

**Medicaid Eligibility Procedure Letter No. 117**

**Effective Date:** August 1, 2016

**OAC Rules:** 5160:1-3-04.3 and 5160:1-6-03.2

**To:** All Medicaid Eligibility Manual Holders

**From:** John B. McCarthy, Director

**Subject:** Medicaid: Patient Liability Determination and QIT

**Reason for Change:** The Ohio Department of Medicaid (ODM) is revising its policy regarding calculating patient liability for Medicaid covered long-term care services. As of August 1, 2016, when an individual's income is over the income standard for Medicaid covered long-term care services, also known as the Special Income Limit (SIL), the individual is required to establish a Qualified Income Trust (QIT or Miller Trust) per OAC rule 5160:1-6-03.2 in order to qualify for Medicaid covered long-term care services. Income in excess of the SIL is placed into the QIT in order for an individual to qualify for Medicaid covered long-term care services.

**Prior Policy:** Prior to August 1, 2016, individuals with income over the SIL utilized a "spend down" method to bring their income under the SIL in order to qualify for Medicaid covered long-term care services. The individual's contribution to the cost of care or patient liability was calculated based on the procedure in OAC rule 5160:1-3-04.3.

**New Policy:** As of August 1, 2016, income placed into a QIT must be considered in determining patient liability and the fee associated with administering the QIT must be included in the patient liability calculation. The income placed into the QIT must be combined with any countable income not placed into the QIT to determine the total income for the patient liability calculation per OAC rule 5160:1-3-04.3(C)(2)(a). The trustee of the QIT may make payments to a financial institution in an amount up to fifteen dollars per month from the QIT account for expenses required to administer the trust. If the fifteen dollars is insufficient to cover the cost to administer the trust, the individual can request that the payment amount be increased. Such request must be justified and approved by ODM. There are no hearing rights associated with a disapproval of the requested fee over the amount of fifteen dollars per month. If the requested amount is not approved, the individual may seek another entity to administer the trust. The approved fee for administering the trust must be subtracted from the patient liability calculation in sequence after the deduction for the cost of any of the individual's incurred expenses for medical care per OAC rule 5160:1-3-04.3(C)(2)(i).

**Action Required:** Effective August 1, 2016, county workers must include income placed into the QIT in the total income for determining patient liability amount. County workers must subtract the ODM approved fee associated with administering the QIT as the last deduction in the sequence in OAC rule 5160:1-3-04.3(C)(2)(i) before determining the remaining income amount or “remainder,” which is the individual's patient liability for a full month of institutionalization.

Please contact ODM Eligibility Technical Assistance at [Medicaid\\_Eligibility\\_TA@Medicaid.Ohio.gov](mailto:Medicaid_Eligibility_TA@Medicaid.Ohio.gov) for further assistance or clarification regarding the processing of specific cases.

If additional assistance is needed, please contact the OB Help Desk at [dasohioIE.maintenance@das.ohio.gov](mailto:dasohioIE.maintenance@das.ohio.gov) or by calling 866-846-4528.

This information is also available on the Internet. The information may be accessed on the ODM website under the header “Resources; Guidance; Medicaid Policy” and found under Behavioral Health, Eligibility, & CHIP - Medicaid Eligibility Procedure Letter (MEPL): <http://www.medicaid.ohio.gov/RESOURCES/Publications/ODMGuidance.aspx#1535541-medicaid-policy>