NEW YORK
state department of
HEALTH

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Commissioner

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ADMINISTRATIVE DIRECTIVE

TRANSMITTAL: 11 OHIP/ADM-3

TO: Commissioners of Social Services

DIVISION: Office of Health Insurance Programs

DATE: April 29, 2011

SUBJECT: Maintaining Medicaid Eligibility for Individuals Admitted to a Psychiatric Center

SUGGESTED DISTRIBUTION:
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ATTACHMENTS:
New York State Operated Psychiatric Centers

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
89 INF-43			SSL sections 365.2 (a)&(b) 366(1)(c)&(d) 18 NYCRR 360-3.4(a)(2)		

I. PURPOSE

This Office of Health Insurance Programs (OHIP) Administrative Directive (ADM) advises local departments of social services (LDSS) of a policy change for individuals age 21 - 64 who are admitted to a State operated psychiatric center. This policy change requires that individuals who were in receipt of Medicaid or Family Health Plus (FHPlus) immediately prior to admission to a psychiatric center have their Medicaid benefits suspended. Upon discharge from such facility, the individual shall have their Medicaid coverage reinstated.

II. BACKGROUND

Currently, when an individual who is age 21-64 is admitted to a psychiatric center in New York State, Medicaid is not available for health services provided to the individual while residing in the psychiatric center. Upon notification of the stay by the New York State Office of Mental Health (OMH), Medicaid coverage for the individual is discontinued by the LDSS. When discharged from the facility, the individual must reapply for Medicaid in order to establish eligibility and obtain coverage for ongoing care and services.

To improve individuals’ access to Medicaid upon discharge from public institutions and psychiatric centers, the Centers for Medicare and Medicaid Services (CMS) issued a letter on May 25, 2004, to State Medicaid Directors encouraging states to suspend and not terminate Medicaid benefits while an individual is in a public institution or psychiatric center. New York State began suspending Medicaid benefits for incarcerated individuals on April 1, 2008. With the release of this OHIP ADM, the Department is expanding suspension of Medicaid benefits to individuals aged 21-64 who are admitted to a psychiatric center.

III. PROGRAM IMPLICATIONS

Effective April 1, 2011, Medicaid benefits are no longer to be terminated for individuals age 21-64 based solely on their status as a resident of a psychiatric center. Although their Medicaid eligibility is maintained, Medicaid benefits for such residents must be suspended while they are in the facility. Upon discharge from the facility, the individual must have Medicaid coverage reinstated.

To facilitate this suspension process, OMH will provide to the New York State Department of Health (DOH) monthly admission information for individuals age 21-64 who are admitted to a State operated psychiatric center and have resided there for at least 30 days. This information will be used to identify active Medicaid/FHPlus recipients for purposes of suspending their coverage while they are a resident of a psychiatric center.

Similar to suspension for individuals incarcerated in a New York State or local correctional facility, Medicaid shall be discontinued rather than suspended, for individuals who have emergency services only, managed care or FHPlus guarantee, Medicare Savings Program only or Health Insurance Continuation Only – COBRA/AHIP.

Medicaid coverage will not be suspended for Temporary Assistance (TA)/Medicaid recipients if the individual continues to receive TA benefits based on the individual's temporary admission to a psychiatric center. For these individuals, Medicaid coverage will continue. Also, Supplemental Security Income (SSI) beneficiaries will continue to receive Medicaid coverage based on the receipt of SSI.

Upon an individual's discharge from the facility, OMH will notify DOH and Medicaid coverage shall be reinstated, barring certain exceptions. Medicaid coverage will not be reinstated for deceased individuals or those who are discharged to an out-of-state psychiatric center. Discharges to a NYS or local correctional facility will continue to have their coverage suspended.

Until this suspension/reinstatement process is automated for affected OMH residents, the DOH will forward admission and discharge information to LDSS. Districts will be required to suspend and reinstate coverage in accordance with the procedures outlined in this directive.

The notification process for admission and discharge information has been established with the OMH for individuals who enter a State operated psychiatric center. The attachment to this directive contains a listing of the 26 OMH operated psychiatric centers. If a district becomes aware that an individual age 21-64 has entered a private (non-state operated) psychiatric hospital, Medicaid coverage must be suspended in accordance with the policies outlined in this directive.

IV. REQUIRED ACTION

Effective on or after April 1, 2011, when a district is notified that a Medicaid recipient age 21-64 is a resident of a psychiatric center, the district must suspend Medicaid coverage, barring certain exceptions. Upon notification of discharge from the psychiatric center, Medicaid coverage must be reinstated for the individual in the district of fiscal responsibility immediately prior to admission. Section IV.B of this directive contains further instructions regarding reinstatement of Medicaid coverage.

A. Notification of Admissions

On a monthly basis OMH will identify individuals age 21-64 who have been in a State psychiatric center for at least 30 days and provide this file information to DOH. This file information will be run monthly against the Welfare Management System (WMS) to identify active Medicaid/FHPlus recipients. Recipients with the following Case Types and Coverage Codes shall have their coverage suspended.

Case Type 20 (Medicaid) - Coverage Code 01 (Full), 02 (Outpatient Coverage), 06 (Provisional), 10 (All Services Except Nursing Facility Services), 11 (Legal Alien), 15 (Perinatal), 18 (Family Planning Services Only), 19 (Community Coverage With Community-Based Long-Term Care), 20 (Community Coverage Without Long-Term Care), 21 (Outpatient Coverage With Community-Based Long-Term Care), 22 (Outpatient Coverage Without Long-Term Care), 23 (Outpatient Coverage With No Nursing Facility Services), 24 (Community Coverage Without Long-Term Care, Legal Alien During Five-Year Ban), and 30 (Pre-paid Capitation Plan), Case Type 24 (FHPlus) - Coverage Code 06 (Provisional, not yet enrolled), Coverage Code 20 (Community Coverage Without Long-Term Care-FHPlus/PAP) and Coverage Code 34 (FHPlus).

1. Upstate District Responsibilities at Admission

Beginning in April 2011, local districts will receive monthly reports through the Benefits Issuance Control System (BICS) of individuals whose Medicaid/FHPlus coverage is to be suspended. The report will be sorted by single individuals and individuals in a multi-person case. Upon receipt of this BICS report, the LDSS must review each individual listed and take action to suspend the individual's Medicaid/FHPlus benefits if the person has one of the Case Types/Coverage Codes listed in the previous paragraph. In addition, Medicare Part A and/or B premium payments and premium payments for third-party health insurance coverage must be discontinued and the Buy-In closed. If an individual is enrolled in a managed care plan, the individual must be disenrolled from managed care.

Medicaid/FHPlus Single Individual **-** The LDSS must suspend coverage for the individual by using Individual Status 08 (inactive); Coverage Code 04 (no coverage); a Source Code value 4 (OMH) on Screen 2 in the Other Name field; and an authorization "To" date of 12/31/49. The effective "From" date of the suspension is date specific and must be 10 days from the transaction date. Timely notice must be sent to the individual at the last known residence address on WMS and the psychiatric center identified on the BICS report using undercare Client Notice Subsystem (CNS) Reason Code C54, "Suspend MA Coverage for 21-64 Year Old Admitted to a Psychiatric Center." The facility's name and address must be entered in the Care of Name and Mailing Address fields on Screen 1 of WMS. The individual's last known residence address must also be entered in the Associated Name and Address fields on Screen 7 of WMS Using Associated Name Code 20 to ensure a notice is sent to both the facility and the last known residence address. The effective date of the suspension is date specific following timely notification (Transaction date plus 10 days). In addition, Medicare Part A and/or B premium payments and premium payments for third-party health insurance coverage must be discontinued.

Medicaid/FHPlus Individual of a Multi-Person Case **-** The LDSS must delete the individual from the existing case using Reason Code Y99 (other). The LDSS must authorize an MA-only or FHPlus case as appropriate, with no budget using an Individual Status 08 (inactive); Coverage Code 04 (no coverage) and a Source Code value 4 (OMH) on Screen 2 in the Other Name field; and an authorization "To" date of 12/31/49. The effective "From" date of the opening is date specific and must be 10 days from the transaction date. To provide timely notification of the Medicaid status change, notification must be sent to the individual using opening CNS Reason Code C51, "Suspend MA Coverage for 21-64 Year Old Admitted to a Psychiatric Center." The effective date of the notice, which is worker fill, must be at least 10 days from the date the notice is sent. The notice must be sent to the last known residence address and the psychiatric center identified on the BICS report. Districts should follow the instructions listed in the preceding paragraph to ensure the notice is sent to both the last known residence address and the facility. In addition, Medicare Part A and/or B premium payments and premium payments for third-party health insurance coverage must be discontinued.

To determine the ongoing eligibility for the remaining household members, the psychiatric center resident shall remain in the household count, unless the district receives notification from OMH that the resident's stay is other than temporary.

Note: It may not be appropriate to discontinue payment of third-party health insurance premiums which cover other Medicaid/FHPlus household recipients.

2. New York City Responsibilities at Admission

New York City (NYC) will receive monthly files from DOH of individuals with active Medicaid/FHPlus whose case must be closed by New York City, so that a suspended Medicaid case can be opened by OMH in District 97 (OMH). The monthly notification will be sorted by single individuals and individuals in a multi-person case. In addition, DOH will provide NYC with annotated Turn Around Documents for the actions to be taken on matched individuals, and a manual discontinuance/suspension notice to be sent to the individual's last known residence address as identified on WMS. If an individual is enrolled in a managed care plan, the individual must be disenrolled from managed care in accordance with existing procedures.

Medicaid/FHPlus Single Individual – New York City must discontinue coverage for the individual using closing Reason Code Y99 (other). Effective with the June 20, 2011, WMS/CNS migration, CNS Reason Code EF4, "Suspend MA Coverage for 21-64 Year Old Admitted to a Psychiatric Center" will be available for at use at the case level. The effective date of this discontinuance will provide for timely notification. NYC must mail the manual closing notices provided by the Department

promptly upon data entering the closing on WMS to the individual at their last known residence address. Medicare Part A and/or B premium payments and payments for third party health insurance must be discontinued.

Medicaid/FHPlus Individual of a Multi-Person Case – New York City must delete the individual from the existing case using Reason Code Y99. Effective with the June 20, 2011, WMS/CNS migration, CNS Reason Code EF4, "Suspend MA Coverage for 21-64 Year Old Admitted to a Psychiatric Center" will be available for at use at the line level. The effective date of this discontinuance will provide for timely notification. NYC must mail the manual closing notices provided by DOH promptly upon data entering the closing on WMS to the individual at their last known residence address. Medicare Part A and/or B premium payments and payments for third-party health insurance must be discontinued. However, it may not be appropriate to discontinue premium payments which cover other Medicaid/FHPlus household members.

3. OMH Responsibilities at Admission

Individuals closed in NYC require opening with suspended coverage in District 97 (OMH). Upon receipt of a monthly electronic file of NYC closings, OMH must open a Medicaid or FHPlus case, as appropriate, with suspended coverage in District 97. The case should be opened with Individual Status 08 (inactive) and Coverage Code 04 (no coverage); an authorization "To" date of 12/31/49; and a Source Code value 4 (OMH). The effective date of the opening is the NYC effective closing date. This date will be included on the monthly file of NYC closings provided to OMH. Appropriate notice must be sent to the individual at the psychiatric center address using opening CNS suspension Reason Code C51, "Suspend MA Coverage for 21-64 Year-Old Admitted to a Psychiatric Center in New York State."

Note: If OMH has determined that a NYC Medicaid recipient's coverage should not have been discontinued, OMH will not open a case with suspended coverage in District 97, but will include the individual on the daily discharge file as a person who returned to the community. The daily discharge file will be sent to DOH to forward to NYC and will direct NYC to reinstate the individual's Medicaid coverage.

4. Exceptions to Suspension

Medicaid eligibility will be discontinued rather than suspended for individuals with the following coverages.

Emergency Services Only (Coverage Code 07) – For Upstate districts, no notice is required to be sent when discontinuing coverage for a Medicaid recipient with Coverage Code 07. In NYC, existing closing Reason Code E72, "Disc MA/FHPlus, Not Provide in Current Living Arrangement" must be used at the line level, and closing Reason Code E62, "Disc MA/FHPlus, Between 21-64 Years Old in a Psychiatric Center" must be used at the case level to discontinue the individual's coverage.

Medicare Savings Program (Coverage Code 09) – For Upstate districts, closing Reason Code C89, "Disc Medicare Savings Program for a 21-64 Year Old Individual Admitted to a Psychiatric Center" must be used when discontinuing coverage for a Medicaid recipient with Coverage Code 09.

NYC must discontinue Medicaid with existing closing Reason Code E72, "Disc MA/FHPlus, Not Provided in Current Living Arrangement" at the line level and closing Reason Code E62, "Disc MA/FHPlus, Between 21-64 Years Old in a Psychiatric Center" at the case level. Effective with the June 20, 2011 WMS/CNS migration, EF5, Disc Medicare Savings Program for an Individual Admitted to a Psychiatric Center" will be available for use at the line and case level.

Health Insurance Continuation Only – COBRA, AHIP (Coverage Code 17) – Upstate districts must use closing Reason Code C90, "Disc MA Payment of Health Insurance Premiums of Individual Admitted to Psychiatric Center 21-64 Years Old" to discontinue a Medicaid recipient with Coverage Code 17. NYC must discontinue coverage using closing Reason Code E72, "Disc MA/FHPlus, Not Provided in Current Living Arrangement" at the line level and Reason Code E62, "Disc MA/FHPlus, Between 21-64 Years Old in a Psychiatric Center" at the case level. Effective with the June 20, 2011 WMS/CNS migration, EF6, "Disc Medicaid Payment of Health Insurance Premiums for An Individual Admitted to a Psychiatric Center" will be available for NYC use at the line and case level.

Note: If the COBRA/AHIP policy covers other eligible household members, it may not be appropriate to discontinue payment of health insurance premiums.

Guarantee Coverage Only (Coverage Code 31 or 36) – Individuals with Coverage Code 31 or 36 (guarantee coverage only) at admission must be disenrolled from Medicaid Managed Care or FHPlus in accordance with current LDSS procedures.

In Upstate LDSS, the disenrollment shall be processed manually effective the first of the month following the month of admission. The current rules regarding retroactive disenrollment and recovery of payments from plans apply. Upstate districts are reminded that when discontinuing guarantee coverage the Medicaid case must be closed. For disenrollments from managed care, districts should use Disenrollment Code 93 and enter "PSYCH" in the Worker field in the Pre-paid Capitation Plan (PCP) subsystem to specifically identify this population.

In NYC the disenrollment will be done automatically at next pulldown.

B. Individuals Discharged from Psychiatric Centers

OMH will provide DOH with daily information for individuals discharged from a State psychiatric center so that Medicaid coverage can be reinstated, barring certain exceptions. The district of fiscal responsibility (DFR) immediately prior to the

individual's admission to the psychiatric center will receive notification of the discharge. To ensure access to medical care after the individual is discharged from a psychiatric center to the community, the district must reinstate the individual's coverage for five months (the month of discharge, plus four months). The initial reinstatement period will provide coverage until eligibility can be redetermined pursuant to the renewal process. Appropriate notice must be issued to the individual at his or her current address. Section IV.B.1.c of this directive contains instructions regarding cases that will not have Medicaid coverage reinstated. The following chart outlines the discharge codes and their definitions.

Discharge Code	**Definition**
01	Discharge to Community With Known Address
02	Discharge to Skilled Nursing Facility (SNF)
03	Discharge to Immigration *(Not available at this time)*
04	Discharge to State or Local Law Enforcement
05	Discharge to Another State's Law Enforcement *(Not available at this time)*
06	Discharge to Federal Bureau of Prisons *(Not available at this time)*
07	Discharge to NYS OMH Living Arrangement
08	Deceased
09	Turned 65 and Remains in Psychiatric Center
10	Discharged to Community with Unknown Address
11	Discharged to OPWDD Living Arrangement
12	Moved to Another State *(Not available at this time)*
13	Discharged to Out-of-State Psychiatric Center *(Not available at this time)*

1. Upstate Reinstatement of Medicaid Coverage and Exceptions

Beginning in April 2011, Upstate Medicaid directors will begin receiving daily e-mails from Upstate DOH Systems for individuals being discharged from a psychiatric center whose coverage needs to be reinstated, discontinued or re-suspended as an inmate of a New York State or local correctional facility. These e-mails will include the individual's name, CIN, discharge date, discharge code, and the recipient's new address, if known.

a. Reinstatement

Generally, individuals discharged from the psychiatric center to the community (Discharge Codes 01 and 10) must have their Medicaid reinstated with the coverage they had immediately prior to admission with the following exceptions.

Note: Discharge Code 10 (Discharged to Community with Unknown Address) is used when OMH does not have a community address on record. Districts are to use the last known address as it appears on WMS for notification purposes.

Case Type 20, Coverage Code 30 (PCP Full Coverage) - Coverage is to be reinstated to full fee-for-service coverage. If an individual had coverage in the SSI-related category of assistance, coverage is to be reinstated based on the Alien Citizenship Indicator (ACI) and Resource Verification Indicator (RVI) as follows:

RVI	Coverage Code
1 (60 Months)	01 (Full), 11 (Legal Alien)
2 (Current)	19 (Community Coverage With CBLTC)
3 (Attestor)	20 (Community Coverage W/O CBLTC)
4(Prohibited Transfer)	10 (All Services Except Nursing Facility)

Case Type 20, Coverage Code 06 (Provisional Eligibility) - Coverage is to be reinstated to Coverage Code 02 (Outpatient Coverage). If an individual had coverage in the SSI-related category of assistance, coverage is to be reinstated based on the Resource Verification Indicator (RVI) as follows:

RVI	Coverage Code
1 (60 Months)	02 (Outpatient)
2 (Current)	21 (Outpatient W/CBLTC)
3 (Attestor)	22 (Outpatient W/O Long-Term Care)
4(Prohibited Transfer)	23 (Outpatient W/No Nursing Facility Services)

Note: Due to system constraints in identifying the spenddown amount an individual had prior to admission to the psychiatric center, the spenddown coverage codes listed above will have a zero spenddown amount for the period of reinstatement. No Medicaid Budget Logic (MBL) budget is required for reinstatement.

Case Type 20, Coverage Code 15 (Perinatal Coverage) - Coverage must be reinstated to Coverage Code 01 (Full). Districts must use Categorical Code 21 (ADC-related Adult Deprivation). If the recipient is still pregnant at discharge, then Categorical Code 42 (ADC-related Pregnant Woman) should be used.

Case Type 24, Coverage Code 06 (Provisional Eligibility-Not Yet Enrolled in Plan) – Coverage must be reinstated to Case Type 20, Coverage Code 01 (Full) to ensure that former recipients with FHPlus coverage prior to admission to the psychiatric center will have access to medical care upon release. Districts must use Categorical Code 09 (FA/SN/LIF No Deprivation/SCC), EXCEPT when the recipient is still pregnant at discharge, then Categorical Code 42 (ADC-related Pregnant Woman) must be used.

Admission	**Program**	**Discharge**
Case Type 24/ Coverage Code 06	Provisional Eligibility/Not Yet Enrolled in FHPlus Plan	Case Type 20/ Coverage Code 01
Case Type 24/ Coverage Code 20	Community Coverage Without Long-Term Care (FHP-PAP)	Case Type 20/ Coverage Code 01
Case Type 24/ Coverage Code 34	Family Health Plus	Case Type 20/ Coverage Code 01

It is not expected that a Medicaid recipient in a nursing facility with Coverage Code 10 (All Services Except Nursing Facility Services) will be admitted and subsequently discharged. In the event that this does occur, districts should call their local district liaison for instructions. Districts should also, call their local district liaison for instructions regarding reinstatement of Medicaid coverage for a recipient who had Coverage Code 23 (Limited Coverage Due to Prohibited Transfer) at admission.

b. Upstate Reinstatement Notices

Medicaid - Upstate districts must use Reason Code C93, "Reinstate MA Coverage, 21-64 Year Old Discharged from a Psychiatric Center" to reinstate Medicaid.

FHPlus to Medicaid - Reason Code C91, "FHPlus to MA, 21-64 Year Old Discharged from Psychiatric Center" must be used to inform a former FHPlus recipient that coverage has been reinstated to Community Coverage Without Community-Based Long-Term Care.

FPBP - Reason Code C92, "Reinstate FPBP, 21-64 Year Old Individual Discharged from Psychiatric Center" must be used to inform a recipient who had Coverage Code 18 (Family Planning Benefit Program) at admission that the coverage has been reinstated.

c. Upstate Exceptions to Reinstatement

Medicaid coverage will not be reinstated for individuals who are discharged under the following circumstances. Districts must take the following actions.

Discharged to a Skilled Nursing Facility (SNF) (Discharge Code 02) – Medicaid eligibility must be redetermined for individuals who are being discharged to a SNF. A new application is not required; however, Supplement A to the DOH-4220 application form may be required to be completed if resource information is required. Appropriate notification must be sent following the redetermination of eligibility.

Discharged to United States Immigration and Customs Enforcement (ICE) (Discharge Code 03) – Coverage for individuals who are being discharged to the custody of the United States Immigration and Customs Enforcement (ICE) must be discontinued using Reason Code Y99. Manual notice LDSS-3623, "Notice of Intent to Discontinue/Change Medical Assistance" must be sent to the individual's last known residence address with the inclusion of the following language: "We will discontinue Medicaid because you have been discharged to the custody of the United States Immigration and Customs Enforcement."

Discharge to State or Local Correctional Facility (Discharge Code 04) - Individuals who are being discharged to a NYS or local correctional facility will continue to have their coverage suspended.

For Upstate individuals, the LDSS will provide timely notice to the individual at the correctional facility. The correctional facility name and address must be entered in the "Resident Address" field on screen 1 of WMS. Also, the LDSS will change the existing Source Code on Screen 2 from 4 (OMH) to the appropriate Source Code of 1 (DOCS), 2 (DCJS) or 3 (Rikers); include the DIN, if appropriate. In addition, the LDSS will continue to suspend coverage using CNS Reason Code C55, "Suspend MA for Inmate of a State or Local Correctional Facility."

For individuals who are being discharged to the New York State Department of Correctional Services (prisons), a Department Identification Number (DIN) must be included on all correspondence to ensure delivery to the inmate (08 ADM-03, "Maintaining Medicaid Eligibility for Incarcerated Individuals"). To obtain an incarcerated DOCS inmate's DIN, OMH should go to the NYS DOCS "inmate look up" web address at: http://nysdocslookup.docs.state.ny.us.

Discharged to Another State's Law Enforcement (Discharge Code 05) – Coverage must be discontinued for individuals who are being discharged to another state's law enforcement using Reason Code C53, "Disc MA/FHPlus Incarceration Out-of-State or Federal Penitentiary Within NYS."

Discharged to Federal Bureau of Prisons (Discharge Code 06) – Coverage for individuals who are being discharged to the Federal Bureau of Prisons must be discontinued using CNS Reason Code C53, "Disc MA/FHPlus Incarceration Out-of-State or Federal Penitentiary Within NYS."

Discharged to an OMH State Operated Living Arrangement (Discharge Code 07) - For individuals who are being discharged to an OMH operated living arrangement (i.e., State operated family care home, State operated community residence, State operated residential care center for adults), coverage should be discontinued using CNS Reason Code U77, "Disc MA/FHPlus Concurrent Intra-State Benefits." Once the county case has been closed, OMH must open a case for the individual in District 97.

Deceased (Discharge Code 08) - Coverage must be discontinued for individuals who have died in the psychiatric center using CNS Reason Code E95, "Disc MA/FHPlus Deceased."

Turns 65 and Remains in Psychiatric Center (Discharge Code 09) - The DFR prior to admission to the psychiatric center must discontinue coverage for individuals who turn 65 and remain in the psychiatric center using CNS Reason Code U77, "Disc MA/FHPlus Concurrent Intra-State Benefits." Once the County case is closed, OMH will determine eligibility for the individual.

Discharged to an Office for People with Developmental Disabilities (OPWDD) Living Arrangement (Discharge Code 11) - The DFR immediately prior to admission to the psychiatric center must discontinue coverage for individuals who are being discharged to an OPWDD living arrangement using CNS Reason Code U77, "Disc MA/FHPlus Concurrent Intra-State Benefits." Once the county case has been closed, OPWDD shall open a case for the individual in District 98.

Moved to Another State (Discharge Code 12) - Medicaid and FHPlus must be discontinued with appropriate notice for individuals who have moved to another state, because the individual is no longer a resident of the State. Upstate Districts must use CNS Reason Code E63, "Discontinue MA/FHPlus Not a State Resident."

Discharged to an Out-of-State Psychiatric Center (Discharged Code 13) - Medicaid and FHPlus must be discontinued with appropriate notice for individuals who are discharged to an out-of-state psychiatric center. Upstate districts must use CNS Reason Code C87, "Discontinue MA/FHPlus Not a State Resident."

Note: Districts will be advised under separate cover when Discharge Codes 03, 05, 06, 12 and 13 are available. In the interim, OMH and DOH will facilitate the processing of these cases on an individual basis.

2. OMH Responsibilities at Discharge

a. Notification of Discharge

OMH will provide a daily notification to DOH of individuals whose coverage was suspended and are being discharged from the psychiatric center. The information provided will include the date of discharge and an updated residence address, if known. The discharge information will also include whether the individual is discharged to the community or another setting (see Discharge Code chart Section IV.B. and Exceptions to Reinstatement Section IV.B.1.c).

For individuals returning to a community setting or SNF in New York City (Discharge Codes 01, 02 and 10), OMH must close the case with suspended coverage in District 97, so that NYC can open a case and reinstate coverage.

For NYC individuals whose coverage was suspended in District 97 who are deceased (Discharge Code 08), are being discharged to the United States Immigration and Customs Enforcement (ICE)(Discharge Code 03), another State's Law Enforcement (Discharge Code 05), Federal Bureau of Prisons (Discharge Code 06), an out-of-state psychiatric center or who have moved to another state (Discharge Code 12), OMH must discontinue coverage with appropriate notice.

b. OMH Reinstatement of Medicaid Coverage

OMH must reinstate coverage for individuals returning to a community setting (Discharge Codes 01 and 10) if OMH was the DFR immediately prior to admission (see Upstate notice section IV.B.1.a).

c. Discharge to State or Local Correctional Facility (Code 04)

OMH must close the suspended case for NYC recipients being discharged to a State or local correctional facility, so that NYC can open a case with suspended coverage.

For cases where OMH was the DFR immediately prior to incarceration, the correctional facility name and address must be entered in the "Resident Address" field on screen 1 of WMS. Also, OMH must change the existing Source Code on Screen 2 in the Other Name field from 4 (OMH) to the appropriate Source Code of 1 (DOCS), 2 (DCJS) or 3 (Rikers); include the DIN, if appropriate; and continue to suspend coverage using CNS Reason Code C55, "Suspend MA for Inmate of a State or Local Correctional Facility."

For individuals who are being discharged to the New York State Department of Correctional Services (prisons), a Department Identification Number (DIN) must be included on

all correspondence to ensure delivery to the inmate (08 ADM-03, "Maintaining Medicaid Eligibility for Incarcerated Individuals"). To obtain an incarcerated DOCS inmate's DIN, OMH should go to the NYS DOCS "inmate look up" web address at: http://nysdocslookup.docs.state.ny.us.

3. NYC Responsibilities at Discharge

The Department will provide NYC with daily notification of individuals whose coverage was suspended and are being discharged from the psychiatric center. The following chart lists the discharge codes and types for use by New York City during the interim manual process.

Discharge Code	Definition
01	Discharge to Community With Known Address
02	Discharge to Skilled Nursing Facility (SNF)
04	Discharge to New York State or Local Law Enforcement
10	Discharge to Community with Unknown Address

a. Reinstatement of Medicaid Coverage

For individuals who are being discharged from the psychiatric center to the community (Discharge Codes 01 and 10), NYC must reinstate Medicaid coverage by opening a Medicaid case (Case Type 20) for the individual.

To ensure access to medical care after discharge, coverage must be reinstated for the month of discharge and the following four months. Refer to Upstate section IV.B.1.a of this directive regarding coverage reinstatement.

b. Reinstatement Notices

Upon receipt of the daily discharge information from DOH, NYC must open a Medicaid case with a zero budget for the individual with reinstated coverage. The Department will provide manual notices to be used with the following openings: Medicaid (Reason Code 095, FHPlus to Medicaid (Reason Code 094) and FPBP (Reason Code 075). An M3E indicator of A (Manual Notice – Adequate Action) is required.

c. Discharged to a Skilled Nursing Facility (Discharge Code 02)

Medicaid coverage must be redetermined for individuals who are being discharged to a SNF. A new application is not required. (i.e., State operated family care home, State operated community residence, State operated residential care center for adults).

d. Continue to Suspend Coverage for Discharge to State or Local Correctional Facility (Discharge Code 04)

NYC must open a case with suspended coverage for individuals who are being discharged from a psychiatric center to a State or local correctional facility. NYC must provide timely notice to the individual at the correctional facility using CNS Reason Code A03, "Suspended Coverage, Inmate of a State or Local Correctional Facility."

The correctional facility name and address must be entered in the "Resident Address" field on screen 1 of WMS. NYC is reminded that for individuals who are being discharged to the New York State Department of Correctional Services (prisons), a Department Identification Number (DIN) must be included on all correspondence to ensure delivery to the inmate (08 ADM-03, "Maintaining Medicaid Eligibility for Incarcerated Individuals"). To obtain an incarcerated DOCS' inmate's DIN, districts should go to the NYS DOCS' "inmate look up" web address at: http://nysdocslookup.docs.state.ny.us.

V. SYSTEMS IMPLICATIONS

During the interim manual process, systems support will not be available to automate suspension and reinstatement of Medicaid for individuals age 21-64 who are admitted to a State psychiatric center.

MA-SSI Cash: State Data Exchange (SDX)

Upstate SDX has been reprogrammed to prevent subsequent SDX transactions from being taken on a Case Type 20, when the case is in a suspend status. Any subsequent transactions generated by SDX will be placed on an exception report for LDSS review. If a subsequent C01 (current pay status) SDX transaction appears on the exception report, no action should be taken to convert the case to a Case Type 22 with full coverage unless the LDSS has received other verification that the person has been discharged and is in active pay status. If the LDSS has reason to believe that the person is not in the psychiatric center, the district must contact OMH to confirm whether the individual has been discharged from the psychiatric center.

During the interim manual process, there will be no change to NYC SDX processing for MA-SSI cash individuals who are admitted to a psychiatric center in New York State.

VI. EFFECTIVE DATE

The provisions of this Administrative Directive are effective April 29, 2011 retroactive to April 1, 2011.

Jason A. Helgerson
Medicaid Director
Deputy Commissioner
Office of Health Insurance Programs