for MinnesotaCare.
- Section 3.4.2 Qualifying Health Care Coverage clarifies that MinnesotaCare meets the federal individual responsibility and minimum essential coverage requirements under the ACA.

- Section 3.4.3 Renewals incorporates Bulletin #14-21-05 and amended policy changes to MinnesotaCare renewals pursuant to the BHP blueprint.

## **Appendix**

- A. Types of Assets
- B. Types of Income
- C. Types of Other Health Care
- D. Community Living Arrangements
- E. Institutions for Mental Diseases
- F. Standards and Guidelines
- G. Life Estate Mortality Table
- H. Lawfully Present Noncitizens
  - This appendix provides supplemental information about lawfully present noncitizens. It clarifies the lawful presence of pending applicants for asylum and temporary protected status (TPS).

## **Contact Us**

Direct any questions about the Minnesota Health Care Programs Eligibility Policy Manual to:

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County, tribal and MinnesotaCare Operations staff: Follow agency procedures for submitting policy-related questions to HealthQuest