

TO: Local District Commissioners, Medicaid Directors
FROM: Betty Rice, Director
Division of Consumer and Local District Relations
SUBJECT: Aliessa, et al. v. Novello - Medicaid Managed Care, Family Health
Plus and Spenddown Coverage for Aliens.
EFFECTIVE DATE: December 31, 2001
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THIS GIS MUST BE DISTRIBUTED TO ALL TEMPORARY ASSISTANCE AND MEDICAID WORKERS
AND SUPERVISORS

In recent months the Department has issued several GIS messages to advise districts of action required as a result of the New York Court of Appeals decision Aliessa, et al.v. Novello. Pursuant to this decision full State and local Medicaid coverage cannot be denied if an otherwise eligible alien is permanently residing in the United States under color of law (PRUCOL) or is a lawfully admitted permanent resident.

GIS 01-MA-030 directed districts to use a new MA Coverage Code of 11 (Legal Alien-FNP) for such cases in order to derive the proper 50% State/50% Local funding.

While use of coverage code 11 provided an expeditious way to meet the court order it did not allow for the provision of managed care or spenddown coverage. This problem will be rectified by the following systems changes supported on WMS effective December 31, 2001:

WMS Systems Instructions: (Upstate)

1. State/Federal Charge Indicator 60 (TANF Ineligible Alien), previously allowed only on cash assistance cases, will now be enterable on MA-Only (Case Type 20) and Family Health Plus (Case Type 24) cases.
 - a.) Code 60 will be required for individuals with Alien Citizenship Indicators (ACI) B, F, or K, and a Date of Entry \geq 9/96 and an MA From Date $<$ five years from the Date of Entry.
2. A new State/Federal Charge Indicator 67 (State Charge - Qualified Alien in the five year ban for Medicaid/ PRUCOL) has been added for MA-Only (20), FHP(24), and Cash Assistance (11, 12, 16, 17) Case Types.
 - a.) Code 67 is required when the ACI is G, S, or T and the Date of Entry is \geq 9/96 and the MA From Date is $<$ five years from the Date of Entry.
 - b.) Code 67 is also required for an ACI of O. However, since O does not require a Date of Entry, 67 is required regardless of

the Date of Entry, including a blank. O has been redefined as a "Person Residing Under Color of Law (PRUCOL)".

2. When the ACI is O or T the MA Coverage Code 11 is generated as a default. Similarly, when the ACI is B, F, G, K or S and the Date of Entry is equal to or greater than 9/96 MA Coverage Code 11 is the default. However, in both instances other Coverage Codes may be entered, if appropriate.
3. The edits in 1 & 2 above apply if the MA Coverage Code is 02, 06, 09, 10, 11, 17, 30, 32, and 34.
4. A new Anticipated Future Action (AFA) Code 522 (Expiration of MA 5 year ban) has been added to inform the worker of when the federal 5 year ban is due to expire. The 522 can be entered or will be system generated 4 years 11 months after the Date of Entry.
5. Individuals with MA Coverage Code 11 will now be valid for entry into the Prepaid Capitation Plan (PCP) subsystem. Following storage of the PCP enrollment the PCP Coverage Code of 30 or 32 will be generated based upon the recipient's categorical code. PCP Guarantee Coverage will occur following the current guarantee logic. When an individual is disenrolled from Managed Care, and they remain active for Medicaid, their Coverage Code will be changed to 11 based on the two State/Federal Charge Codes explained above. If the State/Federal Charge Code is not present the system will generate 01 or 16 Coverage based upon the recipient's categorical code.
6. For spenddown situations, the use of 06 Coverage, and the subsequent entry of 02 or 01, when the spenddown is incurred, follows the current MA rules.
7. The following new errors have been added to support these changes:
1522 - ACI G, O, S, T and From Date < 5 Years from DOE require St/Fed Code 67
1523 - Charge Code 60 requires ACI B, F, K or From Date < 5 years from DOE.
1524 - Charge Code 67 not allowed when MA From Date > 5 years from DOE.
1326 - ACI O requires St/Fed Charge 67

New York City - WMS instructions will be issued separately.