

HUMAN SERVICES DEPARTMENT [441]

**Adopted and Filed**

Pursuant to the authority of Iowa Code section 249A.4, the Department of Human Services amends Chapter 75, “Conditions of Eligibility,” and Chapter 76, “Application and Investigation,” Iowa Administrative Code.

These amendments provide that:

- The resource limits for Medicaid’s Medicare savings programs will increase each year beginning January 1, 2010, to match the resource limit for the full low-income subsidy (LIS) for the Medicare Part D drug program. “Medicare savings program” coverage groups include “qualified Medicare beneficiaries,” “qualified disabled and working persons,” “specified low-income Medicare beneficiaries,” and “expanded specified low-income Medicare beneficiaries” (depending on a person’s income level). Eligibility under one of these groups entitles the member to Medicaid payment for some or all of the person’s out-of-pocket costs under Medicare, such as premiums, deductibles, copayments, and coinsurance. Since the LIS resource limits are more than double the limits currently in effect for the Medicare savings programs, this change will allow more people to qualify.

- An application for LIS benefits will be considered an application for Medicare savings plan coverage (or any other coverage group for which the Department finds the applicant eligible). The Social Security Administration will forward data to the Department on all LIS applications except those on which the applicant has specifically declined to have information shared with the state. Currently, applications for Medicare savings coverage must be

individually initiated by the applicant. This change is expected to increase the number of LIS recipients who become eligible for Medicare savings program coverage.

These changes are required by the Medicare Improvements for Patients and Providers Act of 2008 (MIPPA), Public Law 110-275, Sections 112 and 113.

The amendments also make technical changes to update the title of the review form used for children in foster care, subsidized adoption, or subsidized guardianship.

These amendments do not provide for waivers in specified situations because they expand eligibility. Requests for the waiver of any rule may be submitted under the Department's general rule on exceptions at 441—1.8(17A,217).

Notice of Intended Action on these amendments was published in the Iowa Administrative Bulletin on August 26, 2009, as **ARC 8056B**. The Department received no comments on the Notice of Intended Action.

The Department has added new subparagraph 76.1(1)“e”(2) to specify what application form will be used to gather the rest of the information needed to determine Medicaid eligibility for LIS applicants.

The Council on Human Services adopted these amendments on October 14, 2009.

These amendments are intended to implement Iowa Code section 249A.3.

These amendments shall become effective on January 1, 2010.

The following amendments are adopted.

ITEM 1. Amend paragraphs **75.1(29)“a”** and **“b”** as follows:

a. The person's monthly income does not exceed ~~the following percentage~~ 100 percent of the federal poverty level (as defined by the United States Office of Management and Budget and revised annually in accordance with Section 673(2) of the Omnibus Budget Reconciliation

Act of 1981) applicable to a family of the size involved.

(1) ~~85 percent effective January 1, 1989~~ The amount of income shall be determined as under the federal Supplemental Security Income (SSI) program.

(2) ~~90 percent effective January 1, 1990~~ Income shall not include any amount of social security income attributable to the cost-of-living increase through the month following the month in which the annual revision of the official poverty line is published.

(3) ~~100 percent effective January 1, 1991, and thereafter.~~

(4) ~~Rescinded IAB 1/9/91, effective 1/1/91.~~

b. The person's resources do not exceed ~~twice~~ the maximum amount of resources that a person may have ~~and to obtain benefits under the Supplemental Security Income (SSI) program~~ full low-income subsidy for Medicare Part D drug benefits. The amount of ~~income and~~ resources shall be determined as under the SSI program unless the person lives and is expected to live at least 30 consecutive days in a medical institution and has a spouse at home. Then the resource determination shall be made according to subrules 75.5(3) and 75.5(4). ~~Income shall not include any amount of social security income attributable to the cost of living increase through the month following the month in which the annual revision of the official poverty line is published.~~

ITEM 2. Amend paragraphs **75.1(34)“a”** and **“b”** as follows:

a. The person's monthly income exceeds 100 percent of the federal poverty level but is less than ~~the following percentage~~ 120 percent of the federal poverty level (as defined by the United States Office of Management and Budget and revised annually in accordance with Section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

~~(1) 110 percent effective January 1, 1993.~~

~~(2) 120 percent effective January 1, 1995, and thereafter.~~

b. The person's resources do not exceed ~~twice~~ the maximum amount of resources that a person may have ~~and to obtain benefits under the Supplemental Security Income (SSI) program~~ full low-income subsidy for Medicare Part D drug benefits.

ITEM 3. Amend paragraph **75.1(36)“c”** as follows:

c. The person's resources do not exceed ~~twice~~ the maximum amount of resources that a person may have ~~and to obtain benefits under the Supplemental Security Income (SSI) program~~ full low-income subsidy for Medicare Part D drug benefits.

ITEM 4. Adopt the following new paragraph **75.52(3)“c”**:

c. The review information for foster children or children in subsidized adoption or subsidized guardianship shall be submitted on Form 470-2914, Foster Care, Adoption, and Guardianship Medicaid Review.

ITEM 5. Adopt new paragraph **76.1(1)“e”** as follows:

e. The department shall initiate a medical assistance application for a person whose application data is received from the federal Social Security Administration pursuant to 42 U.S.C. 1320b-14(c)(3).

(1) The Social Security Administration transmits data from Form SSA-1020B-OCR-SM, Application for Extra Help with Medicare Prescription Drug Plan Costs, to the department. The date that the Social Security Administration transmits its application data to the department shall be treated as the date of application for medical assistance.

(2) The Department shall mail Form 470-4846, Medicare Savings Program and Food

Assistance Application, to the person whose data was transmitted to gather the rest of the information needed to determine eligibility.

ITEM 6. Amend subrule 76.7(4) as follows:

**76.7(4)** The review for foster children or children in subsidized adoption or subsidized guardianship shall be completed on Form 470-2914, Foster Care, ~~and Subsidized Adoption, and~~ Guardianship Medicaid Review, according to the ~~time~~ schedule of the family medical assistance program or supplemental security income program for disabled children, as applicable.