Date: September 18, 2017

To: Eligibility Services – Regional Directors
    Program Managers
    Eligibility Services Supervisors
    Regional Attorneys
    Hearings Officers

From: Regina Carter, Director
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    State Office 2115

Subject: 1. Texas Lottery Commission
          2. Medicaid After Supplemental Security Income Denial

Bulletins are sent to supervisors and other regional managers. Supervisors must share this information with all eligibility staff. Please ensure that copies are provided to staff that do not have access to e-mail. If you have any questions regarding the policy information in this bulletin, follow regional procedures. Active bulletins are posted on the following websites:


1. Texas Lottery Commission

Background

The Data Broker reports will be enhanced by adding Texas Lottery Commission winnings. This will allow staff to verify an individual's winnings from the Texas Lottery Commission.

Current Policy

All Programs

Currently, the lottery winnings from the Texas Lottery Commission are not received or verified through Data Broker. Recipients must report their winnings and provide verification.
For all programs, the gross amount of winnings reported are counted as unearned income in the month received, regardless of the frequency of pay. Lottery winnings are considered prizes. Follow policy in TWH A-1331, Lump Sum Payments, or MEPD E-1000, General Income.

In addition, some winners may elect to place their winnings in a trust fund. Staff must follow the existing trust fund policy found in TWH A-1237 and A-1326.10, Trust Funds, or MEPD F-6000, Types of Trust.

Verification

The information the client presents is considered verification of winnings.

In the Unearned Income - Details page, staff must:
- select “Prize” from the Unearned Income Type menu;
- select “Other Acceptable” as the verification source; and
- document in Case Comments that the ____________ is the payment and verification source.

Note: Staff must budget the gross amount reported by the individual/household.

Overpayments

Staff must follow policy in TWH B-700, Claims, to file an overpayment referral or MEPD H-8000, Vendor Payments and Payment Corrections when an individual’s verification of lottery winnings indicate the individual or household received benefits they were not entitled.

New Policy

All Programs

The Data Broker report will now include winnings from the Texas Lottery Commission.

Exception: Winnings of less than $600 are not included on the report.

Staff continue to follow existing income, trust fund and overpayment policy.

Verification

The information provided by the Texas Lottery Commission through Data Broker is considered verification of winnings. Staff continue to enter the winnings in the Unearned Income – Details page. Document in Case Comments that the Texas Lottery Commission is the payment and verification source.

The following Texas Lottery Commission information displays on the combined report effective September 25, 2017, if applicable:
- winner’s full name, date of birth, and Social Security number;
- paid date;
- gross, net, and taxes withheld amounts;
- check ID, claim number and date claim created;
• void date (The void date will only be provided if the Texas Lottery Commission voids a check in these situations the winnings will not be counted as income.); and
• debt offset (is the same as recoupment), reason for the offset, and the agency name the offset is to, withholding amount, withholding number, withholding sequence number, check ID, Agency ID. Example: Applicant wins $1,000 month; however, there is a debt offset (recoupment) of $100 for the Office of Attorney General (OAG) for child support. The income budgeted will be $1,000.

Note: Staff must budget the gross amount reported by the Texas Lottery Commission.

Automation
This change does not require any automation changes in TIERS.

Effective Date
Apply the policy for applications and renewals received on or after September 25, 2017.

Handbook
MEPD Handbook updates are scheduled for March 2018.
Texas Works Handbook updates are scheduled for April 2018.

Training
Training is not required.

2. Medicaid After Supplemental Security Income Denial

Background
The Social Security Administration (SSA) determines eligibility for Supplemental Security Income (SSI). HHSC automatically gives Medicaid to individuals who receive SSI. HHSC does not make a separate determination of Medicaid eligibility. When an individual’s income exceeds the SSI income limit, SSI and Medicaid may be denied and then reinstated.

HHSC is enhancing the eligibility process for individuals who are likely eligible for another Medicaid type program after SSA denies or suspends their SSI due to an increase in income. HHSC will provide certain individuals who lose SSI temporary Medicaid which will improve continuity of care and allow individuals sufficient time to submit an application to HHSC for another Medicaid type program.

Current Policy
SSA electronically notifies HHSC of individuals receiving SSI and of individuals denied or suspended SSI through the State Data Exchange System (SDX) process (MEPD, A-2100, Supplemental Security Income (SSI)).
An individual’s Medicaid is automatically terminated in the TIERS when HHSC receives notification from the SSA that an individual’s SSI has been denied or suspended. HHSC sends Form H1296, SSI Denial Letter, to the individual. The SSI Denial Letter informs the individual that Medicaid is denied because they are no longer receiving SSI and that they will need to submit an HHSC application to apply for another Medicaid type program. HHSC does not currently send an application to affected individuals.

**New Policy**

When notified by SSA of the suspension or denial of SSI due to an increase in income, HHSC will automatically extend Medicaid for a short period of time to the following individuals:

- children (younger than 18) receiving waiver services; and
- individuals who receive an increase in certain Social Security benefits.

These individuals will automatically be mailed the following information once certified:

- Form H1296, Notice of SSI Medicaid Ending;
- Form TF0001, Notice of Case Action; and
- Form H1200, Application for Assistance - Your Texas Benefits.

The Form TF0001 informs individuals that in order to continue to receive Medicaid beyond the gap period they must complete and return the Form H1200.

**Children Receiving Waiver Services**

Children receiving waiver services and denied SSI due to an increase in income will automatically receive Home and Community-Based Services (HCBS) waiver Medicaid (TA 10, ME-Waivers) for one month following the loss of SSI Medicaid. Children must be receiving services on one of the following waivers:

- Medically Dependent Children Program (MDCP);
- Community Living Assistance and Support Services (CLASS) Waiver;
- Home and Community-based Services (HCS) Waiver;
- Youth Empowerment Services (YES) Waiver; or
- Deaf Blind with Multiple Disabilities (DBMD) Waiver.

**Individuals Who Received an Increase in Social Security Benefits**

Individuals denied SSI due to an award of, or an increase in, certain Social Security benefit income will automatically receive Medicaid for two months following the loss of SSI Medicaid.
- **Disabled Adult Children (DAC)**
  Individuals receiving DAC benefits will receive TP 18, ME - Disabled Adult Child.
  (MEPD, A-2310)

- **Early Aged or Disabled Widow/Widower’s**
  Individuals receiving Social Security Early Aged or Disabled Widow/Widower’s benefits will receive TP 21, ME - Disabled Widow(er) or TP 22, ME - Early Aged Widow(er).
  (MEPD, A-2340)

**Application Processing**

*Form H1200 Received before Gap Medicaid Ends*

Applications will be expedited for individuals who receive gap Medicaid and return the Form H1200 before the last day of the gap Medicaid coverage.

- Children on temporary TA 10 must return Form H1200 within one month.
- Individuals on temporary TP 18, TP 21, or TP 22 must return Form H1200 within two months.

Expedited applications must be completed within 10 workdays from the date received. These applications are subject to all MEPD eligibility requirements.

Individuals who return the Form H1200 and are determined:

- Eligible for ongoing Medicaid, will receive a 12-month certification, and will go through the regular renewal process.
  - TA 10 - If SSI benefits are reinstated, SSI Medicaid will be suppressed to avoid future gaps in Medicaid coverage.
  - TP 18, TP 21, or TP 22 - Individuals may not be reinstated on SSI due to the increase in the Social Security benefits.
- Ineligible for ongoing Medicaid, will be sent a TF0001 notifying them of the denial.
  - Individuals who return the Form H1200 and are determined ineligible for ongoing Medicaid, may be reinstated on SSI Medicaid if SSI benefits are reinstated.

*Form H1200 Received after Gap Medicaid Ends*

If HHSC receives the Form H1200 and the individual is currently certified for TP 13, ME-SSI, staff must:

- process the application according to the instruction in the web-based training R100-3 Continuing Medicaid after SSI Denial;
- not clear the TLM task without following the web-based training; and
- not deny the application “Filed in Error.”

**Note:** The application will be used to determine eligibility for TA 10 for future SSI denials due to excess income.
Form H1746-A

Applications submitted by individuals, or their authorized representatives, who receive gap TA 10 do not require an associated Form H1746-A, MEPD Referral Cover Sheet.

Applications submitted by waiver program providers on behalf of individuals who receive gap TA 10 must include the Form H1746-A, MEPD Referral Cover Sheet.

Refer to the Automation section of this bulletin for information on processing applications returned.

Failure to Return Form H1200

Individuals who receive gap Medicaid and fail to return the Form H1200 will not be eligible to receive gap Medicaid at subsequent SSI denials or suspensions. Individuals will be reinstated on SSI Medicaid if SSA reinstates SSI benefits.

Current Correspondence

SSI Medicaid Eligibility Notice

HHSC does not send a written notice of SSI Medicaid eligibility to individuals receiving Medicaid due to the receipt of SSI.

SSI Medicaid Denial Notice

HHSC sends Form H1296, SSI Denial Letter, to notify individuals whose SSI Medicaid benefits have been terminated, that SSI Medicaid is ending due to the loss of SSI. The notice informs the individual to contact HHSC if they wish to apply for another Medicaid program.

New Correspondence

SSI Medicaid Eligibility Notice

HHSC will send a Form TF0001, Notice of Case Action, to individuals who are newly certified, or reinstated on SSI benefits, to inform them of their Medicaid eligibility:
SSI Medicaid Denial Notice

The existing Form H1296, SSI Denial Letter, was revised and renamed Form H1296, Notice of SSI Medicaid Ending:

Form H1296 Notice of SSI Medicaid Ending

Notice of Gap Medicaid Coverage

Individuals who receive gap Medicaid coverage will receive Form TF0001, Form H1296, and Form H1200.

The TF0001 will provide the effective dates for the temporary coverage, including the Begin and End Dates in the Date field. The TF0001 will also inform the individual to complete and return the application so that HHSC may determine eligibility for ongoing Medicaid.

Notice for children who are granted one month of TA 10, ME - Waivers:

TF0001 TA 10 Temporary Medicaid

Notice for individuals who are granted two months of temporary Medicaid coverage for TP 18, Disabled Adult Children, TP 21, ME - Disabled Widow(er), or TP 22, ME - Early Aged Widow(er):

TF0001 TP 18 Temporary Medicaid

Effective Date

Changes to TIERS are effective with Release 100.

Form H1200 received by HHSC on or after Release 100 will be used to determine eligibility for an ongoing Medicaid type program for individuals who lose SSI due to an increase in income.

Automation

Processing Applications Returned
A TLM task will be created for applications received from individuals on gap Medicaid. The TLM task will contain an expedited flag that will be passed to Eligibility Workload Management System (EWMS). When clerical staff are triaging these tasks in EWMS, they must leave the priority flag in EWMS as “Yes.”

Updates from SSA

HHSC will continue to receive and process eligibility updates from the SSA for children on TA 10, ME-Waivers. These updates may result in:

- an automated denial of the TA 10, ME - Waiver Program;
- no action or impact to the TA 10, ME - Waiver Program; or
- the need for a review of the TA 10 case.

For the TA 10, ME - Waiver Program EDGs requiring a case review, Task List Manager (TLM) will generate a task that will be routed to CCC. The task will be named “Agency Generated Change - Social Security Administration updates.” Staff must review the EDG based on the information provided by the SSA update and take appropriate case action to deny or pend for additional information.

Handbook

MEPD Handbook updates are scheduled for March 2018.

Training

The web-based training R100-3 Continuing Medicaid after SSI Denial details policy and procedure changes. A training broadcast will be sent with further details.