



MEDICAID OVERSIGHT AND ADVISORY COMMITTEE WAIVER – PATIENT LIABILITY

Department for Medicaid Services

July 18, 2018



Patient Liability for 1915(c)

Patient Liability Changes

- A past change allowed participants to potentially not pay their full patient liability.
- Failing to pay full patient liability puts a participant's eligibility for Medicaid and/or waiver services at risk.
- Beginning August 1, all participants will be asked to pay their full patient liability in order to maintain waiver services in compliance with applicable Federal regulations.

Patient Liability for 1915(c)

Reasons for the Change

- Federal regulations and 1915(c) waiver application Appendix B-5: Post-Eligibility Treatment of Income allows special income considerations for participants in a Home and Community-Based Waiver program, as described in 42 CFR § 435.217.
- According to 42 CFR § 435.726 and 42 CFR § 435.735, states may allow the following deductions from a participant's total income:
 - The state's maintenance allowance;
 - An allowance for the needs of the participant's spouse;
 - An allowance for the needs of the participant's family;
 - An allowance for medical and remedial care needs;
- The remaining income after allowances is the Patient Liability.
- This is reinforced in the "Instructions, Technical Guide and Review Criteria" for 1915(c) waivers. According to page 96, "The amount of a person's income that remains after providing for the foregoing allowances is the amount for which the individual is liable for the cost of waiver services."

Patient Liability for 1915(c)

Affected Participants

Liability Amount	# of Recipients	% of Recipients with Liability
\$1501 and greater	13	< 1%
\$1001 – \$1500	63	< 1%
\$751-\$1000	95	< 1%
\$501-\$750	223	< 1%
\$266-\$500	701	3%
\$151 -\$265	442	2%
\$1-\$150	888	4%
\$0	21,269	90%

Patient Liability for 1915(c)

Actions to Date

Late
2017

- Letters were sent to providers notifying them of impending changes.

May
24 & 25

- In the original Patient Liability letter, the Department's Fiscal Intermediary pulled participant data in error, resulting in incorrect letters and letters sent to non-waiver participants.

June 26

- Letters were sent to providers reminding them of changes to patient liability.

June 29

- DXC Technology sent corrected patient liability letters to the correct participants.