

March 19, 2014

TO: All MBL Liaisons

Re: MBL Transmittal 14-3

Dear MBL Liaisons:

Enclosed is MBL Transmittal 14-3. This year's second mass re-budgeting will not include a BENDEX interface. The new Federal Poverty Level guidelines were released on January 22, 2014 and the Social Security cost of living adjustment (COLA) amount will be increased by 1.5 % on selective budget records for MRB Phase 2. The Social Security increase changes which are effective retroactive to January 1, 2014. Reports will be available on the local districts respective BICS queue with the exception of districts "97 and 98".

- Mass Re-budgeting Phase 2 will not process budget types 01 and 02.
- District should pay particular attention to the Auto Notice Report for cases that will be closed, see pages 4, 10 item #11 and 12 of this report for details.
- There will be NO Principal Provider update or CNS related notices during this MRB phase, districts should pay particular attention to their respective Chronic Care budget records budget types 07-10 due to possible changes with their respective Medicare Savings Program (MSP) cases.

Special attention must be given to Low Income Family (LIF) budgets (Budget types 05, & 09).

- If the eligible budget has an EID code of 6 and the eligibility standard has changed from the PA standard (MA standard) to the MA Level, the worker should change the EID code from 6 to 1. If the resulting budget (after changing the EID from 6 to 1) remains eligible at the PA standard, leave the EID code of 1 and store. If the resulting budget remains at the MA level, an additional entry is necessary on MBL. The worker should now change the EID code from 1 to 4 (\$30 and 1/3), adjust the EFFECTIVE PERIOD, and store. Print budgets to maintain an audit trail.
- If the eligible budget has an EID code of 1 and the eligibility standard has changed from the PA standard to the MA standard, the worker should change the

EID code of 1 to a 4 (30 and 1/3 disregard), adjust the EFFECTIVE PERIOD and store.

- If individual is no longer eligible for LIF, at next client contact, individual categorical codes should be changed to reflect the change in category.
- If the eligible budget has Social Security Income which has changed (Effective 01/01/14) and remains at the PA standard, the EID code of 6 should be changed to a 1 at next client contact.

The items presented in this issue are:

**ACTION #1:** Federal Poverty Level Increase (FPL's), SSA Benefit Increase (COLA), MA Exemption Level Increases, SSI Benefit Level Increases, Maximum Monthly Maintenance Needs Allowance (MMMNA) and Spousal Impoverishment Family Member Allowance (FMA) Increase. Mass Re-budgeting effective January 1, 2014

Information #1: MBL Mass Re-budgeting Output Summary.

Information #2: Criteria for MBL Mass Re-budgeting.

Information #3: Description of MBL Mass Re-budgeting Process.

Information #4: SSA Increase and Medicare Part B Summary.

**ACTION #2:** BT04 WMS Transaction and MBL CNS Notice.

Please call the contact listed on the Transmittal page if you have any questions.

Sincerely,

*Amy L Smith*

Amy L Smith

Upstate Eligibility & Support Systems

Division of Systems

Office of Health Insurance Programs

Enclosure

cc: MA Directors

**Subject:** ACTION #1: Federal Poverty Level Increase (FPL's), SSA Benefit Increase (COLA), MA Exemption Level Increases, SSI Benefit Level Increases, Maximum Monthly Maintenance Needs Allowance and Spousal Impoverishment Family Member Allowance (FMA) Increase.

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

**A. STATEMENT OF TASK:**

1. Enactment of 2014 Federal legislation includes a Cost of Living Adjustment (COLA) of 1.5% effective January 1, 2014, for SSA benefits. The following Unearned Income Types are included:

Source Code	Title
42	Social Security Disability Benefit
43	Social Security Survivor's Benefit
44	Social Security Retirement Benefit
46	Social Security Benefit-Dependent

All Medical Assistance cases with one or more of the above income types must be re-budgeted so that the SSA gross income amount reflects the 1.5 % increase.

2. The State Legislature has passed legislation to increase the MA Income and Resource Exemption Levels for one and two person households effective January 1, 2014. All Medicaid cases affected by this increase must be Re-budgeted and compared against the new MA Exemption Levels.
3. The Social Security Administration has indicated that the SSI Benefit Levels also will be increased effective January 1, 2014. All Medical Assistance cases affected by this increase must be re-budgeted and compared against the new SSI Benefit Levels.
4. The Family Member Allowance formula used will be increased effective January 1, 2014. All cases affected by this change will need to be manually re-budgeted by the local district worker.

**Subject:** ACTION #1: Federal Poverty Level Increase (FPL's), SSA Benefit Increase (COLA), MA Exemption Level Increases, SSI Benefit Level Increases and Spousal Impoverishment Family Member Allowance (FMA) Increase.

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

**B. SUPPORTING SYSTEM CHANGES:**

1. MBL

All new levels may be accessed for re-budgeting purposes by the worker taking the following steps:

- a. Enter 05 Transaction Type (Change);
- b. Adjust Effective FROM DATE to 01/01/14;
- c. Make other appropriate changes, i.e. number of excess months to be calculated;
- d. Transmit and store the MA budget.

MBL will be programmed to access the new Federal Poverty Level Increase (FPL's), SSA Benefit Increase (COLA), MA Exemption Level Increases, SSI Benefit Level Increases and Spousal Impoverishment Family Member Allowance (FMA) Increase, with a FROM DATE of 01/01/14. This logic change will be available on Production Upstate on April 1, 2014.

2. MBL - Mass Rebudgeting

All budgets meeting the selection criteria for the MRB will be mass re-budgeted using the percentage methodology.

**Subject:** INFORMATION #1: MBL Mass Rebudgeting Output Summary

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

**A. AVAILABLE OUTPUT:**

MBL Mass Re-budgeting will only provide output for the Exceptions list and Eligibles list via BICS with the exception of districts “97 and 98”. Reports will be available on the local districts respective BICS queue identified by filename. An example would be: (001-X-##\*WMSAWBB076ELGA). This breaks down as “001” number of copies, “X” BICS, “##” Local District number, “\*” system separator, “WMSAWBB076ELGA” filenames (Eligibles ‘76A-D’, Exceptions ‘76A-D’ and Auto Notice ‘65ELGA’). In addition, NO COPY OF THE NEW BUDGET WILL BE PRINTED for the case record.

**1. EXCEPTIONS REPORT**

This report will identify those cases/budgets that did not meet the selection criteria for mass re-budgeting. Thus, they will not be re-budgeted by the system and will require review and/or re-budgeting by the worker. (Refer to INFORMATION #2 – Criteria for MBL Mass Re-budgeting).

- a. This report will include the following data fields:  
Case Number, Case Name and Budget Type (when available)
- b. The sort sequence for this report will be in (Case Name and Case Number order) as follows:  
District; Local Office; Unit; Worker and Case Name from the WMS case record. The report header will include Local Office, Unit and Worker (for identification and distribution) and Page Number.

**2. ELIGIBLES REPORT**

This report will identify those budgets that passed all selection criteria and were mass re-budgeted.

- a. This report will include the following data fields: Case Number, Case Name, Budget Type, Old NAMI Amount , New NAMI Amount, Budget Status and up to five (5) Alert messages. An Alert is a specific message that is intended to inform the worker of certain conditions in the budget that may have influenced the mass re-budgeting outcome and which may require additional review by the worker. Budget Statuses are defined in the chart below.

Budget changed	BC	Overlays NC
No change	NC	Default
BUY-In Eligibility non BT04	BY	Overlays BC and NC
Expanded Eligibility change	PC	Overlays BC, NC and BY
BT04 budget status identified		
MBI-WPD Eligibility level change	WD	Overlays all
MSP Level Change	MC	Overlays all
QII Ineligible	IN	Overlays all
BT7-10 budget status identified		
COLA & MSP	NM	Overlays BC and NC

# **MBL TRANSMITTAL**

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**Subject:** INFORMATION #1- MBL Mass Rebudgeting Output Summary

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

- b. The sort sequence for this report will be in (Case Name and Case Number order) as follows: District, Local Office, Unit, Worker and Case Name from the WMS case record. The report header will include Local Office, Unit and Worker (for identification and Distribution of reports) and Page Number.

### 3. AUTO NOTICE REPORT

This report will identify those cases/budgets that met the MRB selection criteria along with the Auto Notice selection criteria. Cases that appear on this report will not appear on the Eligibles Report.

- a. This report will include the following data fields: Case Number, Case Name, Old surplus amount and the New Surplus amount, Total Net Income amount, MA Level, and QI1 Level when amounts have changed. Budget Status = 'IN' – (budget changed from QI1 eligible to ineligible due to COLA increase) and up to five (5) Alert messages.
- b. The sort sequence for this report will be in Case Name then Budget Status (alpha order) as follows:  
District, Local Office, Unit, Worker and Case Name from WMS case record, Old Surplus amount, New Surplus amount, Old Net Income amount, Total Net Income amount when amounts have changed, and budget status. The report header will include Local Office, Unit and Worker (for identification and distribution of report) and Page Number.

**Subject:** Information #2: Criteria for MBL Mass Re-budgeting

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

**A. Description of MBL Mass Re-budgeting Case Selection Criteria**

Case selection criteria will result in cases/budgets being put into two categories:

- Eligibles: Case eligible for immediate re-budgeting or re-budgeting guided by an alert message(s).

Exceptions: Case in possible need of re-budgeting after resolution of the Exception Reason. The category also will include cases that will be excluded from mass Re- budgeting because they are not affected by the January 1st changes.

**B. Eligible Criteria**

Cases to be initially eligible for mass re-budgeting selection must meet one/several of the following criteria:

Eligible Criteria	Explanation
(1) Case Type = 20 or 24	An MA Case or FHP Case
(2) Case Status = 10 or 21	Case must be active
(3) Budget Type must be 04 thru 10	MBL Budget type must equal 04-10.
(4) Expanded Eligible Code = "A, B, C, D, F, H, I, J, K, N, P & S" for budget types 04-06.	Case has an EEC value other than "E" present and the budget store date is not greater than the MRB Phase 1 store date.
(5) Buy-In field is not blank for Budget types 04-10	MBL Budget Type 04-10 has Buy-In Indicator field value that is not blank or spaces and the budget store date is not greater than the MRB Phase 1 store date.
(6) Authorization To Date: Greater than 01/31/14	The authorization must extend into January 2014 or beyond
(7) MBL Budget/No Bottom-Line	An MA case must have a MBL budget with no Bottom-Line budget
(8) Budget Effective Dates: FROM and TO	The MBL FROM Date must be less than or equal to 04/01/14, and the TO Date greater than 03/31/14.

**Subject:** Information #2: Criteria for MBL Mass Re-budgeting

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

- (9) Budget Type 04 Effective Dates: FROM and TO                      Cases with an Office = MSP, QI; Unit = RECRT and Wrkr = NYDOH regardless of MBL FROM Date in the future and the TO Date greater than 03/31/14.
- (10) WMS Individual Categorical Code is equal to '70 or 71'.                      MBI-WPD individual is budget type 04, 05 or 06 with blank or spaces in the Buy-In field, NO Expanded Eligible Code (EEC) and the budget store date is not greater than the MRB Phase 1 store date.
- (11) Budget Type 07-10 with Buy-In Indicator = "A".                      All Budget type 07, 08, 09 or 10 with Buy-In (MSP) Indicator = "A" will be recalculated regardless of the budget store date or any occurrence of SSI Income.

**C. Exception Reasons**

Cases will be listed as Exceptions for one of the following reasons:

Exception Reasons	Explanation
(1) INVALID AUTH DATE	An active Medicaid case has an authorization TO Date prior to April 1, 2014, but has not been expired for more than 2 months.
(2) APPLICATION STATUS	An MA case has undergone full data entry, but is in pending status as either a new application or reopening.
(3) BUDGET FAILED DATA INPUT EDITS	MA Case has a MBL budget that has invalid fields or characters that are not allowed for the budget type during data input.
(4) BL-BUDGET RECORD	An MA case only has a Bottom-Line budget.
(5) MA AND BL-BUDGETS EXIST	An MA case has both a MBL budget and a Bottom-Line budget.
(6) FUTURE MA-BUDGET	The MBL budget Effective FROM Date is greater than April 1, 2014 and is not budget type 04 with Office = MSP or QI; Unit = RECRT, Wrkr = NYDOH.

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**Subject:** Information #2: Criteria for MBL Mass Re-budgeting

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

- |   |   |
|---|---|
| (7) EXPIRED MA-BUDGET                   | The MBL budget Effective TO Date is less than March 31, 2014, but has not expired for more than 2 months.                                   |
| (8) PART B PREMIUM INCORRECT            | A Medicare Part B Premium was entered as an Unearned Income Exception Code = 21, but the Exemption Amount is not equal \$104.90.            |
| (9) SSA INCREASE LESS THAN PART B       | MA Case has a MBL budget with SSA Income and a Part B Premium, where the SSA COLA increase is less than the increase in the Part B Premium. |
| (10) PENDING DATA STATUS NOT EQUAL "00" | WMS Case has a pending or error status present other than '00'.   |
| (11) CLOCKDOWN STATUS CODE EQUAL "C"    | WMS Case is clocking down to close.   |
| (12) FAILED MBL EDC Date EDIT           | MBL budget has EDC date prior to 04/01/14 and the Effective TO Date period is not valid.  |

#### D. Alerts

Eligible cases may include up to five alerts. These alerts inform the worker of certain conditions in the budget that may have influenced the mass re-budgeting results and which may require additional review by the worker. The alerts will be numerical codes:

- 111 - The eligible budget had CINTRAK (RFI) data present on the case as a result of an RFI match (lockout). The worker may want to review CINTRAK information as part of associated case maintenance activity
- 211 - The eligible budget had SSA Unearned Income but did not have any Medicare Part B Premium exemptions present in the budget. Therefore, the resulting new SSA calculated benefit may be incorrect, or be reflective of a net benefit amount.
- 311 - The eligible budget had at least one occurrence of Unearned Income Code "48 - SSA Benefit - Pickle". Although the associated amount was unchanged during mass re-budgeting, the worker may want to review the budget for any necessary action.

**Subject:** Information #2: Criteria for MBL Mass Re-budgeting

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

Alerts (Continued)

401 – The eligible budget has an F, N or S in the EEC Field.

811 - The eligible budget has an Expanded Eligibility Code of E (DAC). DAC cases are not changed during mass re-budgeting. The worker may want to review the budget for necessary action.

940 – The eligible budget has NO Buy-In indicator value of “A, B or C” present but the WMS case record has MA Coverage Code equal to ‘09’ for Medicare Saving Program (MSP) eligibility.

949 – The eligible budget has the additional allowance code ‘23 – Family Member Allowance’ present and should manually be rebudgeted.

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**Subject:** Information #3: Description of MBL Mass Re-budgeting Process

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

#### A. System Process

1. Active Case Type 20 (MA) or 24 (FHP) cases will be selected and tested for the selection criteria outlined in INFORMATION #2 - Criteria for MBL Mass Re-budgeting. Those cases/budgets not meeting the selection criteria will be flagged as an exception and appear on the Exceptions Report. All Budget Type 04 cases with an existing recertification source indicator value of "2, A, C, D, L, W or X" will not have the value removed/reset to blank prior to the MRB run, but may be overlaid by the "1" value after MRB with the exception of the values of "2 or D".
2. Those cases/budgets meeting selection criteria will be tested for the presence of SSA Unearned Income in all six occurrences of unearned income. If SSA Income is present, the budget store date will be compared to the MRB Phase 1 run date of 11/28/2013 to determine whether or not to apply the COLA increase percentage to the case. If the budget store date matches or exceeds the MRB Phase 1 run date of 11/28/2013, the **COLA increase** will not be applied to the budget. If the budget store date is less than the MRB Phase 1 run date of 11/28/2013 then the SSA Unearned Income amounts will be recomputed, giving new amounts reflecting the COLA increase. Any budget type = 04 with Office = MSP or QI; Unit = RECRT and WRKR = NYDOH regardless of the MBL store date will be recomputed, giving new amounts reflecting the COLA increase.
3. All budgets that meet the selection criteria having an individual coverage code equal to '25' or '26' will be skipped/bypassed due to special circumstances, i.e. prisoner or Inpatient OMH.
4. Medicare Part B Premium of \$104.90 will have NO change. If Part B Premium Exemptions are not present, an alert message will be issued and appear on the Eligibles Report.
5. Those cases/budgets with an entry in the Months Excess field will appear on the Exceptions Report as Failed MBL Data Edit.
6. New budgets will be compared against the old budget with certain areas (fields) being compared to determine if the budget has changed. If the budget has a COLA increase applied, a 'BC' will appear in the Budget Status column on the Eligibles Report. If the budget did not have a COLA increase applied a 'NC' will appear in the Budget Status column on the Eligible Report.
7. Old budget types 07-10 with Medicare Savings Program (MSP) indicator present will be recalculated without a COLA increase applied and have an 'NM' appear in the Budget Status column on the Eligible Report.
8. Old budgets with the exception of budget type 04 having BUY-IN eligibility information present will be compared against the new budget to determine if there was an MSP level change. If there has been an MSP level change from QMB to SLMB, SLMB to QI1 or vice versa a 'BY' will appear in the Budget Status column on the Eligibles Report a "BY" status will overlay a 'BC' status for the budget if one has been determined, thus when reviewing the budget for the BUY-IN eligibility change, a worker should also review the budget for changes to MA eligibility.

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**Subject:** Information #3: Description of MBL Mass Re-budgeting Process

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

9. Old budget types 04, 05 or 06 having Expanded Eligibility information present (EEC Code = A, B, C, D, F, H, I, J, K, N, P or S) will be compared against the new budget to determine if Expanded Eligibility has changed. If Expanded Eligibility has changed, a "PC" will appear in the Budget Status column on the Eligibles Report.
10. Old budget type 04 with MSP indicator and coverage code equal 09 will be compared against the new budget 04 to determine if there was an MSP level change. If there has been a MSP level change from QMB to SLIMB, SLIMB to QI1 or vice versa the budget status will be "MC" and identify to be set the WMS Recert Source indicator to "1".
11. Old budget type 04 with MSP indicator and coverage code equal to 09 and MSPI equal to 'U' will be compared against the new budget type 04 to determine if there was an MSP level of QI1 change to over the QI1 level. If over the QI1 level value has a new value of 1, 2, 3, 4, 6, 7 or 8 set the budget status to "IN" and list the case on the Auto Notice report.
12. Old budget type 04 with MSP indicator and coverage code equal to 09 will be compared against the new budget type 04 to determine if there was an MSP level value of "1, 2, 3, 4, 6, 7 or 8" INELIG MSP and the new budget type 04 remains INELIG MSP then set the WMS Recert Source indicator to "1".
13. Old budget 04 that are exception will have the recert source indicator set to "1" with the exception of cases that have the recert source indicator equal to "2 or D" these cases will follow the existing MRB selection criteria process but will have the "INDICATOR NOT UPDATED". If after the MRB process a Recert source Indicator of "1" is generated and a "2 or D" exists DO NOT overlay the "2 or D" with the "1".
14. Old budget types 04, 05 or 06 that have MBI-WPD eligibility must be compared against the new budget to determine if there has been an eligibility changed from 150% FPL to 250% FPL or vice versa. If the budgets MBI-WPD changes from, '1-150%' to '5 - 250%'; '5 - 250%' to '1 - 150%' or '1 -150% or 5 - 250%' to '6- Ineligible' after MRB set the budget status indicator to 'WD'. If after MRB and there has been NO change in the MBI-WPD eligibility and the WMS Individual Categorical Code is equal to '70 or 71', set the budget status indicator to "BC or NC".
15. New budgets will be updated to the MBL database, thus over-laying the old budget. Elements changed include Transaction Code = 05, budget "From Date" is changed to 04/01/14 of the new year unless the budget "From Date" is into the new year, the Version Number will be incremented by one and the Date stored will be the MRB run date. The Exceptions Report and the Eligibles Report will be available for the districts via their respective BICS queue with the exception of districts 97 and 98.

**Subject:** Information #4: SSA Increase and Medicare Part B Increase Summary

**Affected Budget Type(s):** All Budget Types

**Contact Person:** Local District Support Unit (518) 474-8887

The following action will occur for all budgets meeting the eligibility criteria.

**A. SSA Increase - Percentage Calculation Methodology**

For all occurrences of Unearned Income Codes 42, 43, 44, or 46, the SSA COLA increase will be computed using 1.5 % added to the existing SSA Income Amount. The amount(s) will be used when recalculating the budget and will appear on the screens of the re-budgeted cases in the appropriate Unearned Income amount fields.

**B. Medicare Part B**

1. For budgets which have an occurrence of SSA income and there is an Unearned Income Exemption Code of 21 (Medicare) the Exemption Amount will be \$104.90 and appear on the Eligible Report. When the Exemption Amount currently on file is not equal to \$104.90, the case will be flagged as an exception and will be listed on the Exception Report.
2. When the Exemption Code is 01 and the exemption amount is not equal to \$104.90, or there are no occurrences of Exemption Code 21, then Alert 211 (No Medicare Part B) will appear on the Eligible Report.

**Subject:** ACTION #2: BT04 WMS Transaction and Client Notice

**Affected Budget Type(s):** Budget Type 04

**Contact Person:** Local District Support Unit (518) 474-8887

A. Statement of Task:

Budget type 04 cases with MSP but has an increase in spend down amount after the MRB process has completed.

B. CNS Notices:

1. CNS Notice language has been established for Reason Code 712 – Discontinue Qualified Individual (QI-1) over income limit due to COLA increase.

C. WMS Transaction

Note: If the WMS active case is in one of the following conditions then it will be Exception and appear on the MBL exception report.

- Active WMS Case is in Pending status or error status NOT equal to '00'
  - Active WMS Case is in clock down Status code must NOT equal to 'C'
1. Cases listed on the Auto Notice Report (65A) will have the following WMS Transaction produced:
    - a. Case Number
    - b. Case District
    - c. Case Authorization Number = '914P2MMB – MRB Auth Number'
    - d. Case Transaction Type = '05'
    - e. Case Reason Code = 712 – 'Discontinue Qualified Individual (QI-1), Over Income Due to COLA Increase - System Generated'
    - f. Case Notice Indicator = 'T'
    - g. Authorization Period TO Date = MRB Job run date
    - h. Case Transaction Office = NYS
    - i. Case Transaction Unit = MBL
    - j. Case Transaction Wrkr = NYDOH
    - k. Individual Status = '20'
    - l. MA Coverage TO Date = 'T+10' End of Month (Screen five)