

IHCP *bulletin*

INDIANA HEALTH COVERAGE PROGRAMS BT202107 JANUARY 26, 2021

FSSA to resume standard rules for calculating patient and waiver liability March 1, 2021

The *Families First Coronavirus Response Act* (FFCRA), which was passed in March 2020, offered extra federal assistance to states that agreed to meet certain criteria. One of the requirements is that Medicaid beneficiaries' coverage not be discontinued during the public health emergency unless the beneficiary dies, moves out of state, or voluntarily withdraws from the Medicaid program. Guidance was later given that states must maintain the same "amount, duration, and scope" of Medicaid coverage for each member throughout the public health emergency. This included not increasing the financial amount that members in nursing facilities or on home- and community-based services waivers must contribute toward the cost of their care ("patient liability" or "waiver liability").



As a result, Indiana Health Coverage Programs (IHCP) members' liability payments have not been tied to their income since March 2020, leading to concern among some members and their representatives that excess income is accumulating and could put the member at risk of going over the asset limit for Medicaid. Many have asked how these members could be protected from possible loss of coverage due to excess assets after the public health emergency ends.

In November 2020, the Centers for Medicare & Medicaid Services (CMS) issued new regulations to give more flexibility in how the requirements of the FFCRA are met. Using these flexibilities, and because of the concerns about excess assets, the IHCP will return to our prior rules for calculating liabilities. Beginning March 1, 2021, liabilities will be assessed based on the current monthly countable income and other standard eligibility criteria used prior to the public health emergency. This change should mitigate the risk of a Medicaid member being over the asset limit when the public health emergency ends.

For the duration of the public health emergency, the IHCP will continue to *not* discontinue benefits for any member, except in the instances noted above.

Additionally, if a member is over the asset limit when the public health emergency ends, their coverage can be suspended for up to 60 days to allow them to pay down their assets by spending it on their own medical care. When the member is under the limit again, their Medicaid coverage can be reinstated without the need for a new application.

Affected members will receive updated eligibility notices by the first week in February, noting their liability amount that will begin March 1, 2021. The change will be prospective only, and no additional amounts will be added to past months.

See the following resources that support the information in this bulletin:

- [Families First Coronavirus Response Act](#)
- [Code of Federal Regulations 42 CFR §433.400 – Continued enrollment for temporary \[federal medical assistance percentage\] FMAP increase](#)

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