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## Implementation Memo

<b>To: EES Program Administrators and Staff HealthWave Clearinghouse Staff</b>	<b>Date: May 19, 2008</b>
<b>From: Jeanine Schieferecke</b>	<b>RE: Implementation of New HCBS Protected Income Level</b>

The purpose of this memo is to provide instructions to EES eligibility staff for the implementation of the new protected income level for Home and Community Based Services (HCBS) and Program of All-inclusive Care for the Elderly (PACE) cases. KEESM 8260 has been updated in Revision 36 to reflect this change.

The 2008 Kansas Legislature authorized an \$11.00 increase in the HCBS protected income level. Beginning July 1, 2008 the monthly standard changes from \$716.00 to \$727.00.

- A. **Mass Change** – To implement the new HCBS standard, the KAECSES protected income level table will be updated in preparation for a mass change similar to the process followed for the annual COLA mass change in January. The mass change will run the weekend of May 23–25, 2008. The mass change will rebudget all MS programs and incorporate the new HCBS standard. The new standard will be applied to all MS programs with a medical program subtype of HC. Other income and expenses currently included in the budget will not be adjusted. Any resulting HCBS obligation will be computed and reflected on the SPEN screen for the benefit month of 07-08.
- B. **LOT Screen Update** – The LOTC screen will also be automatically updated to incorporate the new HCBS obligation amount and a 07-01-08 effective date. This update will also occur over the weekend of May 23-25, 2008. All cases with an HCBS living arrangement code, an effective date prior to 07-01-08 and an HCBS obligation different than the amount appearing on the SPEN screen for July 2008 will be updated. The LOTC screen must be updated manually if these conditions are not met. The LOTC screen will not update if a later effective date is present

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on LOTC or if a living arrangement code other than HC is present on LOTC.

- C. **Control Reports** – Because non-HCBS living arrangement codes are used for PACE participants and persons in temporary care living arrangements, no updates will be made to the LOTC screen for these cases. To assist staff with processing on these cases, a list of PACE participants will be produced. This list will only be made available to staff in the Wichita and Topeka offices. The monthly (TC) printout should be used to identify persons currently in a temporary care living arrangement. This report will be sent to the field on or about June 11, 2008.

Because the mass change will reprocess all MS cases, some NF, WH and IL cases may be adjusted because of this update.

The MR330, Mass Change Detail, will be available following the mass change. All cases impacted by the mass change will be listed. This report will be available on SAR by entering SWM03828-B59. Staff should be prepared to review this list and identify those cases which may require manual intervention, such as those cases copied past 07-08. Staff should also be prepared to view the Exceptions to LOTC Update, which lists those cases where LOTC did not update. All AC living arrangements are expected to appear on this list as well, so staff may have to sort through the information to identify pertinent HCBS information. This report is accessible on SAR as report SWY03873-R25. Both reports will be available on 05-27-08.

For food stamp purposes, the new obligation shall also be allowed as a medical expense beginning in July 2008. This change must be processed manually and the F708 notice can be used to notify FS households of changes in benefits.

- D. **Mass Change Notices** – For each case updated by the LOTC process, a notice situation will be created. Notice Z056, MS - Mass Change – Change in Patient Liability, will be produced. Because of the possibility of other changes occurring, such as non-covered medical expenses or other benefit changes, these notices will not be printed immediately after the mass change run to allow the eligibility worker a window to make such adjustments. If no further changes are made and the mass change notice is not deleted, the system generated notice will be printed and mailed beginning 06-17-08. This mailing gives the worker until close of business on 06-16-08 to make any necessary changes and delete the MS mass change notice.

Because all MS cases will be included in the mass change, notices for non-HCBS cases could also be produced. Printing and mailing of these notices will also be delayed, and should be deleted on or before 06-16-08. Those cases impacted can be identified through the MR330 report.

If action is taken to make other changes to the obligation prior to this time, the system-generated notice must be deleted and a new notice sent which describes the PIL change as well as the additional changes. Because the effective dates and amounts are driven by notice keywords, these fields cannot be changed through a notice update on NOHS. The N757, MS Mass Change – Change in Obligation should be used for this purpose. For PACE cases, the general N726, MS – PACE Obligation Change, may be sent. A sample notice is included with

this memo.

- E. **Case Manager Notices** - To inform the case manager/independent living counselor (CM/ILC) of the change, a notice will be created with mass change for each HCBS individual whose obligation was updated. This notice provides the client name, case number, old and new liability amount with effective dates, the client's address and the worker name. A copy of the notice is to be made and put in the case file for documentation. The notice is then to be sent to the HCBS CM/ILC to inform them of the change. If adjustments are made to the obligation after the notice is produced, a pen and ink change will be made on the notice. Because the case manager notice will be sent, an ES-3161 will not be necessary for these obligation changes.

The individual notices will be mailed to one designated Service Center in each region on or about 05-27-08. A list of contact persons is included with this memo. The notices are also available for viewing on SAR by entering report ID SWY03873-R17. For control purposes, an alpha listing of all HCBS cases change notices will also be available on SAR. The list, sort by caseload, will be available on 05-27-08 by entering SAR report ID SWY03873-R35.

Upon receiving the notice of new obligation, the CM/ILC must adjust the plan of care. This involves notifying the consumer and the provider(s) involved of the change in obligation. To provide the CM/ILC with as much time as possible to make changes, it is imperative that EES staff feed updated obligation information to them as quickly as possible and do so as cases are processed. Do not hold all CM/ILC notices until 06-16-08 to batch and send. By sending notices quickly, the workload is better distributed throughout the month.

If you have any questions or concerns about the information in this memo, please contact Tim T Schroeder at (785) 296-1144 or [Tim.Schroeder@khpa.ks.gov](mailto:Tim.Schroeder@khpa.ks.gov). Please report any concerns regarding mass change processing to HelpDeskBusiness.