

Beneficiary Eligibility Bulletin

Distribution: Health Care Eligibility Policy 04-04
(Manual Holders)

Issued: April 1, 2004

Subject: Incarceration Policy

Effective Date: May 1, 2004

Programs Affected: Medicaid, MOMS, ABW, TMA-Plus

Current policy concerning eligibility for incarcerated individuals has been clarified. The clarification emphasizes that program eligibility may exist, but coverage is limited to services received while an inpatient in an off-site hospital.

Manual Maintenance

Retain this bulletin for future reference.

Questions

Any questions regarding this bulletin should be directed to Eligibility Policy, Department of Community Health, P.O. Box 30479, Lansing, Michigan 48909-7979 or e-mail EligibilityPolicy@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, and phone number so you may be contacted if necessary. Providers may phone toll free 1-800-292-2550.

Approval

A handwritten signature in black ink, appearing to read 'Paul Reinhart', with a stylized flourish at the end.

Paul Reinhart, Director
Medical Services Administration



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LEGAL BASIS

1902(a)(9)(A) of the Act
42 CFR 435.1008
42 CFR 435.1009
DCH Appropriations

Program(s) Affected:
Medicaid, MOMS, ABW, TMA-Plus

ELIGIBILITY REQUIREMENTS

The living arrangement is a non-financial factor considered for program eligibility and coverage of services. When the beneficiary resides in a psychiatric facility, age and living arrangement are considered. (See "PSYCHIATRIC FACILITY" in this item for more information.)

PARTIAL MONTH

If a beneficiary enters or leaves a facility that is not a covered facility (e.g., jail) during a month of eligibility, he remains eligible for health coverage for the rest of the calendar month. However, services provided to the beneficiary while he is in the non-covered facility are limited (e.g., reimbursable) to services received during an off-site inpatient hospitalization.

INDEPENDENT LIVING

Beneficiaries in independent living have a level of care (LOC) code other than 02, 08, 22, 55, or 56. Their eligibility is based on the category of medical assistance.

MEDICAL INSTITUTION

Eligibility for individuals residing in a medical institution is determined differently than community-based individuals. Medical assistance may be available depending on the applicant's or beneficiary's income and assets, community spouse, possible dependents, and length of stay.

Length of Stay

Medicaid

An individual's Medicaid eligibility and coverages will not be affected if the stay in the medical facility is less than an entire calendar month.

If the stay is longer than 30 consecutive days, a Post-eligibility Patient-Pay Amount (PPA) must be determined.

Adult Benefit Waiver (ABW)

If an individual is in a hospital or long-term care setting for more than 30 days, there is **NO** patient-pay amount determination. The case should be re-evaluated for other Medicaid categories, and a disability determination should be completed. The individual remains eligible for this program while

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the eligibility determination for other Medicaid categories is being done. There is no long-term care coverage for this program, but there is inpatient hospitalization coverage.

INSTITUTION FOR MENTAL DISEASES (IMD)

Individuals between the ages of 21 and 65 who are residents of an Institution for Mental Diseases (IMD) are ineligible for medical assistance. Ineligibility applies when an eligibility determination is made, either at the time of application or during any periodic review of eligibility.

If the individual is an inpatient of an IMD when he turns age 21, he is eligible to continue as an inpatient until age 22. However, if the individual is discharged at some time following his 21st birthday, coverage is terminated on the discharge date.

PSYCHIATRIC FACILITY

An individual between the ages of 22 and 64 in a psychiatric facility (not Institution for Mental Diseases) may qualify for medical services if he was, or is expected to be, a resident for less than the entire calendar month.

CHILD CARING INSTITUTION (CCI)

Individuals residing in Child Caring Institutions (CCI's) should have eligibility determined on an individual basis. Because some CCI's have both treatment and detention wings within the same facility, the individual may or may not be eligible for full coverage based on his reason for being in the CCI and his placement (detention vs. treatment) within the facility.

Individuals residing in CCI's for purposes of involuntary confinement (such as in a penal facility [prison, jail, or detention]) may be eligible for assistance; however, coverage is limited to services received during an off-site inpatient hospitalization.

Individuals residing in CCI's only for purposes of receiving care, maintenance, and supervision (other than penal in nature) may be eligible for the full assistance benefit.

NON-MEDICAL FACILITY

Eligibility is determined based on the individual's medical category; however, coverage of medical services may be limited. For individuals in a non-medical facility, coverage is dependent on the following factors:

- Voluntary vs. involuntary admission
- Private facility vs. public facility
- Detention vs. treatment vs. transitional placement



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Infants living with the applicant or beneficiary in the non-medical public institution are eligible for the full medical assistance benefit.

Voluntary Admission vs. Involuntary Admission

Voluntary Admission

If the admission is voluntary, and for the entire calendar month, eligibility should be determined based on the categories of medical assistance. The program may be billed for covered services provided.

Involuntary Admission

If the admission is involuntary and for the entire calendar month, eligibility may exist; however, coverage is limited to off-site inpatient hospitalization. The facility is responsible for all other medical services provided to these applicants or beneficiaries.

Private Facility vs. Public Facility

Private Facility

If the applicant or beneficiary is in a private facility, eligibility may exist and full medical assistance coverage may be available.

Exception: A private facility under contract to a governmental unit is considered a public facility. Coverage is limited to off-site inpatient hospitalization.

Public Facility

If the applicant or beneficiary is in a public facility, eligibility may exist; however, coverage is limited to off-site inpatient hospitalization.

Detention vs. Treatment vs. Transitional Placement

Detention

If the applicant or beneficiary is being detained, eligibility may exist; however, coverage is limited to off-site inpatient hospitalization. This includes an individual awaiting trial, awaiting suitable placement in a correctional facility, or in custody. The facility is responsible for all other medical services provided to these applicants or beneficiaries.

Treatment

If the applicant or beneficiary is ONLY receiving active treatment (medical and/or mental), eligibility may exist and full medical assistance coverage may be available. The program may be billed for covered services provided.

NOTE: If the applicant or beneficiary is receiving active treatment while being involuntarily detained, eligibility may exist; however, coverage is limited to off-site inpatient hospitalization. The facility is responsible for all other medical services provided to these applicants or beneficiaries.



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Transitional Placement

If the applicant or beneficiary is involuntarily detained while awaiting permanent placement in a non-medical public institution, eligibility may exist; however, coverage is limited to off-site inpatient hospitalization. The facility is responsible for all other medical services provided to these applicants or beneficiaries.

A child that is in temporary placement for shelter purposes (e.g., protective custody) is considered a voluntary admission and may be eligible for, and receive, full coverage for medical services.