

Implementation Guide: Medicaid State Plan Eligibility Eligibility Groups – Mandatory Coverage Individuals Deemed To Be Receiving SSI

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Individuals Deemed To Be Receiving SSI

POLICY CITATION

Statute: 1939(a)(5)(E), 1939(a)(2)(D), 1634(c), 1634(d)

Regulation: 42 CFR 435.135, 42 CFR 435.138

BACKGROUND

Overview

This reviewable unit (RU) describes the mandatory Medicaid eligibility groups made up of individuals who lost eligibility for Supplemental Security Income (SSI) and/or state supplementary payments (SSP) due to increases in their Social Security benefits. Those increases raised their countable income to a level that made them ineligible for SSI/SSP, which in turn resulted in a loss of Medicaid eligibility.

While eligibility for each group is based on the loss of SSI/SSP due to specific increases in Social Security benefits, the common theme for these groups is that if the Social Security benefit increase is subtracted from income, the individual would meet the requirements for SSI/SSP eligibility. The individual would then be eligible for Medicaid as if he or she was receiving SSI/SSP, even though the individual does not actually receive SSI/SSP. In other words, the individual is deemed to be receiving SSI/SSP; i.e., is treated as if he or she is receiving the benefit, even though he or she is not, for purposes of eligibility for Medicaid.

The deemed SSI groups are:

- Individuals Who Would be Eligible for SSI/SSP but for OASDI COLA Increases Since April, 1997.
- Disabled Widows and Widowers Ineligible for SSI due to Early Receipt of Social Security.
- Adult Children with Disabilities.

1634 and SSI Criteria States

If an individual meets the requirements for a deemed SSI group, the individual is automatically eligible for Medicaid.

209(b) States

In 209(b) states, the state must evaluate an individual meeting deemed SSI criteria the same way it would evaluate an individual receiving SSI using its more restrictive standards. However, 209(b) states must allow individuals deemed to be receiving SSI to spend down to the categorically needy income level in 42 C.F.R. §435.121. When considering OASDI benefit increases and cost of living adjustments (COLAs), a 209(b) state has the option of deducting:

- All the benefit increase and COLAs received;
- Only a portion of the benefit increase and COLAs received; or
- None of the benefit increase or COLAs received from the person's income.

Individuals Who Would be Eligible for SSI/SSP but for OASDI COLA Increases

This group, also known as the Pickle group after its Congressional sponsor, extends eligibility to an individual if he or she would be eligible for SSI/SSP if the amount by which the OASDI benefit increased as a result of the elimination of a reduction in that benefit plus all subsequent COLAs, is deducted from income.

Individuals qualifying under this eligibility group meet the following criteria:

- Currently receive OASDI benefits;
- Received SSI or state supplement in the past but became ineligible for these payments after April, 1977;
- Would still be eligible for SSI or state supplement if the amount of OASDI cost-of-living increases paid under section 215(i) of the Act since the individual lost SSI or state supplement were deducted from current OASDI benefits.

Option: State Supplement Recipients. If the state has elected to cover the optional Medicaid eligibility group for individuals who receive only a state supplement, the state must extend eligibility in the Pickle group to individuals who would be eligible for a state supplement but for the OASDI COLA increases. All other states have the option of including individuals who received only a state supplement.

Disabled Widows and Widowers

Section 1611(e)(2) of the Social Security Act required SSI beneficiaries to apply for and obtain any annuity, pension, retirement, or disability benefits for which they are eligible. As a result, some SSI beneficiaries lost their eligibility for SSI and Medicaid. Section 9116 of the Omnibus Budget Reconciliation Act (OBRA) of 1987 added section 1634(d) of the Social Security Act to allow widows and widowers between age 60 and 64 who lose SSI eligibility and Medicaid because they applied for and received social security disability benefits as a result of section 1611(e)(2) to be deemed to be SSI recipients for purposes of Medicaid eligibility.

Individuals qualifying under this eligibility group meet the following criteria:

- Are disabled widows or widowers at least 60 years old;
- Are not entitled to Medicare Part A;
- Became ineligible for SSI/SSP because they were required to apply for and receive Social Security disabled widows/widowers benefits; but
- Who would be eligible for SSI/SSP if the Social Security benefit they were required to receive, as well as any subsequent COLAs, is subtracted from their income.

Option: State Supplement Recipients. If the state has elected to cover the optional Medicaid eligibility group for individuals who receive only a state supplement, the state must extend eligibility in the Disabled Widows and Widowers group to individuals who would be eligible for a state supplement but for the disabled widows/widowers benefits.

All other states have the option of including individuals who received only a state supplement.

Adult Children with Disabilities

This eligibility group describes adult children with disabilities under section 1634(c) of the Social Security Act. Section 1634(c) of the Act requires states to consider childhood disability beneficiaries who lose SSI eligibility as if they were still SSI recipients for Medicaid purposes so long as they would have remained otherwise eligible for SSI benefits but for their entitlement to (or increase in) social security disability benefits on or after July 1, 1987.

An individual is eligible under this group if he or she would be eligible for SSI if the amount by which the OASDI benefit increased as a result of the elimination of a reduction in that benefit plus all subsequent COLAs, is deducted from income.

This is a mandatory eligibility group composed of:

- Individuals who are at least 18 years old and are blind or disabled;
- Became blind or disabled before the age of 22; and
- Lost eligibility for SSI because they became entitled to OASDI child's benefits, or because of an increase in those benefits.

Medicaid continues as long as the individual would be eligible for SSI were it not for receipt of child's insurance benefits, or an increase in those benefits.

REVIEWABLE UNIT DEPENDENCIES

Many RUs in MACPro are dependent upon other RUs. Each time a primary RU is changed, there could be an effect on other, secondary RUs which are dependent on the primary. For example, in the **Mandatory Eligibility Groups** RU, there is a question as to whether the state covers the Adult Group. If **Yes** is selected, and if a box is checked to include the Adult Group in the submission package, then the **Adult Group** RU will be included by the system in the package and the user can navigate to it to complete it. If **No** is selected, the **Adult Group** RU will not be included in the package. In this example, the **Mandatory Eligibility Groups** RU is the **Primary RU** and the **Adult Group** RU is the **Secondary RU**. The **Adult Group** RU is considered to be dependent on selections made in the **Mandatory Eligibility Groups** RU.

Whenever a change in a primary RU may affect a secondary RU, you either need to revise the secondary RU (if it is already in the package) or add the secondary RU to the package so that it can be updated in the same submission package as the primary RU.

The following table explains the dependent relationships for the **Individuals Deemed To Be Receiving SSI** RU.

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability	Individuals Deemed To Be Receiving SSI	Unless the Eligibility Determinations for Individuals Age 65 or Older or Who Have Blindness of a Disability RU (primary) has either been approved in MACPro or is included, completed and validated in the submission package, the Individuals Deemed To Be Receiving SSI RU (secondary) cannot be displayed.	If the secondary RU will not display because the primary RU is neither approved in MACPro nor included in the package: <ul style="list-style-type: none"> • Add the primary RU to the package, complete it and validate it. • Alternatively, remove the secondary RU from the package.

Primary RU	Secondary RU	Nature of Dependency	Actions Needed
<p>Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability</p>	<p>Individuals Deemed To Be Receiving SSI</p>	<p>If <i>209(b) State</i> is selected in section A of the Eligibility Determinations of Individuals Age 65 or Older or Who Have Blindness or a Disability RU (primary), the following text displays in the Individuals Deemed To Be Receiving SSI RU (secondary): <i>Eligibility is extended to the same extent for individuals deemed to be receiving SSI as it is extended to SSI beneficiaries.</i></p>	<ul style="list-style-type: none"> • If you change your election in section A of the primary RU from <i>209(b) State</i> to <i>Section 1634 State</i> or <i>SSI Criteria State</i>, you must include the secondary RU in the same submission package, as this statement should no longer display in the secondary RU. • The system will automatically remove the statement in the secondary RU after the primary RU is saved and validated.

INSTRUCTIONS

A. Individuals Who Would be Eligible for SSI/SSP but for OASDI COLA Increases Since April, 1977

- **A.1.** has statements listing the criteria for individuals qualifying for this eligibility group.
- At **A.2.**, indicate, *Yes* or *No*, if individuals receiving only state supplement qualify for this eligibility group.
 - If *No* is selected, choose one of the two options presented.
 - If **A.2.b.** is selected, a message will display to remind you that this choice should only be made if optional state supplement recipients are not covered in the state plan.

B. Disabled Widows and Widowers Ineligible for SSI due to Early Receipt of Social Security

- **B.1.** has statements listing the criteria for individuals qualifying for this eligibility group.
- At **B.2.**, indicate, *Yes* or *No*, if individuals receiving only state supplement qualify for this eligibility group.

Screen Validation: The selection made at **B.2.** must be the same as the selection made at **A.2.**

 - If *No* is selected, choose one of the two options presented.
 - If **B.2.b.** is selected, a message will display to remind you that this choice should only be made if optional state supplement recipients are not covered in the state plan.

C. Adult Children with Disabilities

There are statements listing the criteria for individuals qualifying for this eligibility group.

D. Financial Methodologies

There is a statement that SSI methodologies are used in calculating household income.

E. Additional Information (optional)

Except in limited circumstances, this field remains blank. Please consult with CMS before adding any additional information concerning this RU.

REVIEW CRITERIA

The option selected at A.2. and B.2. must be the same, and if A.2.b. and B.2.b. are selected, the state must have selected not to cover Optional State Supplement Beneficiaries in the Optional Eligibility Groups RU.