



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712
Trenton, NJ 08625-0712

CHRIS CHRISTIE
Governor

JENNIFER VELEZ
Commissioner

KIM GUADAGNO
Lt. Governor

VALERIE HARR
Director

MEDICAID COMMUNICATION NO. 12-08

DATE: April 17, 2012

TO: County Welfare Agency Directors

SUBJECT: Lynch v. Rank Annual Outreach

In accordance with the ongoing requirements established by the Federal Court's decision in the case of Lynch v. Rank, New Jersey initiated its annual review of potential Medicaid eligibles. Included in the affected population are individuals who are currently in receipt of Social Security benefits, Retirement and Survivors Disability Insurance (RSDI), or had concurrently received both RSDI and Supplemental Security Income (SSI) in any month since April 1977 and who lose or have lost eligibility for SSI for any reason. The Court ruled that, in the determination of eligibility for **Medicaid Only**, such persons are entitled to the disregard of the amount of all RSDI cost-of-living increases since the time they were last eligible for SSI. In addition, the Court ruling requires an annual eligibility review of individuals who, in the course of the previous year, may have met the requirements necessary to establish categorical eligibility under the Court's interpretation of the law. Such individuals who do not establish eligibility must be outreached in each of the subsequent two years.

This policy applies equally to income which is deemed to an individual. Should the individual have parents or a spouse whose income is deemed available, and the parents or spouse receive RSDI, those cost-of-living increases received by the parents or spouse since the time the individual lost eligibility for SSI are disregarded in determining the income to be deemed to the individual.

The Division of Medical Assistance and Health Services (DMAHS) identified all former SSI recipients who are potentially eligible for the disregard of RSDI cost-of-living increases as a result of the Court's ruling. DMAHS mailed an outreach letter (copy attached) to all such persons informing them of their potential eligibility and advising them to contact their CWA to apply for benefits.

In order to assist the CWA with identifying these individuals, DMAHS distributed for your reference, under separate cover, a systemic report of those individuals who, according to Social Security Administration records, reside in your county. They may be eligible for this additional income disregard. The printout, which is sorted by Social Security number (SSN), includes each individual's current RSDI amount, the RSDI amount received in the last month of eligibility for SSI, and the year that individual was added to this report. It should be noted that the address indicated on the printout is the address to which the RSDI check is sent. Therefore, in some cases, the address will be that of the representative payee or the financial institution in which the RSDI benefit is directly deposited. The outreach letters instruct the individuals to bring the letter with them to the CWA but the report can be utilized to search for this potential status by SSN. Should an individual who is currently a resident of your county come in to apply under these considerations without the letter and not be listed on your agency's report, please contact DMAHS, Office of Eligibility Policy at 609-588-2556 to check if they are on another county's report due to a payee's address or a recent address change.

Persons who contact the CWA expressing interest in obtaining Medicaid benefits and who meet the criteria identified in the first paragraph of this instruction shall be provided with an opportunity to apply. With the exception of the additional disregard of the RSDI cost-of-living increases, eligibility is determined as for any other Medicaid Only applicant. With regard to the RSDI cost-of-living increases, the dollar amount of each RSDI cost-of-living increase since the time the individual lost eligibility for SSI is to be disregarded in the determination of the individual's eligibility for Medicaid. However, this special disregard is only applicable to the Medicaid Only program, income determinations for other Medicaid programs, i.e., New Jersey Care...Special Medicaid Programs, does not include the disregard. The following are the dates and corresponding percentage increases for each cost-of-living adjustment since April 1977:

<u>Year</u>	<u>COLA</u>
June 1977	5.9
June 1978	6.5
June 1979	9.9
June 1980	14.3
June 1981	11.2
June 1982	7.4
December 1983	3.5
December 1984	3.5
December 1985	3.1
December 1986	1.3
December 1987	4.2
December 1989	4
December 1990	4.7
December 1991	5.4
December 1992	3.7
December 1993	3
December 1994	2.8

<u>Year</u>	<u>COLA</u>
December 1995	2.6
December 1996	2.9
December 1997	2.1
December 1998	1.3
December 1999	2.5
December 2000	3.5
December 2001	2.6
December 2002	1.4
December 2003	2.1
December 2004	2.7
December 2005	4.1
December 2006	3.3
December 2007	2.3
December 2008	5.8
December 2009	0
December 2010	0
December 2011	3.6

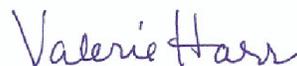
The CWA shall apply each percentage increase since SSI eligibility was lost to the amount indicated on the printout as the RSDI benefit that was being paid at the time the individual lost eligibility for SSI. If the resulting figure equals (plus or minus \$1 for each cost-of-living increase) the difference between the current RSDI amount and the amount of RSDI received when last eligible for SSI, then the difference shall be disregarded in the determination for income eligibility for Medicaid. In certain instances, because of changes in the status of the RSDI payment, the differences in the two RSDI amounts will not be fully accounted for by cost-of-living increases. If the individual is not ineligible for other reasons, such as excess resources or non-RSDI income, the CWA shall attempt to ascertain and verify the circumstances of the change in RSDI payment status in order to establish the proper amount of RSDI cost-of-living increases to be disregarded. This can be done through State Verification & Exchange System, (SVES), which may be used to verify RSDI status changes occurring in the last 12 months, or through award letters, when available.

For cases determined eligible as a result of Lynch v. Rank, the CWA shall ask the applicant if he or she has any outstanding medical bills incurred within the three-month period prior to the month of application. If the individual has such outstanding medical bills, the CWA shall determine if eligibility for Medicaid would have existed (with application of the income disregard) in the months that services were rendered. If it is found that eligibility existed during that period, the individual should be accreted to the Medicaid Eligibility File with an effective date of the first of the retroactive months in which eligibility was attained. Such a person should be advised to ask his medical provider to send unpaid bills directly to MOLINA (formerly UNiSYS).

For individuals who cannot be determined eligible using this methodology, all other Medicaid coverage options should be evaluated including NJ WorkAbility when applicable.

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Eligibility Policy field service staff for your agency at 609-588-2556.

Sincerely,

A handwritten signature in blue ink that reads "Valerie Harr".

Valerie Harr
Director

VH:S

c: Jennifer Velez, Commissioner
Department of Human Services

Lynn Kovich, Assistant Commissioner
Division of Mental Health and Addiction Services

Dawn Apgar, Deputy Commissioner
Division of Developmental Disabilities

Jeanette Page-Hawkins, Director
Division of Family Development

Joseph Amoroso, Director
Division of Disability Services

Raquel Jeffers, Deputy Director
Division of Mental Health and Addiction Services

Allison Blake, Commissioner
Department of Children and Families

Mary E. O'Dowd, Commissioner
Kathleen M. Mason, Assistant Commissioner
Department of Health and Senior Services



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712
Trenton, NJ 08625-0712

CHRIS CHRISTIE
Governor

JENNIFER VELEZ
Commissioner

KIM GUADAGNO
Lt. Governor

VALERIE HARR
Acting Director

IMPORTANT MEDICAID NOTICE KEEP THIS IMPORTANT LETTER

Dear _____ :

IF YOU ONCE RECEIVED SSI (SUPPLEMENTAL SECURITY INCOME) BENEFITS, YOU SHOULD READ THIS IMPORTANT NOTICE ABOUT YOUR ELIGIBILITY FOR MEDICAID BENEFITS. You do not need to read this notice if you never received SSI, or if you now receive SSI or Aid to Families with Dependent Children (AFDC). If you live in a nursing facility, this notice will not apply to you.

A federal law called the "Pickle Amendment", regarding possible Medicaid eligibility, applies to people who meet the following three tests: (1) they now receive Social Security benefits; and (2) they used to receive SSI benefits but do not receive them now; and (3) they received both a Social Security check and an SSI check in the same month, in at least one month since April 1977.

IF YOU MEET THESE THREE TESTS, YOU MAY BE ELIGIBLE TO RECEIVE MEDICAID BENEFITS. To find out if you are eligible, you (or someone on your behalf) should contact your County Welfare Agency. For your convenience, the location and telephone number of your County Welfare Agency is included in the listing on the reverse side.

PLEASE NOTE THAT TO APPLY FOR MEDICAID UNDER THE PICKLE AMENDMENT, YOU OR YOUR REPRESENTATIVE MUST GO TO YOUR COUNTY WELFARE AGENCY. TAKE THIS LETTER WITH YOU WHEN YOU GO.

MEDICAL ASSISTANCE CUSTOMER CENTERS (MACC)	COUNTY WELFARE AGENCIES
Atlantic Cape May Cumberland Phone 609-561-7569 Fax 609-567-0572	Cumberland County Board of Social Services 856-691-4600 275 North Delsea Drive Vineland, NJ 08360-3607
Burlington Camden Gloucester Mercer Salem Phone 856-614-2870 Fax 856-614-2575	Essex County Department of Citizen Services 973-733-3000 Division of Welfare 18 Rector Street – Ninth Floor, Newark, NJ 07102-4512 Gloucester County Board of Social Services 856-582-9200 400 Hollydell Drive, Sewell, NJ 08080-9318
Essex Phone 973-648-3700 Fax 973-642-6468	Hudson County Department of Family Services 201-420-3000 Division of Welfare 257 Cornelison Avenue, Jersey City, NJ 07302
Hudson Phone 201-217-7100 Fax 201-217-7122	Hunterdon County Board of Social Services 908-788-1300 Community Services Center 6 Gauntt Place Flemington, NJ 08822-4614 Mercer County Board of Social Services 609-989-4320 200 Woolverton Street, P. O. Box 01450 Trenton, NJ 08650-2099
Hunterdon Middlesex Monmouth Ocean Somerset Union Phone 732-761-3600 Fax 732-761-3621 Fax 732-761-3623	Middlesex County Board of Social Services 732-745-3500 P. O. Box 509 181 Howe Lane New Brunswick, NJ 08903 Monmouth County Division of Social Services 732-431-6000 P. O. Box 3000 – Kozloski Road Freehold, NJ 07728
Bergen Morris Passaic Sussex Warren Phone 973-977-4077 Fax 973-684-8182	Morris County Office of Temporary Assistance 973-326-7800 340 W. Hanover Rd., PO Box 900 (Morris Twp.) Morristown, NJ 07963 Ocean County Board of Social Services 732-349-1500 P. O. Box 547 – 1027 Hooper Avenue Toms River, NJ 08754-0574
COUNTY WELFARE AGENCIES	Passaic County Board of Social Services 973-881-0100 80 Hamilton Street Paterson, NJ 07505-2057
Atlantic County Department of Family & Community Development 609-348-3001 1333 Atlantic Avenue, Atlantic City, NJ 08401-8297	Salem County Board of Social Services 856-299-7200 P. O. Box 111 147 South Virginia Avenue, Penns Grove, NJ 08069
Bergen County Board of Social Services 201-368-4200 216 Route 17 North 17 Park Office Center, Building A, Rochelle Park, NJ 07662	Somerset County Board of Social Services 908-526-8800 P. O. Box 936 73 East High Street, Somerville, NJ 08876-0936
Burlington County Board of Social Services 609-261-1000 Burlington County Human Services Facility 795 Woodlane Road, Mount Holly, NJ 08060-3316	Sussex County Division of Social Services 973-383-3600 83 Spring Street, Ste 203 PO Box 218 Newton, NJ 07860-0218
Camden County Board of Social Services 856-225-8800 Althea R. Wright Administration Building 600 Market Street, Camden, NJ 08101-2798	Union County Division of Social Services 908-965-2700 342 Westminster Avenue Elizabeth, NJ 07208-3290
Cape May County Board of Social Services 609-886-6200 4005 Route 9 South Rio Grande, NJ 08242-1911	Warren County Division of Temporary Assistance and Social Services 908-475-6301 501 Second Street, Belvidere, NJ 07823-1520 (LDBAK2 rev. 08/11)