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MMIS Medically Needy Subsystem

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Overview

Medically Needy cases that are approved and have zero spenddown in both the retroactive and prospective certification periods are maintained by the ABC system and are not passed to the MMIS Medically Needy subsystem. Individuals with active fund codes are automatically eligible for Medicaid. Their records are passed to the Medicaid Eligibility File (SSNI).

Cases that have a spenddown in either the retroactive or the prospective certification period have information passed from ABC to the MMIS Medically Needy subsystem. The subsystem:

- Receives case and client eligibility-related data from the ABC system.
- Creates certification periods with spenddown amounts according to income on Medically Needy cases, using data from ABC.
- Prioritizes medical expenses that have been submitted.
- Applies verified medical expenses against the unmet spenddown obligation and rejects expenses that cannot be applied to spenddown.
- Tracks expenses that have been used for meeting spenddown.
- Generates:
  - The *Bill Status Turnaround Document (BSTD)*, form 470-1942.
  - The Eligibility Status Turnaround Document (ESTD), form 470-1941.
  - The Notice of Spenddown Status (NOSS), form 470-1967.
- Notifies the ABC system when spenddown has been met.
- Notifies the Medicaid Eligibility File of eligibility for months within the certification period after spenddown is met.
- Notifies MMIS after spenddown is met to pay claims not used to meet spenddown.

Workers submit medical claim forms for the following services to the Iowa Medicaid Enterprise (IME) attached to form 470-3630, *Medically Needy Transmittal*:

- Services incurred before the certification period.
- Services from providers not participating in Medicaid.
- Services not covered by Medicaid.
- Services from state public programs.

The data from these forms is entered into the MMIS Medically Needy subsystem for processing.

Providers submit claim forms to the IME for Medicaid-covered services incurred during the certification period. Information from these claim forms is entered into the MMIS Medically Needy subsystem. The IME uses the MMIS Medically Needy subsystem to determine which bills are not payable because they were used to meet the spenddown obligation.

When the spenddown obligation is met, the MMIS Medically Needy subsystem issues a notice to the client and notifies the Medicaid Eligibility File about eligibility.

ABC Entries

All Medically Needy applications are entered onto the ABC system. The MMIS Medically Needy subsystem builds files for clients with spenddown amounts in either the retroactive or prospective certification periods located on ABC's TD05 screen fields SPENDDOWN1 and SPENDDOWN2.

Information passed to the MMIS Medically Needy subsystem from ABC includes:

- Identifying information: Worker number, county number, case name, case number, case address.
- Program information: Dates of certification periods, spenddown amounts for retroactive and prospective certification periods, months of retroactive eligibility.
- Individual information: State identification number (state ID), name, birth date, medically needy characteristics code, medical participation fund code.

Changes in identifying information must be made on the ABC system. Setting up new certification periods and adding individuals to active cases must also be done on ABC.

See 14-I(1), *Worker-Initiated Actions*, for an explanation of case actions that require entry of information on the ABC system, such as approval, denial, or adding persons to active cases. Actions that require entries into both systems are explained further in this chapter under Eligibility Status Turnaround Document.

Submitting Medical Expenses

Submit the following medical expenses to the IME Medically Needy Unit to be applied to spenddown:

- Services occurring before the certification period.
- Services that Medicaid does not cover, including:
  - Nursing facilities, including skilled nursing care
  - Personal care services in a residential care facility (no claim required)
  - Acupuncture
- Medical expenses paid by a state public program.
- Any expense for a provider who is not enrolled in Medicaid.
- Transportation expenses (no claim required).

Attach the completed *Medically Needy Transmittal*, form 470-3630. *Medically Needy Transmittals* can be sent to the IME Medically Needy Unit by fax at (515) 725-1350, or email the form to IMEMedicallyNeedy@dhs.state.ia.us. (See 8-J, *Expenses Submitted Through IM Worker*, for procedures and 6-Appendix for instructions on form 470-3630.)

The IME Medically Needy Unit screens the claims, then enters information from claims into the Medically Needy subsystem for the spenddown process.

The provider submits an electronic or paper claim form to the IME for Medicaid-covered services that are incurred during the certification period. This information is entered into the Medically Needy subsystem.

Eligibility Status Turnaround Document

After the MMIS Medically Needy subsystem receives a new case from the ABC system, it builds a file and generates form 470-1941, *Eligibility Status Turnaround Document* (ESTD). This form:

- Informs the worker of each person's status for each month of the certification period.
- Provides the worker with a mechanism to alter or correct data on the Medically Needy subsystem.

One form is generated for the retroactive period, if any, and one form is generated for the prospective period. A new form is generated when:

- Changes have been made to the existing ESTD.
- New certification periods are established through the ABC system.

The following information passes automatically from the ABC system and is displayed on the ESTD:

- Case information: Case name, case number, county number, and worker number.
- Program information: Certification period dates and spenddown obligation amounts.
- Individual information: Name, state ID number, pregnancy code, program relationship code, and medical participation fund code.

The pregnancy and the program relationship codes are derived from the Medically Needy characteristic code on screen TD03 of the ABC system.

The MMIS Medically Needy subsystem uses only medical participation fund codes of P, S, or 9. When the spenddown obligation has been met, the subsystem automatically notifies the ABC system of the eligibility and the P fund codes are converted to A or C. The ABC system notifies the Medicaid Eligibility File (SSNI) of eligibility.

Item	Code	Definition
Pregnancy	Y	Yes
	N	No
Program Relationship	A	FMAP-related caretaker relative
	0	Spenddown countable-only person
	1	FMAP-related child
	4	FMAP-related pregnant woman
	7	SSI-related aged person
	8	SSI-related blind person
	9	SSI-related disabled person

Item		Code	Definition
Fund Code	Medically Needy Subsystem Codes	P	Conditionally eligible person
		S	Spenddown countable only person
		9	Ineligible
	ABC Medicaid Codes	A	System-generated; adult, Medicaid only
		C	System-generated; child, Medicaid only

Changes and Corrections

Review form 470-1941, *Eligibility Status Turnaround Document* (ESTD), for accuracy upon receipt.

As the ESTD displays individual months within a certification period, you can change or correct information for individual clients on a month-by-month basis. Data that can be changed or corrected on the ESTD include:

- The pregnancy code.
- The program relationship code.
- The medical participation fund code.
- The amount of spenddown for the certification period.
- The date the current certification period ends. (Retroactive certification period dates cannot be changed.)

Submit ESTDs with changes and corrections to the IME Medically Needy Unit for entry into the system.

ESTDs can be sent to the IME Medically Needy Unit by fax at (515) 725-1350, or email the form to IMEMedicallyNeedy@dhs.state.ia.us.

Once a case meets spenddown, no changes or corrections can be made on the ESTD except to decrease the spenddown amount. See Decrease in Spenddown for a Frozen Period for instructions for decreasing spenddown for a certification period after spenddown has been met.

Closing a case other than at the end of the certification period and removing an individual are changes that must be made on the MMIS Medically Needy subsystem, because the information will not be passed from ABC. Enter a fund code of 9 in the appropriate month on the ESTD, and also close the case or individual on ABC.

Correcting Eligibility for a Period When Spenddown Is Not Met

When a person who was ineligible becomes eligible (changing the fund code to P), the program relationship code cannot remain a zero.

If a person on the Medically Needy case becomes eligible for Medicaid under another coverage group in a month of the certification period before spenddown has been met, you must change the P or S fund codes on the ESTD to 9 and adjust the spenddown amount as necessary.

If the Medicaid eligibility under another Medicaid coverage group is in the last month of the certification period, you must shorten the Medically Needy certification period and change the spenddown amount on the ESTD at the same time you enter fund code 9.

Correcting Eligibility for a Period When Spenddown Has Been Met

Actual Fund Code		Correct Fund Code	Worker Action
S	to	P	Review the notice to see if the client's bills were used to meet spenddown. If the bills had a date of service before the eligibility date, or if none of the client's bills were used, send an e-mail to Quality Assurance with a note to indicate that a spenddown has been met and attach the completed *Request for Special Update*, form 470-0397. If the bills used for spenddown had a date within the certification period, they are now payable. Initiate recoupment of the amount that was used for spenddown from the person's current bills. (This occurs because when the provider submits a claim, the entire bill is paid, even though a portion of the bill was used to meet spenddown.)
P	to	S	SSNI shows eligibility for months of the certification period when spenddown was met. Initiate recoupment.
9	to	P	Complete form 470-0397, *Request for Special Update*, and forward it to Quality Assurance.
P	to	A or C	See Medicaid Eligibility Through Another Coverage Type for the process of backing bills out of a Medically Needy certification period where spenddown has been met.

Correcting Eligibility for a Period with Zero Spenddown

Actual Fund Code		Correct Fund Code	Worker Action
S	to	A or C	Complete form 470-0397, *Request for Special Update*, and forward it to Quality Assurance with the appropriate fund code of A or C.
A or C			Eligibility was incorrectly given at the time of approval. Initiate recoupment. Note: No coding changes can be made, since a card was previously issued.
9	to	A or C	Refer to 14-I(1), *Adding a Person to a Closed Case*, if the case is now closed. Refer to 14-I(1), Adding a Person to an Ongoing Case if the case is active.

NOTE: An ESTD is not created for a zero spenddown period.

Change Chart

Due to the interrelationship between the ABC system and the MMIS Medically Needy subsystem, changes to an active case may require entries into one or both systems. The following chart identifies changes to an active case and the system where entries for those changes should be made.

Change	ABC System	Medically Needy Subsystem (ESTD)
Adding an individual to an ongoing case	X	X Entries on ABC generate an ESTD. The individual's eligibility for each month of the period (either retroactive or prospective) can be changed.
Amount of spenddown for certification or retroactive period		X
Date the certification period ends	X	X
Medical participation fund code		X Valid codes are P, S, or 9 for the Medically Needy subsystem.
Pregnancy code		X Valid codes are Y or N for the Medically Needy subsystem.
Program relationship code		X If fund code is P on the Medically Needy subsystem, then the program relationship code cannot be 0.
Removing an individual from an ongoing case	X	X Change fund code to 9.

Bill Status Turnaround Document

The *Bill Status Turnaround Document* (BSTD), form 470-1942, provides you with a written history of how expenses were used to meet the client's spenddown in a particular certification period. The BSTD consists of two parts:

- The first part contains all of the information listed on the claim. It also shows how payments are distributed for each item on the bill.
- The second part is for recording additional payments and serves as the input document to enter corrections of bill information and resubmit bills for use in the next certification period.

BSTDs are generated by individual for each certification period. The MMIS Medically Needy subsystem processes nightly. A BSTD for each record on which claims or BSTDs have been submitted is generated biweekly and when spenddown is met.

The BSTD is printed in duplicate. Forward the original to the IME Medically Needy Unit for entry of corrections and resubmittals, if necessary. File the copy in the case record.

BSTDs can be sent to the IME Medically Needy Unit by fax at (515) 725-1350 or email the form to IMEMedicallyNeedy@dhs.state.ia.us.

Bill Information Section

The *Bill Status Turnaround Document* may contain more than one bill. A separate set of bill information fields is included for each bill. A brief explanation for each field in the bill information section of the BSTD follows. (The information contained on the first two lines is case-related data.)

Field		Explanation
1.	From/To	This is the date of service for the bill line item that is shown on the claim.
2.	PS = Place of Service	This indicates the data shown on the claim.
3.	Service Code	This refers to the drug number or procedure code contained on the claim.
4.	AMB = Ambulance	The ambulance entry includes a code to designate the places transportation was provided from and to.
5.	Dental	The dental coding indicates tooth number and surfaces.

6.	Total Charge	This is the total amount of the bill or line item entered from the claim.
7.	Distribute Client	This reflects client payments and state public program payments (other than Medicaid) that were made before the certification period and were entered on form 470-3630, *Medically Needy Transmittal*. An amount shown here indicates that the payment was deducted from the bill.
8.	Distribute Insurance	This reflects insurance payments deducted from the amount of the bill. Bills written off by the provider are indicated as an insurance payment.
9.	Amts This Period	This shows the amount of the bill used to meet spenddown for the certification period listed on the BSTD. If spenddown is not met for a specific period, the amount listed in the field becomes zero. In some circumstances, the bill may be submitted in subsequent certification periods. See Resubmittals.
10.	Used To Date	This figure includes the amount of the bill used to date to meet spenddown and client and insurance payments that have been considered through the certification period listed on the BSTD.
11.	Provider Name	Self-explanatory.
12.	Provider XIX No.	Enter the Medicaid provider number from the claim.
13.	Date Received	The date the claim was received in the local office or at the IME Medically Needy Unit. For resubmittals, enter the date the BSTD will be resubmitted. This must be after you verify whether any additional payments were made.
14.	Cert	The certification period from form 470-3630, *Medically Needy Transmittal*, or from the claim that matches a certification period in the Medically Needy subsystem.
15.	Resubmit Cert Correct Original Entry	Check one of these items if resubmitting the BSTD. If a bill in the BSTD is to be resubmitted, indicate the new certification period.

Field		Explanation
16.	Actual Payments Made	Payments entered from the *Medically Needy Transmittal*, form 470-3630, or the Medicaid claim are printed on the BSTD. The date, amount, and source (e.g., client, insurance, or state public program payment other than Medicaid) of the payment are printed. A payment source of E is printed in the source field when the only payment entered for the bill is an estimated insurance amount. If a payment has an X indicated in the source field, the payment has been credited towards previous spenddown amounts. The patient payment is not deducted from the bill if a source code of X is listed.
17.	Estimated Amount	Payments are systematically estimated at 80%.
18.	Informational Line	When resubmitting a BSTD, complete the following: ♦ Worker number of the person completing the form. ♦ Date prepared. ♦ Name of the worker completing the form.

Additional Payment Section

The second section of the *Bill Status Turnaround Document* contains information regarding additional payments. Before resubmitting a bill for a subsequent certification period, determine whether additional client or third-party payments have been made. This part of the form is printed biweekly (one per case) when a claim is entered or spenddown is met.

Resubmit this section of the BSTD when there are additional payments to consider towards the value of the bill. If you verify that no additional payments have been made, you do not need to submit this section of the BSTD to the IME.

Once you verify that there have been additional payments and the bill is being resubmitted in subsequent certification periods, complete this section of the BSTD and attach it to the first section of the BSTD that contains the bill information.

The system prints case identifying information on the form. Indicate the client name that relates to the bill and the state ID number on the BSTD. Other information that must be entered on the form is:

- The date of payment.
- The amount of payment.
- The source of payment.
- The provider number for the bill in which a payment was made.

The informational line is also printed at the bottom of the form. Enter your worker number, the date prepared, and your signature before submitting the document to the IME Medically Needy Unit.

Corrections

Correct the *Bill Status Turnaround Document* when a provider notifies DHS that information from a claim is incorrect.

Make corrections to the BSTD by circling the incorrect item on the BSTD and entering the correct information below it. After corrections are made, submit the BSTD to the IME Medically Needy Unit for entry. A new BSTD is printed in the biweekly cycle after the correction is made.

The fields that can be corrected on the BSTD are as follows:

- Provider name
- Provider number
- From date
- To date
- Service code
- Place of service
- Ambulance: from
- Ambulance: to
- Dental tooth number
- Dental tooth surface
- Total charge
- Actual payment date
- Actual payment source
- Estimated third-party payments amount

Resubmittals

The BSTD shows the portion of the bill applied to spenddown in the current certification period and the amount of the bill used to date. A difference between the value of the bill and the amount in the "used to date" column indicates that the bill may be resubmitted for use in the next certification period if the bill may be resubmitted according to policy. See 8-J, *Old Bills With Remaining Balances and Loans to Pay Medical Expenses*.

Resubmit the BSTD for subsequent certification periods if the bill remains legally obligated and the amount listed in the "used to date" field is less than the total charge.

Also use the BSTD to resubmit bills for subsequent certification periods, if the bill has not been used in full previously. The remaining value of the bill may be resubmitted if it is an old bill or if spenddown was met in the certification period.

You may resubmit one bill in subsequent certification periods, and not the others listed on the same BSTD. Check policy to determine whether a bill should be resubmitted.

To resubmit the BSTD, complete the following steps:

1. Verify that the bill remains legally obligated.
2. Verify whether any additional payments have been made on the bill.
3. Complete the "Date Received" field, once steps 1 and 2 have been completed and you are ready to resubmit.
4. Check the resubmittal field. Enter the new certification period in the "From - To" box.
5. List any additional payments, date, provider number, and source.
6. Date and sign the form on the bottom line.

Forward the original BSTD to the IME Medically Needy Unit for entry. File the copy in the case record.

Notice Of Spenddown Status

The MMIS Medically Needy subsystem generates a *Notice of Spenddown Status* (NOSS), form 470-1967, biweekly when claims submitted to the MMIS Medically Needy subsystem have been entered into the system or when changes that affect the spenddown calculation are received and spenddown has not been met. The notice is issued in the nightly batch when spenddown is met.

The *Notice of Spenddown Status* informs the client whether the spenddown obligation is met and the current amount of spenddown credit. It includes a list of medical expenses, how the expenses were applied, and the reason. Each bill is placed in a category and an explanation is listed.

Categories and explanations listed on the *Notice of Spenddown Status* are described below:

Category	**Reason or Explanation**
Not Counted	Already counted on this case; duplicate. Invalid procedure. Not a covered service. Not payable under Medically Needy; not used for spenddown. Paid in full before eligible date by client. Paid in full by third party. Paid in retroactive period or may be payable. Person ineligible. Review ESTD for eligibility coding to determine if the person should be conditionally eligible or a responsible relative. Procedure not Medicaid-covered. Resubmitted for subsequent period. Spenddown not met in prior certification period. Spenddown not met in retroactive certification period. Used on another case; duplicate.
Spenddown Only	Not a Medicaid provider. Retroactive bill allowed. Service date before eligible date. Spenddown met in prior certification period. Spenddown met in the retroactive and the immediately following certification periods. Spenddown-only person. Items are not payable under Medically Needy; being used for spenddown.

Category	Reason or Explanation
Payable but Needed for Spenddown	Needed for spenddown.
Payable	The IME will pay claims.
Not Needed for Spenddown	In some circumstances, may be resubmitted for consideration if they still represent an obligation. See Resubmittals.
Payments on Bill Exceeds Charges	Alert to client to obtain verification of additional charges, if any.

Special Procedures

The following sections give procedures for:

- Requesting a missing form
- Checking for duplicate claims and overriding that exclusion when necessary
- How and when to delete ("back out") claims that were incorrectly applied
- Establishing retroactive eligibility after initial approval
- Entering an increase in spenddown
- Establishing Medicaid eligibility through another coverage group
- Pharmacy bills submitted in error

Requesting Lost Forms

When you do not receive a computer-generated Eligibility *Status Turnaround Document*, *Bill Status Turnaround Document*, or *Notice of Spenddown Status*, or you receive one but misplace it, obtain a replacement by using form 470-0272, *Lost Form Request*.

See 6-Appendix, form 470-0272, *Lost Form Request*, for procedures for use of the *Lost Form Request*. Indicate which form is needed and the certification period dates. Submit the form to the IME Medically Needy Unit through e-mail to: IMEMedicallyNeedy@dhs.state.ia.us.

Resolving Duplicate Claims

When the MMIS Medically Needy subsystem processes medical expenses, it identifies as duplicates any items that were previously used for spenddown. Items are identified as duplicates when the state ID, date of service, procedure, and provider all match.

Duplicates appear on the *Notice of Spenddown Status* as "not counted" with the reason message of "already counted" or "used on another case."

NOTE: The system does not declare duplicates when:

- The bill is for medical transportation.
- The bill is for ambulance services and the "from" and "to" codes do not match.

Since the system does not declare these as duplicates, watch them carefully when resubmitting medical expenses on the *Bill Status Turnaround Document*.

You may need to override the rejection of a duplicate claim, such as when the client receives the same procedure from the same provider twice in one day.

If you have verification that the item is not a duplicate and should be counted for spenddown, indicate this in the comment section on the *Medically Needy Transmittal*, form 470-3630, and attach the *Bill Status Turnaround Document*. The MMIS Medically Needy subsystem will then bypass the duplicate check for this line item.

See Cross-Case Duplicates for instructions for moving a bill from one case to another when it is a cross-case duplicate.

Deleting Claims

It may be necessary to delete ("back out") a claim when:

- It has been counted on the wrong case.
- The spenddown decreases and the bill becomes Medicaid-payable.
- An expense submitted later has higher priority than an expense used to meet spenddown.

Cross-Case Duplicates

When the MMIS Medically Needy subsystem encounters cross-case duplicates of clients or expenses, it notifies each worker of the duplicate, but leaves the client or expense with the original case. Determine to which case the client or expense actually belongs.

If spenddown is not met on the original case, the client can be moved to the second case by changing the fund codes on the respective ESTD. If the client in this circumstance has expenses that the system calls duplicate that should be moved to the second case, the worker with the original case must:

- Enter zeros in the charged amount field on the BSTD for each expense that should be moved. This deletes the item from the original case.
- Send the BSTDs to the IME Medically Needy Unit with a statement requesting that the second case be reprocessed. The statement must include:
  - The second case name, case number, county number, and worker number.
  - The dates of the certification period.

If spenddown has been met, determine whether any action is needed. Possible actions could be recoupment, backing out bills, or no action.

Decrease in Spenddown for a Frozen Period

When a case has met spenddown for a certification period, the period is frozen. This means that the MMIS Medically Needy subsystem does not accept further changes or medical expenses for that period. EXCEPTION: Even though the certification period is frozen, the MMIS Medically Needy subsystem will allow the spenddown amount to be decreased.

When a reported change results in a decrease in spenddown for the certification period after the period is frozen, some expenses which were used to meet spenddown may be payable and must be deleted.

To initiate this process, enter the decreased spenddown amount on the ESTD. Submit the ESTD to the IME Medically Needy Unit.

The Medically Needy Unit deletes bills it has told the IME not to pay until the difference is reached. Bills are deleted "last in, first out." The Medically Needy Unit deletes or "backs out" a bill only when the bill is listed on the *Notice of Spenddown Status* (NOSS) form 470-1967, under "Payable, but needed for spenddown."

A BSTD and the NOSS are generated to indicate which bills are being used for spenddown and which are payable. When deleted claims are Medicaid-payable, the MMIS Medically Needy subsystem will resubmit them for payment.

NOTE: This procedure also applies when a recipient obtains eligibility under another coverage group, such as when SSI eligibility is approved. SSI benefits are usually retroactive, so bills that were incurred become payable under the new coverage group.

Since the coverage group cannot be changed retroactively on the system, the bills must be deleted from the MMIS Medically Needy subsystem. This allows the bills to become payable. Follow the procedure above to request deletion of payable bills.

Later Expense Has Higher Priority

When a Medicaid-covered service was used to meet the spenddown and the period is frozen, it may be replaced with the following bills that are received later:

- A bill for a covered service incurred before the certification period.
- A bill for a noncovered service with a service date before the Medicaid-covered service.

If a bill is received for a service date after spenddown has been met, do not use the bill to meet spenddown.

The bill to back out must be listed on the *Notice of Spenddown Status* (NOSS) under "Payable, but needed for spenddown." Attach a copy of the NOSS to the *Medically Needy Transmittal*, form 470-3630, and claim to be used to replace the Medicaid-payable service used to meet spenddown.

The IME Medically Needy Unit backs out the bills or a portion of the bill it has told the IME not to pay. The MMIS Medically Needy subsystem issues a NOSS to the client indicating which bills were used to meet spenddown. When deleted claims are Medicaid-payable, the subsystem will resubmit them for payment.

Ms. Z receives her notice of decision July 10 indicating that she has a spenddown of $80 for the July-August certification period. She tells the worker that she has been paying on a January 5 dental bill and has a remaining balance of $50. She also went to the doctor on July 2 and has a bill for $30, which she paid.

Her husband, a responsible relative on the case, incurred a $30 claim at the dentist on July 5. The worker requests the claim for the old dental bill and her husband's bill. Ms. Z returns the claims on July 11.

On July 11, Ms. Z goes to the pharmacy to have a prescription filled. Ms. Z tells the pharmacist that she is on Medically Needy and shows the pharmacist her notice of decision.

The pharmacist calls ELVS to verify that she is on Medically Needy and has a spenddown of $80. He submits a claim for the $80, which is passed on to the MMIS Medically Needy subsystem. Spenddown is met on July 13.

The worker attaches the *Medically Needy Transmittal*, form 470-3630, and sends the claims that were submitted on July 11 to the IME Medically Needy Unit on July 15.

- The dental claim for Ms. Z was incurred before the July-August certification period. The Zs were not certified for Medically Needy in January.
- Mr. Z's dental claim occurred on July 5, before Ms. Z's pharmacy claim on July 11, and is not payable by Medicaid.

The IME Medically Needy Unit backs out the $80 pharmacy bill and notifies the IME.

The worker sends a *Notice of Spenddown Status* that the MMIS Medically Needy subsystem issued to Ms. Z to indicate that the dental claims for Ms. and Mr. Z were used to meet spenddown. The MMIS Medically Needy subsystem submits the pharmacy claim to the IME for payment.

Ms. Z may ask the doctor if he would reimburse her the $30 and submit the claim to Medicaid for payment.

Establishing Retroactive Eligibility After Initial Approval

Eligibility for the retroactive period may be determined after the case is approved. The method for establishing the retroactive period on the MMIS Medically Needy subsystem depends on whether the case had a spenddown in the initial certification period:

- If the original certification period had no spenddown:
  - Enter a separate FBU to establish the retroactive period with a spenddown.
  - If the retroactive spenddown is zero, update eligibility using form 470-0397, *Request for Special Update*. Follow instructions in 14-I(1), *Retroactive Eligibility With Spenddown: Approving a Case with Retroactive Certification Only*.
- If the original certification period had a spenddown, notify the IME Medically Needy Unit using the *Eligibility Status Turnaround Document* for the original certification period. Indicate on the ESTD:
  - The months of the retroactive period and the spenddown amount for that period.
  - The name and state ID number of each person on the case and the pregnancy, program relationship, and fund codes for each month of the retroactive period.

The IME Medically Needy Unit enters the information into the MMIS Medically Needy subsystem and the system generates an ESTD.

Increasing Spenddown

Changes that are reported or discovered may increase a spenddown amount that has previously been entered in the MMIS Medically Needy subsystem.

If the certification period is not frozen, you can make changes in the spenddown on the *Eligibility Status Turnaround Document*, provided timely notice can be issued to the household. If there is zero spenddown or if spenddown has been met, spenddown cannot be changed on the MMIS Medically Needy subsystem. Therefore:

1. Cancel the original case on the ABC system, using the zero notice reason.
2. Establish a new FBU to reflect the corrected spenddown amount for the subsequent month. Enter the difference between the new and the original spenddown amount as the amount of spenddown on the new FBU.

> The case has a February-March certification period with a spenddown of $155. On February 10, an increase in income is reported. The new spenddown is $250. The difference is $95.
>
> The worker checks the MMIS Medically Needy subsystem and discovers that spenddown was met on February 9. Therefore, the certification period is frozen. The worker issues a timely notice of decision effective for March 1 informing the client of the new spenddown.
>
> Since it is before February timely notice, the worker cancels the Medically Needy case effective March 1. The worker changes the ESTD for March, using a fund code of 9 for persons coded with an S or P.
>
> Once the case is canceled and the ESTD has been corrected, the worker establishes a new FBU for the month of March only and enters the new spenddown amount of $95 on the ABC system (the difference between the new spenddown and the old spenddown amount that has been met). The worker ensures that old bills and non-Medicaid-covered bills used previously to meet spenddown are not allowed on the new FBU.
>
> The worker establishes the April-May certification period using the original case record.

If the timely notice deadline has passed and the change cannot be made for the certification period, follow recoupment procedures for those errors made by the worker or due to untimely reporting by the household.

Payable bills from a prior period cannot be used to meet spenddown for the second month of the certification period that has been established on the new FBU.

Any old medical bills that are not payable in a prior period and remain legally obligated shall be used to meet spenddown. Refer to Resubmittals for instructions on when to resubmit bills on the *Bill Status Turnaround Document*, form 470-1942. EXAMPLE:

> In an April-May certification period, spenddown was met April 5. Due to a reported change, the worker establishes a separate FBU for the month of May. The spenddown for the May period is $55.00. The provider submits a claim showing charges for April 30.
>
> Once spenddown was met, the client became eligible for Medicaid in April. These charges are Medicaid-payable and do not represent a legal obligation. Therefore, the bill cannot be used to meet spenddown for the May-only certification period. Allowable medical bills incurred in May shall be used to meet spenddown for that month.

Medicaid Eligibility Through Another Coverage Group

When Medicaid eligibility is determined through another coverage group for part of a Medically Needy certification period and spenddown has not been met, change P or S fund codes to 9 on the *Eligibility Status Turnaround Document*.

If the Medicaid eligibility through another coverage group is in the last month of the certification period, also shorten the Medically Needy certification period on the ESTD at the same time you enter fund code 9.

If spenddown **has** been met, check the *Notice of Spenddown Status* to see if the person had current Medicaid-payable bills that were used to meet spenddown.

If so, send the ESTD with appropriate corrections to the IME Medically Needy Unit along with form 470-3630, *Medically Needy Transmittal*, requesting that the current payable bills be backed out of the MMIS Medically Needy subsystem. Explain that the client is eligible under another coverage group.

When the bills have been removed from the MMIS Medically Needy subsystem, the provider will be paid.

Pharmacy Bills Submitted In Error

When a pharmacy bill is submitted to the Iowa Medicaid Enterprise (IME) in error, that bill must be removed from the Medically Needy Spenddown System before the spenddown is met to avoid causing an overpayment. This type of error occurs most often when a client does not pick up a prescription.

When the pharmacy determines an expense was submitted in error, the pharmacy notifies IME. The IME Medically Needy Unit then increases the spenddown amount for the affected case by $2,000, if needed, to keep the spenddown amount from being met with the incorrect bill. After the bill has been processed and cleared from the system, the IME Medically Needy Unit changes the spenddown back to the correct amount.

Normally, this process is invisible to the IM worker and to the client. However, occasionally a *Notice of Spenddown Status* (NOSS) is sent out. If you receive a NOSS that shows an increased spenddown amount when you did not increase the spenddown, don't send the NOSS out to the client. The spenddown will be decreased to the correct amount. No action is required on your part.

MMIS Medically Needy Subsystem Screens

The following sections explain the MMIS Medically Needy subsystem:

- Sign-on procedures
- Main menu screen
- Eligibility screens
- Expense screens

MMIS Sign-On Procedures

You must obtain access to the MMIS Medically Needy Subsystem before you can log-on to this subsystem.

Once your access is approved, you can access the subsystem as follows:

Log on to your personal computer using standard log-on procedures. Your desktop will display an icon labeled one of the following: TN3270, DHS, EXTRA, or NES.

Double click on the icon and the system will return the LOGON screen for the Network Entry System (NES). See 14-B(4), *Signing on to CICS*, for screen instructions for the NES screen and the APPLICATION SELECTION MENU screen.

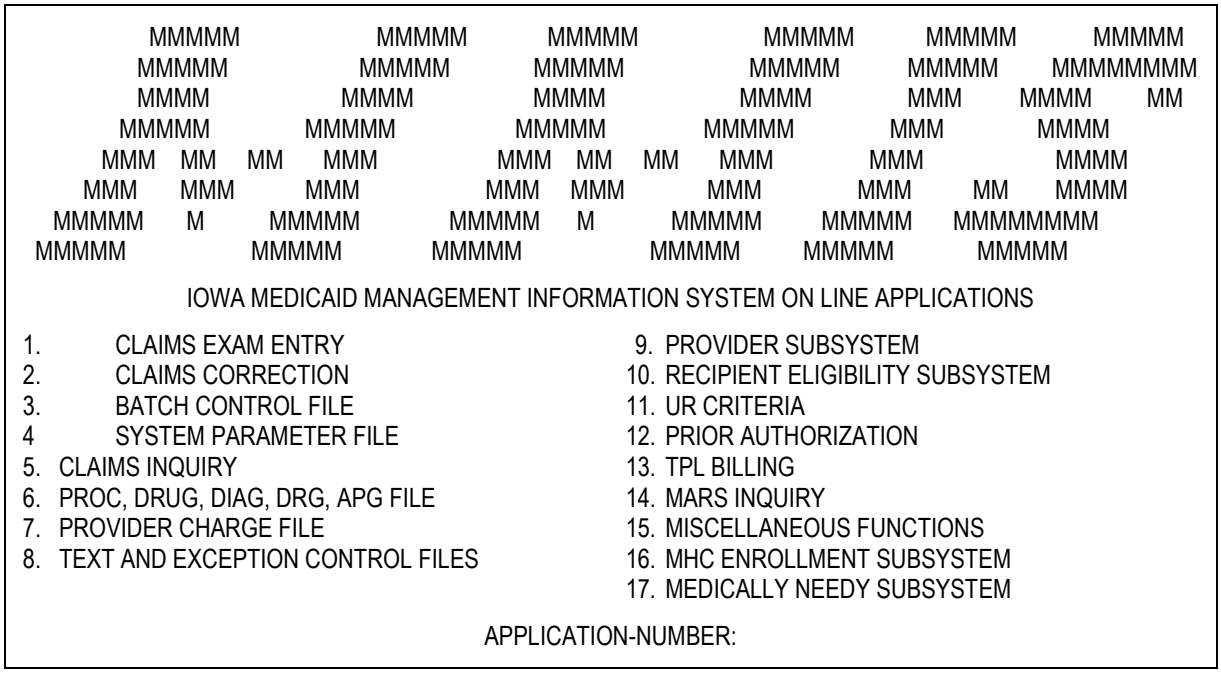
```
DATE :  07/28/2005          INFORMATION TECHNOLOGY SERVICES      USERID:    DSSA793
JULIAN:  05209                   APPLICATION SELECTION MENU      TERMINAL   CDPYAD1
TIME :  15:54                                                    LOGMODE:   COL2
                                                                 PANEL      ENA81021

 S                    PEK       STATUS      DESCRIPTION OF APPLICATION


 -                    01        AVAIL       Production CICS
 -                    02        AVAIL       Workforce Development Production CICS
 -                    03        AVAIL       MMIS Production CICS Environment (JFHQ)



                                  HELP DESK  (515)  281-5703

F13=1    F14=2    F15=3    F16=4    F17=5    F18=6    F19=7    F20=8    F21=HELP   F22=Bulletin
F23=Disc              F24=Signoff

Your password will expire in 57 days

COMMAND=>
```

When you select "MMIS Production CICS Environment (JFHQ)," the system displays the following screen:

```
                              IOWA DEPARTMENT OF HUMAN SERVICES

          MMMMM             MMMMM        MMMMM            MMMMM       MMMMM       MMMMM
        MMMMM             MMMMM        MMMMM            MMMMM       MMMMM     MMMMMMMMM
        MMMM            MMMM           MMMM             MMMM        MMM     MMMM    MM
      MMMMM           MMMMM          MMMMM            MMMMM        MMM       MMMM
     MMM  MM   MM    MMM           MMM  MM   MM     MMM          MMM           MMMM
    MMM    MMM      MMM           MMM   MMM       MMM          MMM      MM    MMMM
  MMMMM    M      MMMMM         MMMMM    M      MMMMM        MMMMM    MMMMMMMMM
 MMMMM           MMMMM         MMMMM           MMMMM        MMMMM       MMMMM

                              IOWA MEDICAID MANAGEMENT INFORMATION SYSTEM SIGN-ON


                                              USER-ID:

                                              SECURITY-CODE:
```

Make the following entries:

- At the USER-ID:, type your IME-assigned MMIS USER ID.
- At the SECURITY-CODE:, type your IME assigned MMIS password.
- Press the ENTER key. The system displays the following MMIS On Line Application screen.



At the APPLICATION-NUMBER field, type 17. Press the ENTER key. The system then displays the Medically Needy Main Menu.

MMIS Medically Needy Main Menu

The Medically Needy Main Menu is used to access the Medically Needy screens. Use only SELECT OPTION codes R or S.

```
                        MEDICALLY NEEDY MAIN MENU

SELECT OPTION:  X

                R – RECIPIENT ELIGIBILITY INQUIRY
                U – RECIPIENT ELIGIBILITY UPDATE
                S – SPENDDOWN EXPENSES
                T – EXPENSE TCN INQUIRY
                E – EXPENSE ASSIGNMENT AND FOLLOWING
                P – PAYMENT UPDATE

KEY ONE OF THE FOLLOWING:                    (REQUIRED FOR OPTIONS  R,  U,  S)

     CASE NUMBER:
          RECIPIENT ID:  XXXXXXXX
     RECIPIENT NAME:

     BEG. CERT. DATE:                        (MM/YYYY - OPTIONAL FOR  R,  U,  S
                                                        WITH CASE NUMBER)

       EXPENSE TCN:
```

Eligibility Screens

The following sections describe two eligibility screens:

- The Recipient Case Inquiry by Recipient ID screen
- The Recipient Eligibility Inquiry screen

Recipient Case Inquiry by Recipient ID

To access the Recipient Case Inquiry by Recipient ID screen, enter code R in the SELECT OPTION field and enter the recipient's state ID number in the RECIPIENT ID field. Press the ENTER key.

The screen will display the recipient's state ID, name, and date of birth (DOB).

MEDICALLY NEEDY MAIN MENU
RECIPIENT CASE INQUIRY
BY RECIPIENT ID

RECIPIENT ID:
1250055A
RECIPIENT NAME: XXXXX RECIPIENT DOB: XX/XX/XX
XXXXXXX

+	CASE NUMBER	COUNTY	IM WORKER ID	CERT. PERIOD FROM	CERT. PERIOD TO	SPENDDOWN DATE MET
X	XXXXXXXX	XX	XXXX	07/2005	08/2005	00/00/0000
				05/2005	06/2005	07/07/2005
				03/2005	04/2005	00/00/0000
				01/2005	02/2005	07/21/2005
				11/2004	12/2004	06/21/2005
				0 9/2004	10/2004	05/26/2005
				07/2004	08/2004	11/25/2004
				04/2004	06/2004	11/25/2004

SELECT A CASE TO VIEW RECIPIENT ELIGIBILITY

All the cases for this recipient's state ID will be displayed along with the county number for each case, the income maintenance worker's number, all the certification periods for each case, and the date spenddown was met for each certification period.

If the file contains more cases than can be displayed on the screen at one time, then a "+" will be displayed. Use the PF7 key to scroll to the previous screen to see the other cases. Use the PF8 key to scroll to the next page.

To view eligibility information for a certification period, enter an "S" by the case number and press the ENTER key. The Recipient Eligibility Inquiry screen for the most recent certification period will be displayed.

Recipient Eligibility Inquiry

Use the Recipient Eligibility Inquiry screen to determine the:

- Spenddown amount
- Spenddown amount applied
- Fund code
- Pregnancy indicator
- Program relationship by case number
- Certification period
- Recipient state ID number by case number
- Date the spenddown was met

This screen can be accessed in two different ways:

- From the Recipient Case Inquiry Recipient ID screen, select the case by typing an "S" by the case number and then pressing the ENTER key. Or,
- From the Medically Needy Main Menu, enter R at the SELECT OPTION field and the case number. You may also enter the month and year of the first month of the certification period.

```
CERT NUMBER: 001 OF 002          MEDICALLY NEEDY          LAST TRANS: 00/00/0000
                              RECIPIENT ELIGIBILITY INQUIRY      USER

⊕
CASE : XXXXXXXXX   CASE NAME: XXXXXXXXX.   L: XXXXXXXX CITY: XXXXXXXX   WRKR: CMA
PERIOD TYPE:       AMOUNT:  999.99  APPLIED:    99.99      DATE MET:    00/00/0000
BEGIN DATE: 01/1999      END DATE: mm/yyyy
  RECIP ID   MONTH 1:  P   PR  FC  MONTH 2  P   PR  FC  MONTH    PG   PR  FC
                       G                     G             3
       C               N   0   S             N   0   S
       J               N   1   P             N   1   P
       H               N   1   P             N   1   P
       E               N   1   P             N   1   P
```

The top of the screen displays the following:

- Case number
- Period type
- Date the spenddown is met
- Case name
- Spenddown amount
- Certification period beginning date
- County worker
- Spenddown applied
- Certification period ending date

For each state ID, months 1, 2, and 3 are displayed and include the following:

- Pregnancy indicator
- Program relationship
- Fund code

If there is more than one certification period for the case, a "+" will be displayed. Use the PF8 key to see the next certification period. Use the PF7 key to see the previous certification period.

Expense Screens

The following sections describe three eligibility screens:

- The Certification Period Inquiry by Case Number screen
- The Spenddown Expenses Period Summary screen
- The Spenddown Expenses Expense Detail screen

Certification Period Inquiry by Case Number

The Certification Period Inquiry by Case Number screen displays the certification periods associated with a case number. The expenses for a specified certification period are then accessed from this screen.

To access this screen, enter S at the SELECT OPTION field and enter the case number in the CASE NUMBER field. Press the ENTER KEY.

```
                                MEDICALLY NEEDY
                            CERTIFICATION PERIOD INQUIRY
                                BY CASE NUMBER

    CASE NUMBER:     XXX       XXXXXXXX
      CASE NAME:       XXXXXXXXXXXXXXXXX  XXXXXXXXXXXX X  XX
         COUNTY:     XX                        IM WORKER ID:  XXXX
  CERTIFICATION PERIODS
  FROM          THRU
-------------------------------------------------------------------
 - 99/9999      - 99/9999
 - 99/9999      - 99/9999
 - 99/9999      - 99/9999
 - 99/9999      - 99/9999
 - 99/9999      - 99/9999
 - 99/9999      - 99/9999
 - 99/9999      - 99/9999

SELECT A PERIOD TO VIEW EXPENSES
```

If the file contains more certification periods than can be displayed on the screen at one time, a "+" sign will be displayed. Use the PF8 key to scroll to the next screen to see the other Certification Periods. Use the PF7 key to scroll to the previous screen.

Spenddown Expenses Period Summary

The Spenddown Expenses Period Summary screen can be accessed in the following ways:

- From the Certification Period Inquiry by Case Number screen
  - Press the tab key to scroll down to the certification period you want to access.
  - Enter "S" to select the certification period.
  - Press the enter key.
- From the Medically Needy Main Menu
  - Enter S at the SELECT OPTION field.
  - Enter the case number at the CASE NUMBER field.
  - Enter the beginning date of the certification period you want to access at the BEG. CERT. DATE: field in MM/CCYY format.
  - Press the enter key.

MEDICALLY NEEDY
SPENDDOWN EXPENSES PERIOD SUMMARY

CASE NUMBER: 9
CERT PERIOD DATES: 01/1998 - 02/1988 PERIOD TYPE:
SPENDDOWN AMOUNT: 190.00 SPENDDOWN STATUS: F
SPENDDOWN APPLIED: 190.00 SPENDDOWN MET DATE: 02/19/1998

EXPENSES APPLIED TO SPENDDOWN

PRIORITY	TCN	RECIP-ID	CHARGE-AMT	APPLIED-AMT	PROVIDER ID
98	49804599511000059	B	62.94	62.94	01
98	49804599511000060	B	29.78	29.78	01
98	49804599511000061	B	29.78	29.78	01
98	49805099511000196	B	29.78	6.74	01

ENTER 'S' TO SELECT AN EXPENSE OR 'D' TO DELETE AN EXPENSE

NO MORE EXPENSES IN THIS CERT PERIOD

The top of the screen displays the:

- Case number
- Certification period dates
- Certification period type (R = retroactive, blanks = regular)
- Spenddown amount
- Spenddown status (H = half-frozen, F = frozen, blanks = open, and C = closed)
- Amount of spenddown applied
- Date the spenddown is met

Expenses Applied to Spenddown

The expenses are displayed by priority and include the following:

- The transaction control number for each expense
- The recipient state ID for each expense
- The charge amount
- The amount of this expense that was applied towards spenddown
- The provider number

Expense Priority Codes

The expense priority codes begin with 01 and are numbered sequentially, ascending through 99.

Code 98 designates a converted claim. (A converted claim is a claim from the old MNSC system that was converted to the new MMIS MEDICALLY NEEDY sub-system.)

Code 99 designates a dead expense. (A dead expense is not usable in any certification period.)

If the file contains more expenses than can be displayed on the screen at one time, a "+" will be displayed. Use the PF8 key to scroll to the next screen to see more expenses. Use the PF7 key to scroll to the previous screen of expenses.

Expense Detail

The Spenddown Expenses Expense Detail screen allows you to view the details for the expenses. The screen is accessed from the Spenddown Expenses Period Summary screen, as follows:

- TAB down to the desired expense on the Spenddown Expenses Period Summary screen.
- Enter "S."
- Press the Enter key.

```
                              SPENDDOWN EXPENSES                    LAST TRANS:  02/27/1998
                              EXPENSE DETAIL                        USER:  IAMN0200

CASE NUMBER: XXXXXXXX     NAME: XXXXXXXX      XXXXXXXXX
RECIP ---- I D:      B    NAME XXXXXXXXXX     XXXXXXXXX   DOB:  05/-09/19
TCN:  49804599511000059   CLAIM TYPE: P       PROVIDER ID: 01     EXP TYPE:  T

TOT CHARGE AMT:   62.94   TOT TPL AMT:        0.00 TOT RECIP AMT:        0.00

SERVICE SERVICE           PROC/DRUG  CHARGE    RECIP AMT  TPL AMT   SPENDDOWN
LI DATE FROM DATETHRU     CODE       AMOUNT    APPLIED    APPLIED   USED AMT
01 01/30/98 01/30/98      00000607355   62.94      0.00       0.00      62.94
TOOTH NUMBER:             TOOTH SURFACE:        TRANS FROM:              TRANS TO:
```

The top of the screen displays the following:

- Case number
- Case name
- Recipient state ID number
- Recipient name
- Recipient date of birth
- Transaction control number
- Claim type
- Provider number expense type
- Total charged amount
- Total third-party payment
- Total patient payment

The line items display the following:

- Dates of service
- Procedure or drug code
- Procedure modifier
- Charge amount

- Recipient payment amount applied
- Third-party payment amount applied
- Spenddown amount used
- Tooth surface and number

If the File contains more line-items than can be displayed on the screen at one time, a "+" will be displayed. Use the PF8 key to scroll to the next screen to see the other line items for the certification period, use PF7 to scroll to the previous screen.