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POLICY TRANSMITTAL NO. 06-10	DATE: MARCH 20, 2006
FAMILY SUPPORT SERVICES DIVISION/OKLAHOMA HEALTH CARE AUTHORITY	DEPARTMENT OF HUMAN SERVICES OFFICE OF PLANNING, POLICY & RESEARCH

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TO: ALL OFFICES

SUBJECT: MANUAL MATERIAL

OAC 317:30-3-74; 35-1-2; 35-5-2; 35-5-7; 35-5-26; 35-6-61; 35-7-16;  
and 35-7-17.

EXPLANATION: **Policy revisions were approved by the Board and the Governor as required by the Administrative Procedures Act.**

Fee-for-Service rules are revised to provide Medicaid benefits to certain groups of individuals who previously have been determined ineligible as they were inmates of a public institution.

Eligibility rules are revised to:

(1) provide Medicaid coverage to individuals who leave custody and foster care on their 18<sup>th</sup> birthday and transition into independent living, until they reach age 21, consistent with the Foster Care Independence Act;

(2) remove deprivation as a condition of Medicaid eligibility for low income families; and

(3) provide Medicaid benefits to certain groups of individuals who previously have been determined ineligible as they were inmates of a public institution.

Original signed on 3-15-06

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Mary Stalnaker, Director  
Family Support Services Division

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Sharon Neuwald, Co-Interim Administrator  
Office of Planning, Policy & Research

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WF # 05-C (DT)

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## **INSTRUCTIONS FOR FILING MANUAL MATERIAL**

OAC is the acronym for Oklahoma Administrative Code. If OAC appears before a number on an Appendix or before a Section in text, it means the Appendix or text contains rules or administrative law. Lengthy internal policies and procedures have the same Chapter number as the OAC Chapter to which they pertain following a “DHS” number, such as personnel policy at DHS:2-1 and personnel rules at OAC 340:2-1. The “340” is the Title number that designates DHS as the rulemaking agency; the “2” specifies the Chapter number; and the “1” specifies the Subchapter number.

The chronological order for filing manual material is: (1) OAC 340 by designated Chapter and Subchapter number; (2) if applicable, DHS numbered text for the designated Chapter and Subchapter; and (3) all OAC Appendices with the designated Chapter number. For example, the order for filing personnel policy is OAC 340:2-1, DHS:2-1, and OAC 340:2 Appendices behind all Chapter 2 manual material. Any questions or assistance with filing manual material will be addressed by contacting Policy Management Unit staff at (405) 521-3611.

### **REMOVE**

### **INSERT**

317:30-3-74

317:35-1-2

317:35-1-2, pages 1-6, revised 10-01-05

317:35-5-2

317:35-5-2, pages 1-2, revised 9-1-05

317:35-5-7

317:35-5-7, 1 page only, revised 12-31-05

317:35-5-26

317:35-5-26, pages 1-2, revised 9-01-05

317:35-6-61

317:35-6-61, 1 page only, revised 12-31-05

317:35-7-16

317:35-7-16, pages 1-2, revised 9-01-05

317:35-7-17

**317:35-1-2. Definitions**

The following words and terms, when used in this Chapter, shall have the following meaning, unless the context clearly indicates otherwise:

**"Administrative agent"** means the Long-Term Care Authority who is under contract with the Oklahoma Department of Human Services (OKDHS) to perform certain administrative functions related to the ADvantage Waiver.

**"AFDC"** means Aid to Families with Dependent Children.

**"Aged"** means an individual whose age is established as 65 years or older.

**"Aid to Families with Dependent Children"** means the group of low income families with children described in Section 1931 of the Social Security Act. The Personal Responsibility and Work Opportunity Act of 1996 established the new eligibility group of low income families with children and linked eligibility income and resource standards and methodologies and the requirement for deprivation for the new group to the State plan for Aid to Families with Dependent Children in effect on July 16, 1996. Oklahoma has elected to be less restrictive for all Medicaid clients related to AFDC.

**"Area nurse"** means a registered nurse in the OKDHS Aging Services Division, designated according to geographic areas who evaluates the UCAT and determines medical eligibility for Personal Care, ADvantage Waiver, and Nursing Facility services. The area nurse also approves care plan and service plan implementation for Personal Care services.

**"Area nurse designee"** means a registered nurse selected by the area nurse who evaluates the UCAT and determines medical eligibility for Personal Care, ADvantage Waiver, and Nursing Facility services.

**"Authority"** means the Oklahoma Health Care Authority (OHCA).

**"Blind"** means an individual who has central visual acuity of 20/200 or less in the better eye with the use of a correcting lens.

**"Board"** means the Oklahoma Health Care Authority Board.

**"Buy-in"** means the procedure whereby the Authority pays the client's Medicare premium.

(A) **"Part A Buy-in"** means the procedure whereby the Authority pays the Medicare Part A premium for individuals determined eligible as Qualified Medicare Beneficiaries Plus (QMBP) who are enrolled in Part A and are not eligible for premium free enrollment as explained under Medicare Part A. This also includes individuals determined to be eligible as Qualified Disabled and Working Individuals (QDWI).

(B) **"Part B Buy-in"** means the procedure whereby the Authority pays the Medicare Part B premium for categorically needy individuals who are eligible for Part B Medicare. This includes individuals who receive TANF or the State Supplemental Payment to the Aged, Blind or Disabled, and those determined to be Qualified Medicare Beneficiary Plus (QMBP)/Specified Low Income Medicare Beneficiaries (SLMB) or Qualifying Individual-1 (QI-1). Also included are individuals who continue to be categorically needy under the PICKLE amendment and those who retain eligibility after becoming employed.

**"Caretaker relative"** means a person other than the biological or adoptive parent with whom the child resides who meets the specified degree of relationship within the fifth degree of kinship.

**"Case management"** means the activities performed for client's to assist them in accessing services, advocacy and problem solving related to service delivery.

**"Categorically needy"** means that income and when applicable, resources are within the standards for the category to which the client is related.

**"Categorically related" or "related"** means the individual is:

(A) aged, blind, or disabled;

(B) pregnant;

(C) an adult individual who has a minor dependent child under the age of 18; or

(D) a child under 19 years of age.

**"Certification period"** means the period of eligibility extending from the effective date of certification to the date of termination of eligibility or the date of the next periodic redetermination of eligibility.

**"County"** means the Oklahoma Department of Human Services' office or offices located in each county within the State.

**"CSED"** means the Oklahoma Department of Human Services' Child Support Enforcement Division.

**"Custody"** means the custodial status, as reported by the Oklahoma Department of Human Services.

**"Deductible/Coinsurance"** means the payment that must be made by or on behalf of an individual eligible for Medicare before Medicare payment is made. The coinsurance is that part of the allowable medical expense not met by Medicare, which must be paid by or on behalf of an individual after the deductible has been met.

(A) For Medicare Part A (Hospital Insurance), the deductible relates to benefits for in-patient services while the patient is in a hospital or nursing facility. After the deductible is met, Medicare pays the remainder of the allowable cost.

(B) For Medicare Part B (Supplemental Medical Insurance), the deductible is an annual payment that must be made before Medicare payment for medical services. After the deductible is met, Medicare pays 80% of the allowable charge. The remaining 20% is the coinsurance.

**"Disabled"** means an individual who is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death, or which has lasted (or can be expected to last) for a continuous period of not less than 12 months.

**"Disabled child"** means for purposes of Medicaid Recovery a child of any age who is blind, or permanently and totally disabled according to standards set by the Social Security Administration.

**"Estate"** means all real and personal property and other assets included in the recipient's estate as defined in Title 58 of the Oklahoma Statutes.

**"Gatekeeping"** means the performance of a comprehensive assessment by the LTC nurse utilizing the Uniform Comprehensive Assessment Tool (UCAT) for the determination of Medical eligibility, care plan development, and the determination of Level of Care for Personal Care, ADvantage Waiver and Nursing Facility services.

**"Local office"** means the Oklahoma Department of Human Services' office or offices located in each county within the State.

**"LOCEU"** means the Oklahoma Health Care Authority's Level of Care Evaluation Unit.

**"LTC nurse"** means a registered nurse in the OKDHS Aging Services Division who meets the certification requirements for UCAT Assessor and case manager, and who conducts the uniform assessment of individuals utilizing the Uniform Comprehensive Assessment Tool (UCAT) for the purpose of medical eligibility determination. The LTC nurse also develops care plans and service plans for Personal Care services based on the UCAT.

**"Medicare"** means the federally funded health insurance program also known as Title XVIII of the Social Security Act. It consists of two separate programs. Part A is Hospital Insurance (HI) and Part B is Supplemental Medical Insurance (SMI).

(A) **"Part A Medicare (HI)"** means Hospital Insurance that covers services for inpatient services while the patient is in a hospital or nursing facility. Premium free enrollment is provided for all persons receiving OASDI or Railroad Retirement income who are age 65 or older and for those under age 65 who have been receiving disability benefits under these programs for at least 24 months.

(i) Persons with end stage renal disease who require dialysis treatment or a kidney transplant may also be covered.

(ii) Those who do not receive OASDI or Railroad Retirement income must be age 65 or over and pay a large premium for this coverage. Under Authority rules, these individuals are

not required to enroll for Part A to be eligible for Medicaid benefits as categorically needy. They must however, enroll for Medicare Part B. Individuals eligible as a QMBP or as a Qualified Disabled and Working Individual (QDWI) under Medicaid are required to enroll for Medicare Part A. The Authority will pay Part A premiums for QMBP individuals who do not qualify for premium free Part A and for all QDWI's.

(B) **"Part B Medicare (SMI)"** means Supplemental Medical Insurance that covers physician and related medical services other than inpatient or nursing facility care. Individuals eligible to enroll in Medicare Part B are required to do so under Authority policy. A monthly premium is required to keep this coverage in effect.

**"Minor child"** means a child under the age of 18.

**"Nursing Care"** for the purpose of Medicaid Recovery is care received in a nursing facility, an intermediate care facility for the mentally retarded or other medical institution providing nursing and convalescent care, on a continuing basis, by professional personnel who are responsible to the institution for professional medical services.

**"OHCA"** means the Oklahoma Health Care Authority.

**"OKDHS"** means the Oklahoma Department of Human Services.

**"Qualified Disabled and Working Individual (QDWI)"** means individuals who have lost their Title II OASDI benefits due to excess earnings, but have been allowed to retain Medicare coverage.

**"Qualified Medicare Beneficiary Plus (QMBP)"** means certain aged, blind or disabled individuals who may or may not be enrolled in Medicare Part A, meet the Medicaid QMBP income and resource standards and meet all other Medicaid eligibility requirements.

**"Qualifying Individual"** means certain aged, blind or disabled individuals who are enrolled in Medicare Part A, meet the Medicaid Qualifying Individual income and resource standards and meet all other Medicaid eligibility requirements.

**"Qualifying Individual-1"** means a Qualified Individual who meets the Qualifying Individual-1 income and resource standards.

**"Recipient lock-in"** means when a recipient is restricted to one primary physician and/or one pharmacy. It occurs when the OHCA determines that a Medicaid recipient has used multiple physicians and/or pharmacies in an excessive manner over a 12-month period.

**"Scope"** means the covered medical services for which payment is made to providers on behalf of eligible individuals. The Oklahoma Health Care Authority Provider Manual (OAC 317:30) contains information on covered medical services.

**"Specified Low Income Medicare Beneficiaries (SLMB)"** means individuals who, except for income, meet all of the eligibility requirements for QMBP eligibility and are enrolled in Medicare Part A.

**"Worker"** means the OKDHS worker responsible for Medicaid eligibility determinations.

**317:35-5-2. Categorically related programs**

(a) Categorical relationship is established using the same definitions of age, disability and blindness as used by the Social Security Administration (SSA) in determining eligibility for Supplemental Security Income (SSI) or SSA benefits. If the individual is a SSA/SSI recipient in current payment status (including presumptive eligibility), a TANF recipient, or is low-income under age 19, categorical relationship is automatically established. Categorical relationship to pregnancy-related services is established when the determination is made by medical evidence that the individual is or has been pregnant. Pregnancy-related services include all medical services provided within the scope of the program during the prenatal, delivery and post-partum periods. For an individual age 19 or over to be related to AFDC, the individual must have a minor dependent child. Categorical relationship to Refugee services is established in accordance with OAC 317:35-5-25. Categorical relationship for the Breast and Cervical Cancer Treatment program is established in accordance with OAC 317:35-21. Categorical relationship for the Family Planning Waiver Program is established in accordance with OAC 317:35-5-8. To be eligible for Medicaid benefits, an individual must be related to one of the following:

- (1) Aged
- (2) Disabled
- (3) Blind
- (4) Pregnancy
- (5) Aid to Families with Dependent Children
- (6) Refugee
- (7) Breast and Cervical Cancer Treatment program
- (8) Family Planning Waiver Program

(b) The Authority may provide Medicaid to reasonable categories of individuals under age 21 who are not receiving cash assistance under any program but who meet the income requirement of the State's approved AFDC plan.

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**OAC 317:35-5-2 p(2)**

(1) Individuals eligible for Medicaid benefits include individuals between the ages of 19 and 21:

(A) for whom a public agency is assuming full or partial financial responsibility who are in custody as reported by the Oklahoma Department of Human Services (OKDHS) and in foster homes, private institutions or public facilities; or

(B) in adoptions subsidized in full or in part by a public agency; or

(C) individuals under age 21 receiving active treatment as inpatients in public psychiatric facilities or programs if inpatient psychiatric services for individuals under age 21 are provided under the State Plan and the individuals are supported in full or in part by a public agency; or

(2) Individuals eligible for Medicaid benefits include individuals between the ages of 18 and 21 if they are in custody as reported by OKDHS on their 18<sup>th</sup> birthday and living in an out of home placement.

**317:35-5-7. Determining categorical relationship to AFDC**

(a) All individuals under age 19 are automatically related to AFDC and further determination is not required. Adults age 19 or older are related to AFDC when there is a minor dependent child(ren) in the home and the individual is the parent, or is the caretaker relative other than the parent who meets the proper degree of relationship. A minor dependent child is any child who meets the AFDC eligibility requirements of age and relationship.

(b) CSED Requirement. As a condition of eligibility, when both the parent or caretaker and minor child(ren) are receiving Medicaid benefits and a parent is absent from the home, the parent or caretaker relative must agree to cooperate with CSED. However, federal regulations provide for a waiver of this requirement when cooperation with CSED is not in the best interest of the child. CSED is responsible for making the good cause determination. If the parent or caretaker relative is claiming good cause, his/her needs cannot be included in the benefit group unless CSED has determined good cause exists. There is no requirement of cooperation with CSED for a child(ren) only Medicaid case.



**317:35-5-26. Residence requirements; residents of public institutions; homeless persons**

(a) **Residence.** To be eligible for Medicaid services, the applicant must be residing in the State of Oklahoma with intent to remain at the time the medical service is received. A durational residence requirement is not imposed.

(1) Temporary absence from the State, with subsequent returns to the State, or intent to return when the purposes of the absence have been accomplished, does not interrupt continuity of Oklahoma residence.

(2) Oklahoma residence does not include transients or visitors passing through the state but does not preclude persons who do not have a fixed address if intent is established.

(3) Intent to remain or return is defined as a clear statement of plans to remain or return in addition to other evidence and/or corroborative statements of others.

(4) When a non-resident makes application for Medicaid benefits, the local office provides services necessary to make available to the applicant any Medicaid services for which he/she might be eligible from his/her state of residence. The local office contacts the state or county of the applicant's residence to explore possible eligibility for medical benefits from the state and to obtain information needed for the determination of medical eligibility for the services received while in Oklahoma.

**(b) Individuals residing in institutions (correctional facilities and institutions for mental disease).** The Medicaid program will only pay for services rendered to adults (21 through 64 years of age) who are inpatients in an institution for mental disease (IMD), juveniles in the custody of the Office of Juvenile Affairs who are inmates in a state-owned and operated facility, or inmates in a correctional facility, when these individuals are admitted as an inpatient to a hospital, nursing facility, juvenile psychiatric facility or an intermediate care facility for the mentally retarded and meet all other eligibility requirements.

**(c) Homeless individuals.** Individuals are not required to have a fixed address in order to be eligible for assistance. Individuals who lack a fixed or regular residence, who have temporary

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OAC 317:35-5-26 p(2)

accommodations, i.e., supervised shelters, residence of other individuals, a hallway, bus station, car or other similar places, are considered as "homeless". #1

**INSTRUCTIONS TO STAFF**

1. Care must be taken to assure that eligible homeless individuals receive needed services. The worker is expected to make special efforts to assist with securing documentation, etc., in order that homeless individuals are not precluded from services because of their homelessness.

To ensure receipt of benefits by a client who may not have a mailing address nor can establish one, the county office address may be used. This procedure is used only when other options cannot be determined.

**317:35-6-61. Redetermination of eligibility for persons receiving  
SoonerCare Health Benefits.**

A periodic redetermination of eligibility for SoonerCare Health Benefits is required on all categorically needy cases categorically related to AFDC. The redetermination is made prior to the end of the initial certification period and each six months thereafter.



**317:35-7-16. Special application procedures for children in OKDHS custody**

The rules in this section apply when determining eligibility for health benefits for children who are reported by OKDHS as being in custody.

(1) When a child placed in custody as reported by OKDHS remains in the parent's home and there is not an active medical case:

(A) The OKDHS child welfare specialist advises the family that an application for medical services may be made at the local OKDHS office.

(B) The OKDHS Family Support Services (FSS) worker is responsible for processing the SC-1, SoonerCare Health Benefits application or FSS-1, Comprehensive Application and Review, whichever is appropriate.

(2) When a child placed in custody as reported by OKDHS has an active case and a change in placement is made to a home or facility outside the parent's home:

(A) The OKDHS child welfare specialist completes Form CWS-KIDS-4, Eligibility Determination, and forwards it to the OKDHS custody specialist advising of this change, including the date the child was placed outside the home. This referral is made within five working days of the placement.

(B) The OKDHS custody specialist makes the appropriate change to remove the child from the family case and opens a child only case the next effective date.

(3) When a child in custody as reported by OKDHS is placed outside the home and there is not an active case, the OKDHS child welfare specialist is responsible for completing and forwarding the CWS-KIDS-4, Eligibility Determination, to the OKDHS custody specialist. The CWS-KIDS-4 must be sent within five working days of removal from the home. The date of application is the date the child is placed in custody. The OKDHS custody specialist is responsible for processing the application.

(4) When a child in custody as reported by OKDHS placed outside the home is later returned to the home but remains in custody:

(A) The OKDHS child welfare specialist forwards Form K-13 to the OKDHS custody specialist advising of the change in placement. The OKDHS child welfare specialist advises the family that a Medicaid application may be made at the local OKDHS office for medical benefits to continue, if the family meets eligibility criteria.

(B) The OKDHS custody specialist is responsible for sending a SC-1 to the family so the child's Medicaid eligibility can be redetermined. If the family does not return the completed SC-1, the OKDHS custody specialist closes the child's Medicaid case.

(5) When a child in custody as reported by OKDHS and living in an out of home placement attains age 18, he/she may still be eligible for medical benefits until the age of 21 under the Foster Care Independence Act if his/her income is below the standard on OKDHS Appendix C-1, Schedule 1.A. The individual must complete a new application and have eligibility redetermined in accordance with OAC 317:35-6.