



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CN 712

TRENTON, NEW JERSEY 08625

(609) 588-2600

ALAN J. GIBBS
Commissioner

SAUL M. KILSTEIN
Director

MEDICAID COMMUNICATION NO. 92-7

DATE: February 6, 1992

TO: COUNTY WELFARE AGENCY DIRECTORS
Institutional Services Section Area Supervisors

SUBJECT: Lynch v. Rank annual Outreach

In accordance with the ongoing requirements established by the Federal Court's decision in the case of Lynch v. Rank, New Jersey is initiating its annual review of potential Medicaid eligibles. Included in the affected population are persons who are currently in receipt of Social Security benefits (RSDI), have concurrently received both RSDI and SSI in any month since April 1977 and who lose or have lost eligibility for SSI for any reason. The Court ruled that such persons are entitled, in the determination of eligibility for Medicaid Only, to the disregard of the amount of all RSDI cost-of-living increases since the time they were last eligible for SSI. In addition, the Court ruling requires an annual review of individuals who in the course of the previous year may have met the requirements necessary to establish categorical eligibility under the Court's interpretation of the law. Such individuals who do not establish eligibility will be outreached in each of the subsequent two years.

The Division of Medical Assistance and Health Services has identified all former SSI recipients who are potentially eligible for the disregard of RSDI cost-of-living increases as a result of the Court's ruling. The Division has mailed a letter (copy attached) to all such persons informing them of their potential eligibility and advising them to contact their CWA to apply for benefits.

For your reference, attached is a printout of those persons who, according to Social Security Administration records, reside in your county, were outreached, and who may be eligible for this additional income disregard. The printout, which is sorted by Social Security number, includes each individual's current RSDI amount, amount of RSDI received the last month of eligibility for SSI, and the date that SSI was last received. It should be noted that the address indicated on the printout is the address to which the RSDI check is sent. Therefore, in some cases the address will be that of a representative payee or the financial institution in which the RSDI benefit is directly deposited.

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Persons who contact the CWA expressing interest in obtaining Medicaid benefits and meet the criteria identified in the first paragraph of this instruction shall be provided with an opportunity to apply. With the exception of the additional disregard of the RSDI cost-of-living increases, eligibility is determined as for any other Medicaid Only applicant. With regard to the RSDI cost-of-living increases, the dollar amount of each RSDI cost-of-living increase, since the time the individual lost eligibility for SSI, is to be disregarded in the determination of the individual's eligibility for Medicaid. Additionally, this disregard shall be applied to income which is deemed from all financially responsible relatives; (i.e., spouse and parents). However, the protection is only applicable to the Medicaid Only Program. Income determinations for other Medicaid Programs, i.e. New Jersey Care...Special Medicaid Programs does not include the disregard. The following are the dates and corresponding percentage increase for each adjustment since April 1977:

June 1977	5.9%
June 1978	6.5
June 1979	9.9
June 1980	14.3
June 1981	11.2
June 1982	7.4
December 1983	3.5
December 1984	3.4
December 1985	3.1
December 1986	1.3
December 1987	4.2
December 1988	4.0
December 1989	4.7
December 1990	5.4
December 1991	3.7

The CWA shall apply each percentage increase, since SSI eligibility was lost, to the amount indicated on the printout as the RSDI benefit that was being paid at the time the individual lost eligibility for SSI. If the resulting figure equals (plus or minus \$1 for each cost-of-living increase) the difference between the current RSDI amount and the amount of RSDI received when last eligible for SSI, then the difference shall be disregarded in the determination for income eligibility for Medicaid. In certain instances, because of changes in the status of the RSDI payment, the differences in the two RSDI amounts will not be fully accounted for by the cost-of-living increase. If the individual is not ineligible for other reasons such as excess resources or non-RSDI income, the CWA shall attempt to ascertain through discussion with the applicant, the circumstances of the change in RSDI payment status. The CWA shall attempt to verify the circumstances of the status change so as to establish the proper amount of RSDI cost-of-living increases to be disregarded. This can be done through award letters when available. Third party query (TPQY) may be used to verify RSDI status changes occurring in the last 12 months.

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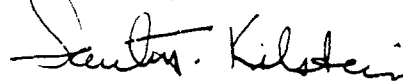
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For cases determined eligible as a result of Lynch v. Rank, the CWA shall inquire of the applicant as to any outstanding medical bills incurred within the three-month period prior to the month of application. If the individual has such outstanding medical bills, the CWA shall determine if eligibility for Medicaid would have existed (with application of the income disregard) in the months that services were rendered. If it is found that eligibility existed during that period, the individual should be accreted to the Medicaid Status File with an effective date of the first of the month in which continuous eligibility was first attained. Such a person should be advised to ask their medical provider to send bills directly to the Medicaid Fiscal Agent.

This information is to be brought to the attention of appropriate staff. Questions regarding program policies may be directed to the Medicaid field staff.

Sincerely,

A handwritten signature in dark ink, appearing to read "Saul M. Kilstein". The signature is fluid and cursive, with the first name "Saul" being more prominent.

Saul M. Kilstein
Director

SMK:PE1

Attachment

cc: Marion E. Reitz, Director
Division of Economic Assistant

Nicholas Scalera, Director
Division of Youth & Family Services



**STATE OF NEW JERSEY
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

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**IMPORTANT MEDICAID NOTICE
KEEP THIS IMPORTANT LETTER**

DEAR

February 1992

IF YOU ONCE RECEIVED SSI (SUPPLEMENTAL SECURITY INCOME) BENEFITS, YOU SHOULD READ THIS IMPORTANT NOTICE ABOUT YOUR ELIGIBILITY FOR MEDICAID BENEFITS. You do not need to read this notice if you never received SSI, or if you now receive SSI or Aid to Families with Dependent Children (AFDC). If you live in a nursing facility, this notice will not apply to you.

A federal law called the "Pickle Amendment", regarding possible Medicaid eligibility, applies to people who meet the following three tests: (1) they now receive Social Security benefits; and (2) they used to receive SSI benefits but do not receive them now; and (3) they received both a Social Security check and an SSI check in the same month, in at least one month since April 1977.

IF YOU MEET THESE THREE TESTS, YOU MAY BE ELIGIBLE TO RECEIVE MEDICAID BENEFITS. To find out if you are eligible, you (or someone on your behalf) should contact your County Welfare Agency/Board of Social Services. For your convenience, the location and telephone number of your County Welfare Agency/Board of Social Services is included in the listing on the reverse side.

PLEASE NOTE THAT TO APPLY FOR MEDICAID UNDER THE PICKLE AMENDMENT, YOU OR YOUR REPRESENTATIVE MUST GO TO YOUR COUNTY WELFARE AGENCY/BOARD OF SOCIAL SERVICES. TAKE THIS LETTER WITH YOU WHEN YOU GO.

COUNTY WELFARE AGENCIES

Atlantic County Department of Social Services Division of Welfare 1333 Atlantic Avenue, P.O. Box 869 Atlantic City, NJ 08401 (609) 348-3001	Middlesex County Board of Social Services P.O. Box 509 181 Howe Lane - Route 27 New Brunswick, NJ 08903 (908) 745-3500
Atlantic County Board of Social Services Route 17 North Bochella Park, NJ 07662 (201) 368-4200	Monmouth County Board of Social Services P.O. Box 3000 - Kozloski Road Freehold, NJ 07728 (908) 431-6000
Burlington County Welfare Board Lumberton Plaza Route 38 & Eayrestown Road Mount Holly, NJ 08060 (609) 261-1000	Morris County Board of Social Services Court House - CN 900 Morristown, NJ 07960-9990 (201) 326-7800
Camden County Board of Social Services County Administration Building P.O. Box 2798 - 600 Market Street Camden, NJ 08101-2798 (609) 757-8800	Ocean County Board of Social Services P.O. Box 547 - 1027 Hooper Avenue Toms River, NJ 08754-0547 (908) 349-1500
Cape May County Welfare Agency Social Services Building P.O. Box 222, Routes 47 & 9 Lido Grande, NJ 08242 (609) 886-6200	Passaic County Board of Social Services 80 Hamilton Street Paterson, NJ 07505-2057 (201) 881-0100
Cumberland County Welfare Agency 13 North East Boulevard Wineland, NJ 08360 (609) 691-4600	Salem County Welfare Agency P.O. Box 111 - 147 S. Virginia Avenue Penns Grove, NJ 08069 (609) 299-7200
Essex County Department of Citizen Services Division of Welfare 18 Rector Street - 9th Floor Newark, NJ 07102 (201) 733-3000	Somerset County Board of Social Services P.O. Box 936 - 73 East High Street Somerville, NJ 08876 (908) 526-8800
Gloucester County Board of Social Services 100 Hollydell Drive Sewell, NJ 08080-9318 (609) 582-9200	Sussex County Welfare Board P.O. Box 218 - 18 Church Street Newton, NJ 07860-0218 (201) 383-3600
Hudson County Division of Welfare John F. Kennedy Office Building 100 Newkirk Street Jersey City, NJ 07306 (201) 420-3000	Union County Division of Social Services & Special Community Projects 80 Broad Street Elizabeth, NJ 07201 (908) 965-2700
Hunterdon County Board of Social Services Community Services Center 5 Gauntt Place Hopewell, NJ 08822 (908) 788-1300	Warren County Welfare Board Court House Annex - Second & Hardwick Streets Belvidere, NJ 07823 (908) 475-4744
Mercer County Board of Social Services 200 Woolverton Street, CN 01450 Fredericktown, NJ 08650 (609) 989-4320	