

MEDICAID UNWINDING: Requires a “renewal” application to continue Medicaid & DDD services

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www.mainstreamingmedicalcare.org

Medicaid “unwinding”

- ❑ COVID pandemic started in March 2020, and the federal government declared a Public Health Emergency (PHE) and “continuous Medicaid enrollment”. No one was terminated from Medicaid since March 2020.
- ❑ Continuous Medicaid enrollment will end soon. **Starting in April 2023, every month 1/12th of the NJ FamilyCare/Medicaid enrollees will receive the renewal application.**
- ❑ This process has been called “Unwinding” from the continuous Medicaid requirement.
- ❑ The PHE will end May 11, 2023. It was de-linked from continuous enrollment.

You may see written information using these terms. The meaning is the same, no matter which term is used.

- ❑ Medicaid unwinding
- ❑ Medicaid redetermination
- ❑ Medicaid renewal
- ❑ Medicaid re-start

Medicaid unwinding does not apply to people who receive SSI and Medicaid.

But sometimes Social Security does redeterminations for disability beneficiaries. Respond promptly to any requests for information from Social Security or Medicaid!

- Medicaid unwinding **does apply** to everyone who is not receiving SSI, including having Medicaid in the following situations:
 - Receiving SSDI due to the retirement, disability or passing away of a parent (DAC status).
 - Receiving SSDI on work record of person with IDD.
 - Receiving RSDI – Retirement, Survivors & Disability Insurance
 - NJ WorkAbility Medicaid.
 - Community Medicaid.
 - “Non-DAC” Medicaid.
 - Managed Long-Term Services and Supports (MLTSS)
 - NJ FamilyCare/Medicaid expansion (not a disability Medicaid category)

Respond promptly to mail from NJ FamilyCare/Medicaid

- ❑ “NJ FamilyCare” and “Medicaid” are the same!
- ❑ Whenever you receive mail from NJ FamilyCare or Medicaid you must respond promptly, with accurate information.

What you can do right now!

What you can do now:

- ❑ Don't exceed Medicaid's maximum allowable resource limit (usually \$2,000). This maximum also applies if receiving SSI.
- ❑ Exception: If received a back-payment from Social Security – 9 months to spend-down.
- ❑ With NJ WorkAbility – current resource limit is \$20,000.
- ❑ Consider ABLE account, if appropriate.
- ❑ Be sure Medicaid has current mailing address. Call 1-800-701-0710, if need to confirm that Medicaid has current address.

Bank statements will be required

ABD (Aged, Blind, Disabled) Medicaid categories have different maximum resource limits.

- ❑ Most people with IDD have a \$2,000 resource limit.
- ❑ Some people have New Jersey Care Special Medicaid Program, with a \$4,000 resource limit.
- ❑ People with IDD who have NJ WorkAbility have a \$20,000 resource limit currently. When the Phase 1 NJ WorkAbility improvements begin, no resource limit! (Hoping that Phase 1 will start in April 2023.)
- ❑ **Not certain how many months of bank statements will be required with the Medicaid renewal.**

Four case examples

Example of James

- ❑ James started to receive SSI and Medicaid at age 18. He started to receive DDD services at age 21.
- ❑ James is now 35 years old. He has never been employed and neither parent is receiving Social Security retirement, or disability benefits. Both parents are alive.
- ❑ James is still receiving SSI and Medicaid and his parents will not need to complete a Medicaid redetermination application from NJ FamilyCare/Medicaid. But if Social Security sends any requests for information, the parents must respond promptly.

Example of Alisha

- ❑ Alisha started to receive SSI and Medicaid at age 18. She started to receive DDD services at age 21.
- ❑ Alisha is now 35 years old. She has worked part-time (10 hours/week) for many years. Alisha started to receive **SSDI on her own work record**, but because the SSDI amount is low (\$350/month) **she receives both SSDI income and SSI income every month.**
- ❑ Neither of Alisha's parents are receiving Social Security retirement or disability benefits. Both parents are alive.
- ❑ Because Alisha is still receiving some SSI income every month, her parents will not need to complete a Medicaid redetermination application from NJ FamilyCare/Medicaid. But if Social Security sends any requests for information, the parents must respond promptly.

Example of Damian

- ❑ Damian started to receive SSI and Medicaid at age 18. He started to receive DDD services at age 21.
- ❑ Damian is now 35 years old. He has never been employed. Damian's mother started collecting her Social Security retirement benefit a few years ago. Mom completed additional paperwork for Social Security. Damian's SSI stopped because he started to receive SSDI (\$1,300/mo.) on his mother's work record.
- ❑ When Damian's SSDI benefit was starting, DDD sent Damian's mother a Request for Information (RFI) packet for Damian. **Mom completed the RFI Medicaid application promptly, and Damian now has NJ Medicaid instead of the SSI/Medicaid "package."** Mom will need to complete the Medicaid renewal application promptly whenever it arrives in the mail.

Example of Kimberly

- ❑ Kimberly was not eligible for SSI because her father passed away when she was 16, and she received an SSDI survivor's benefit of \$1,600/month.
- ❑ Prior to her 21st birthday, Kimberly was approved for NJ Medicaid from the DDD Waiver Unit, and her mom submitted a Medicaid application. Kimberly received DDD services at age 21.
- ❑ Kimberly's mother has completed Medicaid renewals for her daughter in the past, most recently in June, 2022.
- ❑ **Mom will need to complete the Medicaid renewal application promptly whenever it arrives in the mail (which may be in June, 2023).**

The Medicaid managed care organizations (MCOs) are helping

Starting in April: At the beginning of each month, for 12 months, Medicaid MCOs will send postcards to people who will receive a Medicaid renewal that month: (Postcard may not arrive until the 2nd week of the month.)

“Your NJ FamilyCare renewal mail is coming very soon. Please open it and follow instructions right away if you want to keep your health care coverage.”

Helpful information for the renewal application

What if the deadline to return the renewal application is only a day or two after it is received?

- The County Medicaid offices are required to extend the deadline printed in the letter accompanying the renewal application for a reasonable amount of time **upon request**.

What should families do if the bank account of the person with IDD exceeds the \$2,000 limit as soon as the SSDI money is deposited?

- “The SSDI benefits are income in the month received and a resource in the month after. These funds should be spent down each month paying for living expenses or for anything for the sole benefit of the recipient. The funds deposited in the bank account at the beginning of the month will not count as a resource when the CWA (Medicaid office) does a renewal.”

When Medicaid staff are reviewing the renewal applications:

If Medicaid staff determine that some individuals are not eligible for Medicaid in the category they previously had, they are required to review for all other Medicaid categories for which that person may be eligible.

ABLE ACCOUNTS

Achieving a Better Life Experience (ABLE) Act of 2014

- Persons with disabilities can deposit up to \$17,000/year in an ABLE tax-exempt savings account.
- Eligibility: Must be receiving SSI or SSDI.
- If resources are too high, can transfer money into ABLE account, to keep Medicaid eligibility.
- ABLE accounts won't affect continuing financial eligibility for Medicaid, SSI and other public benefits.

- **Can open ABLE account in NJ or another state.**
<https://savewithable.com/nj/home.html>
- Visit the **ABLE National Resource Center website**
www.ablenrc.org, for state-specific information. Great website; webinars; state-by-state comparisons.
- **Important: Upon the death of the beneficiary, the state in which he/she lived may file a claim for all or a portion of the funds in the ABLE account to recoup costs paid by the state while the beneficiary was receiving services through the state Medicaid program.**

Achieving a Better Life Experience (ABLE) Act



Why the need for an ABLE Account?

The ABLE Act allows individuals with intellectual and developmental disabilities to set up tax-deferred savings accounts to save for any expenses including but not limited to:

- Education, housing, transportation, employment training and support, assistive technology, personal support services, health, prevention and wellness, financial management and administrative services, legal fees, funeral and burial expenses and basic living expenses. *Distribution for non-qualified expenditures will be subject to tax consequences and may affect eligibility for federal means tested benefits.

Important Updates

The ABLE Age Adjustment Act, which increases the age of disability onset to access an ABLE account from **age 26 to age 46**, was included in the FY2023 Omnibus Appropriations Bill. The change becomes effective in 2026. ABLE accounts are generally exempt from counting as a resource for public benefits but are capped at \$100,000 for purposes of Supplemental Security Income (SSI).

Who is eligible?

- ABLE accounts are available to individuals with disabilities with an age onset of disability before turning 26 years of age.
- If an individual meets this age criteria and also receives benefits under SSI and/or SSDI the individual is automatically eligible to establish an ABLE account.
- If an individual meets the age criteria but is not a recipient of SSI and/or SSDI, the individual can still open an ABLE account if they meet social security's definition and criteria regarding functional limitation and if they receive a letter of certification from a licensed physician.

Note: An individual can be over 26 and open an account, but must have had the age of onset of disability before the individual's 26th birthday.

What are the benefits?

ABLE accounts are beneficial because they financially empower an individual with intellectual and developmental disabilities. They provide more choice and control for an individual and family. Accounts do this by:

- Offering tax-deferred growth potential that is tax free as long as withdrawals are used for qualified disability related expenses (<https://bit.ly/33M8pBC>).
- Not affecting eligibility for SSI Medicaid, and other public benefits as long as certain conditions are met.

Note: 529 College Savings Account Rollover Provision allows funds in a 529 college savings account to be rolled over into a 529A account (ABLE Account). This is capped at \$17,000 a year and this provision will expire in 2026.

Account Information

- Total annual contribution is \$17,000
- Maximum account balance is \$305,000 in NJ (varies by state)
*This could change over time
- If there is more than \$100,000 in the ABLE account, an individual's SSI payments will be suspended (not terminated). Medicaid benefits are **NOT** suspended.

Note: Medicaid Payback-Any assets remaining in the ABLE account when a beneficiary dies can be used to reimburse a state for Medicaid payments made on behalf of the beneficiary after the creation of the ABLE account.

Choosing the Best ABLE program

It's important to find a program that best fits your needs. ABLE accounts can be opened in any state that accepts outside residents in their program. Many ABLE Programs are similar, but they may differ in important ways. There is no "one size fits all" when it come to choosing an ABLE program.

Resources

- The Arc of New Jersey Family Institute ABLE Act Go Bag (<https://bit.ly/3FRMYCh>)
- New Jersey ABLE Account Information Page (<https://bit.ly/3tLElku>)
- Social Security and ABLE Accounts (<https://bit.ly/3rsThS2>)
- ABLE Now (<https://bit.ly/3AgaUbs>)
- How to Enroll (<https://bit.ly/3rr596V>)
- ABLE Accounts for People with Disabilities (<https://bit.ly/3tBxKJo>)
- Roadmap to Enrollment (<https://www.ablenrc.org/get-started/>)

**The Achieving a Better Life Experience (ABLE) Act
was enacted on December 19, 2014.**

NJ WorkAbility Improvements

Phase 1: Anticipated implementation in April, 2023:

- Allows for continuation of NJ Workability for 12 months after a job loss.
- Expands eligibility to those 65 and older, i.e., no one who has NJ WorkAbility will be terminated on 65th birthday.
- Eliminates resource limits. (current limit is \$20,000.)
- Removes consideration of spouse's income.

Phase 2 implementation: No date has been announced yet.

- Removing the regulation on “unearned” income from parent’s SSDI will be part of Phase 2.
- In 2023: \$1,215/mo. in SSDI from a parent’s work record is threshold for NJ WorkAbility eligibility (until Phase 2 implementation).

If person with IDD already has NJ WorkAbility, we anticipate their Medicaid renewal will be during the last 3 months of the unwinding process (Jan. – March 2024).

- **Camden Office**

- **Serves:** Burlington, Gloucester, Mercer, Salem, Atlantic, Cape May, Cumberland, and Camden
- **Address:** One Port Center, 2 Riverside Dr., Suite 300, Camden, NJ 08103-1018
- **Contact Person:** Patricia Dana, Director - Patricia.Dana@dhs.nj.gov
- **Phone Number:** (856) 209-0520

- **Essex Office**

- **Serves:** Hudson and Essex
- **Address:** 153 Halsey St., 4th Floor, Newark, NJ 07102-2807
- **Contact Person:** Carmen Morgan, Director - Carmen.morgan@dhs.nj.gov
- **Phone Number:** (862) 682-4430

- **Monmouth Office**

- **Serves:** Hunterdon, Middlesex, Ocean, Somerset, Union, and Monmouth
- **Address:** 100 Daniels Way, 1st Floor, Freehold, NJ 07728-2668
- **Contact Person:** Ellen McCormack, Director - Ellen.McCormack@dhs.nj.gov
- **Phone Number:** (908) 430-0231

- **Passaic Office**

- **Serves:** Bergen, Morris, Sussex, Warren, and Passaic
- **Address:** 100 Hamilton Plaza, 5th Floor, Paterson, NJ 07505-2109
- **Contact Person:** Susan Wojtasek, Director - Susan.M.Wojtasek@dhs.nj.gov
- **Phone Number:** (862) 338-9890

Timeline for Eligibility Unwinding



Timeline for Eligibility Unwinding



What you should know if a person with IDD receives a Medicaid termination notice:

- The Arc of New Jersey is presenting a webinar: **Your Right to Appeal a Medicaid Termination on Monday, March 20, 2023 at noon.**
- The speakers are Michael Brower, Legal Director, and Kelly McGuire, Staff Attorney, from Disability Rights New Jersey (DRNJ).
 - To register, go to: www.mainstreamingmedicalcare.org

Contact information:

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