

DSS-4357EL

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**GENERAL INFORMATION SYSTEM**

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**TO:** Local District Commissioners, MA Directors

**FROM:** Ann Clemency Kohler, Director, Office of Medicaid Management

**SUBJECT:** Medicaid and Welfare Reform

**EFFECTIVE DATE:** August 26, 1997

**CONTACT PERSON:** Sharon Burgess - (518) 473-5531

The "Welfare Reform Act of 1997" recently signed by the Governor defines the new Public Assistance (PA) programs in New York and their relationship to the Medicaid program. This legislation implements numerous federal requirements, including the delinkage of Medicaid from PA. The following summarizes the more significant provisions that affect Medicaid:

1. Medicaid eligibility will be automatically and systematically generated when a comparison to cash program standards, using revised cash program disregards, shows eligibility.
2. Eligibility for Medicaid-Only applicants/recipients (A/Rs) continues unchanged.
3. Medicaid A/Rs will have no employment requirements; PA employment sanctions will not apply to any Medicaid A/Rs.
4. For Medicaid purposes, only singles, childless couples and parents in intact households who are between 21 and 64 years old and not certified blind or disabled will need to comply with drug/alcohol screening and recommended treatment.
5. Finger imaging will apply only to those individuals who are required to have a photo identification card.

Medicaid eligibility will generally continue unchanged for PA recipients. Existing employed Medicaid families who have a spenddown may become fully eligible when eligibility is recalculated under the cash standards.

As under current processing, certain cases ineligible under cash program standards will need to be referred for a separate Medicaid eligibility determination. Few additional referrals are expected.

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Bureau of Eligibility staff are working with systems and program staff in the Department of Social Services to develop the systems capability to reflect the new categories and rebudget current PA and Medicaid-Only cases. Staff are also developing automated notices to explain the changes to affected A/Rs.

Additional details of the Welfare Reform Act of 1997 will be described in the telemeeting on September 2, 1997 to be followed by a series of regional meetings later in the fall.