

Information Memorandum Transmittal Aging and People with Disabilities



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Number: APD-IM-19-067

Issue date: 9/27/2019

Topic: Medical Benefits

Due date:

Subject: OSIPM and Long Term Services & Supports Reductions and Closures

Applies to (check all that apply):

- | | |
|--|---|
| <input type="checkbox"/> All DHS employees | <input type="checkbox"/> County Mental Health Directors |
| <input checked="" type="checkbox"/> Area Agencies on Aging: Type B | <input type="checkbox"/> Health Services |
| <input checked="" type="checkbox"/> Aging and People with Disabilities | <input type="checkbox"/> Office of Developmental Disabilities Services (ODDS) |
| <input type="checkbox"/> Self Sufficiency Programs | <input type="checkbox"/> ODDS Children's Intensive In Home Services |
| <input type="checkbox"/> County DD program managers | <input type="checkbox"/> Stabilization and Crisis Unit (SACU) |
| <input type="checkbox"/> Support Service Brokerage Directors | <input type="checkbox"/> Other (<i>please specify</i>): |
| <input type="checkbox"/> ODDS Children's Residential Services | |
| <input type="checkbox"/> Child Welfare Programs | |

Message:

The purpose of this transmittal is to provide clarification to eligibility and case management staff on the appropriate method for reducing or closing Medicaid and Service benefits.

When an individual completes a service re-assessment and is no longer eligible for Long-Term Services and Supports, a review of the individual's medical assistance benefit must be completed at the same time.

If the individual is ineligible for OSIPM without services, we are legally required to review the individual's case for all other available medical programs before taking an adverse action. We refer to this requirement as "Due Process". Due Process must be completed BEFORE the Department reduces or closes an individual's current Medicaid benefits. *Note: Due Process is also required prior to denying Medicaid benefits, but we will focus on reductions and closures.*

In order to correctly complete Due Process, follow the steps outlined in the [APD MAGI Manual](#), which has recently been updated.

A brief summary of the required actions is listed below.

If the individual was also receiving QMB or SMB (or is within the SMF income limits) and you will be reducing benefits to QMB-only, SMB-only, or SMF-only, complete a screening to determine if there is potential MAGI eligibility prior to reducing medical benefits and closing services. Instructions on how to complete the screening can be found in the [section C.5](#) of the [APD MAGI Manual](#).

If no potential MAGI eligibility exists, close the services and reduce the medical benefits as soon as timely notice allows.

If potential MAGI eligibility exists, send the individual a 7210, keep the OSIPM open, review for SPPC eligibility, and reduce services to SPPC if eligible while the MAGI review is in process. If the individual is not SPPC-eligible, close services with timely notice but keep OSIPM open until the MAGI review concludes.

If the individual was not also receiving QMB or SMB and is not SMF-eligible and you will be closing benefits entirely, you must keep the OSIPM open until the MAGI review process is complete. If eligible for SPPC, the individual's services should be reduced to SPPC in the interim rather than closed. More detailed instructions can be found in the [section C.4](#) of the [APD MAGI Manual](#).

If the individual is approved for MAGI, then the OSIPM case should be closed so MAGI benefits can be opened. A brand-new Service Only case (OSV) must be opened for the SPPC benefits – do not convert the existing OSIPM case to OSV. Coding instructions can be found in the [APD-AR-15-028](#)

If the individual was denied MAGI, fails to return the 7210, or otherwise declines to be evaluated for MAGI, close the OSIPM and SPPC benefits (if applicable) with timely notice.

If the individual is ineligible for OSIPM because they are no longer eligible for services and they file a timely hearing request, the person is contesting both the service and the Medicaid decisions. If the individual requests continuing benefits, both benefits must remain open.

Please remember that individuals have the right to apply for any program at any time.

An OHP 7210 Application should be offered according to the process contained in the [APD MAGI Manual](#) or at the individual's request.

It is critical to follow the instructions in this transmittal and in the [APD MAGI Manual](#) to ensure the individual received the legally required review of all programs and avoid future delays and complications during the administrative hearing process.

If you have any questions about this information, contact:

Contact(s): APD.Medicaidpolicy@dhsosha.state.or.us	
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