

**MEDICAID LONG TERM CARE  
INSTRUCTIONAL PROGRAM  
DEBORAH E. HENSLEY**

**DEFINITION AND PHILOSOPHY FOR**

## THE LONG TERM CARE PROGRAM

The Long Term Care instructional program is a comprehensive approach to the application of the knowledge of federal and state laws and policies for the administration of the Medicaid Program for long term care to the citizens of the Commonwealth. The goal is to provide the opportunity for working professionals in this field to function as specialists in long term care policy in local social service agencies in the Commonwealth.

### RATIONALE FOR THE LONG TERM CARE PROGRAM

Congress has mandated the implementation of a federally funded program to assist citizens who have insufficient means to meet basic medical needs. The responsibility for the administration of this program has been conveyed to the states. Virginia is responsible for the administration of the federal Medical Assistance Program (Medicaid) for the citizens of the Commonwealth. The laws that regulated entitlement to Medicaid are complex. The structure of the administration of Medicaid originates from numerous sources resulting in complex policies for determining entitlement. The demand for long term care is increasing due to the aging population in our society and the inability of all citizens to obtain affordable long term care insurance. Legislation in response to these circumstances has resulted in extremely difficult policy for the administration of this area of the Medicaid Program. Local social service agencies must administer this program ensuring quality in eligibility determinations and client services. To ensure this happens the social service employee needs a professional foundation consisting of the following:

1. Interviewing skills.
2. Knowledge of eligibility determination policies and procedures.
3. Skills in case development and entitlement documentation.
4. Knowledge of social, emotional, and economical problems which families/clients

face.

The aim of the program is to build upon the skills of the working professional in local social services agencies. Long term care policy is extremely complex and successful administration of this policy relies on the skills of these professionals. This Curriculum is not a course but a series of instructional units. The result of the study of these instructional units will be individuals who will specialize in the area of long term care within the local social service agencies and ensure quality service delivery.

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### CONTENT SOURCE FOR THE LONG TERM CARE PROGRAM

The 124 local social service agencies responsible for administration of Medicaid for long term care utilizes policies contained in the Virginia Medicaid Manual, Volume XIII. However, the content source for the curriculum for this program is the laws that regulate the administration of the program in the Commonwealth. For this reason, the following laws are the content source for this curriculum guide:

United States Code 1396r  
United States Code 1396p  
Omnibus Budget Reconciliation Act of 1986  
Omnibus Budget Reconciliation Act of 1993  
Code of Federal Regulations Title 42  
Virginia Administrative Code 12 VAC  
State Medicaid Manual  
Virginia State Medicaid Plan

### THE LONG TERM CARE PROGRAM CONTENT STRUCTURE

The content structure in Figure 1 outlines the content for this program.

### THE LONG TERM CARE PROGRAM AIMS AND GOALS

The aim of the long term care program is to design a

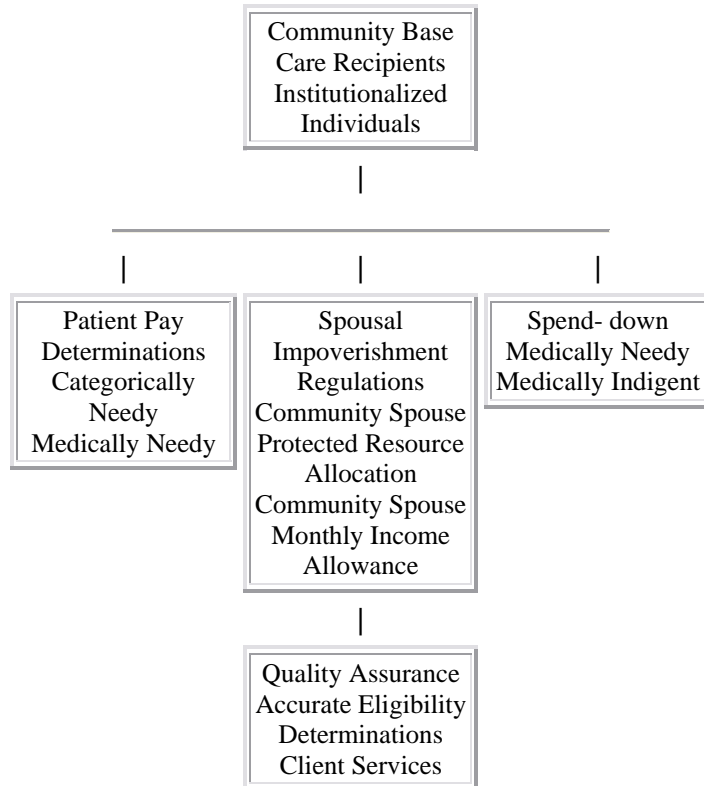
professional instructional environment that will encompass the working knowledge of the principles and practices of social work and the regulatory knowledge of the program area for accurate entitlement determinations for excellent customer service.

The long term care program will provide experiences, which will:

1. Provide the learner with a working knowledge of the non-financial requirements for institutionalized individuals: Community based care recipients (CBC) and individuals in medical facilities.
2. Provide the learner with knowledge of categorically needy and medically needy long term care regulations for both CBC and institutionalized individuals.
3. Provide the knowledge to establish ineligibility periods for transfers of property.
4. Provide knowledge of the regulations applicable to spousal impoverishment:
5. Introduce the learner to a variety of experiences so that he/she may interpret and apply overlapping regulations and policies to different categories of eligibility.
6. Develop a unified understanding of long term care policy that will allow a systematic application of policy to the individual applicant's/recipient's situation developing an accurate case.
7. Assist the learner with the integration of socials work principles and practices to ensure quality service delivery for the long-range administration of the program.
8. Assist the learner in the application of case monitoring and maintenance techniques to ensure quality for the long-range administration of the program.

## Content Structure

### Medicaid Long Term Care Regulations



Eight Day Training Program in Two Week Period:

Week One:

Day One:

- Institutionalized Individuals: Non-financial
  - US Citizenship/Alien Status
  - Virginia Residence
  - Long Term Care Screening
  - Institutionalized Status

Day Two:

- Property Transfers: Imposition of Penalty
  - Look-back Periods
  - Transfer Exemptions
  - Establishment of Ineligibility Periods

Day Three and Four:

- Spousal Impoverishment: Community Spouse
  - Resource Assessment
  - Community Spousal Protected Resource Allowance Evaluation (CSPRA)
  - Community Spousal Monthly Income Allowance Evaluation (CSMIA)

Week Two:

Day Five:

- Patient Co-Payment: Categorically Needy Non-money Payment Category
  - Single Institutionalized Individuals
  - Married Institutionalized Individuals
  - Allowable Income Deductions

Day Six and Seven:

- Spenddown: Medically Needy and Medically Indigent Covered Groups
  - Establishment and Evaluation of Medically Needy Group
  - Evaluation of Medically Indigent

Covered Groups (QMB, SLMB, QI-1,  
& QI-2)

Day Eight:

- Quality Assurance: Accurate Eligibility Determinations and Quality Client Services
  - Case Management Procedures
  - Intake Procedures

INSTITUTIONALIZED INDIVIDUAL: NON-FINANCIAL CRITERIA:

GOALS:

1. Provide working knowledge and effective application of the non-financial regulations for long term care.
2. Assist local agencies with the development of procedures for coordination of the completion of the long term care screening and procedures for the verification and establishment of institutionalized status for applicants and recipients.

RATIONALE:

Federal law establishes the minimum requirements for consideration of eligibility for medical assistance in all states. Knowledge of the minimum requirements is the first step in the successful administration of the Medicaid program. Local agency staff must make an initial determination of entitlement without further development of a case if this criterion is not met by an applicant. Also,

individuals seeking entitlement must meet the criteria for institutionalization for consideration of long term coverage under Medicaid. Local agencies must understand the criteria for institutionalized status and correctly implement the established procedures for verification prior to evaluation of resource and income eligibility. Local staff is also responsible for the coordination of all involved parties for completion of the long term care screening and the verification process to ensure the minimum required criteria are met.

#### OBJECTIVES:

1. Assist local managers with the development of intake procedures for the verification and establishment of non-financial requirements for consideration of Medicaid eligibility.
2. Assist local agencies with the development of training procedures for new employees to provide knowledge of non-financial criteria and the mandatory verification procedures for citizenship, eligible alien status, Virginia residency, and social security registration.
3. Develop management procedures for the coordination of all parties for the completion of the long term care screening and verification procedures (including MAP-96 and MAP-122) for institutionalized individuals.

#### ALTERNATIVE ACTIVITIES:

1. PowerPoint presentation on non-financial criteria providing managers with copy of presentation for use as training tool.
2. Quiz on acceptable verifications for the problem area of alien status and Virginia residency.
3. Case study by group of institutionalized determinations using multiple periods of inpatient status in a medical facility, community based care, and non-patient status.

#### REFERENCES:



PROPERTY TRANSFERS: IMPOSITION OF  
PENALTY

GOALS:

1. Provide knowledge of the laws that regulate the transfer of real and personal property.
2. Assist with procedures for evaluation of trust, including Medicaid qualifying trust, and the objectives of the laws regulating transfers into this type of legal instrument.
3. Develop a systematic approach for the evaluation of property transfers.

RATIONALE:

Congress designed the medical assistance program to provide medical care to individuals who have insufficient resources and income to obtain needed medical services. Therefore, the law strictly prohibits individuals from deliberately impoverishing themselves in order to become or remain eligible for Medicaid. Improper transfers of property make up a substantial portion of fraud and overpayments in the program. A thorough understanding of the regulations applicable to this area of the law will be effective in the detection of fraudulent situations prior to entitlement and the reduction of overpayments due to ineligible cases as a result of misapplication of policy.

OBJECTIVES:

1. Development of intake procedures that ensure application of policy applicable to the thirty-six month look-back period for property transfers prior to application for coverage.
2. Provide knowledge of complex policy

governing the sixty month look-back period prior to transfers of property into trusts and the development of expedited procedures applicable to verification and interpretation of legal documents.

3. Analyze in-depth property transfer exemptions including exempt transfers and the imposition of penalty period including multiple transfers of real or personal property.

#### ALTERNATIVE ACTIVITIES:

1. Case study for the implementation of fraud detection procedures.
2. Group case study analyzing both proper and improper transfers of all types of property with evaluation of legal documents requiring determination of legal ownership (real property deeds, trust documents, deeds of trust, liens, and heir property), valuation of property and establishment of ineligibility periods.
3. Quiz on examples of proper and improper transfers of property (real property, personal property, trust transfers, and exemptions).
4. Group activity on establishment of ineligibility period with multiple transfers of real and personal property.
5. Group discussions on the agency's role and responsibilities for providing program information (appropriately responding to hypothetical questions, ect.).

#### REFERENCES:

USC 1396r  
State Medicaid Manual  
Attorney General Opinions of Trust Instruments  
Virginia Medicaid Manual, Volume XIII

### GOALS:

1. Provide thorough knowledge of spousal impoverishment regulations.
2. Correctly analyze and implement the scope of the law ensuring that the community spouse retains the financial means to maintain himself/herself in the community.
3. Accurately complete the evaluation of couple's resources and income according to regulations without subsequent revisions or corrections.

### RATIONALE:

Spousal impoverishment is the most complicated area of the Medicaid program. The majority of case errors that agencies experience are within this area. These errors include quality assurance errors and reversal of agency decisions by administrative hearing officers. Therefore, this complexity requires a thorough knowledge of the policy to ensure accurate eligibility evaluations for the reduction of agency errors and misspent funds.

### OBJECTIVES:

1. Provide a working knowledge of policy and procedures for accepting and processing applications for long term care Medicaid for married institutionalized individuals.
2. Development of cases with completion of accurate resources assessments and establishment of the Community Spousal Protected Resource Allowance (CSPRA).
3. Accurate evaluations of income for couples with the accurate establishment of the Community Spousal Monthly Income Allowance (CSMIA).
4. Establishment of monthly patient payment responsibility ensuring accurate income determinations and deductions.

### ALTERNATIVE ACTIVITIES:

1. PowerPoint presentation on systematic development of policy and procedures for the evaluation of cases of married institutionalized applicants or recipients. Slides of presentation will be provided for possible training tool or desk tool for these evaluations for local agency staff.
2. Case study including simulated application processing to include the following:
  - o Verification procedures for resources and income.
  - o Completion of resource assessment using required form.
  - o Completion of patient co-payment and MAP-122 reflecting the Community Spousal Monthly Income Allowance and allowable income deductions.
3. Group discussion of agency reversals on appeal decisions and QC errors applicable to spousal impoverishment regulations and agency policies.

REFERENCES:

USC 1396r  
OBRA 1986  
OBRA 1993  
Virginia Administrative Code 12 VAC  
Virginia Medicaid Manual, Volume XIII

PATIENT CO-PAYMENT: CATEGORICALLY  
NEEDY NON-MONEY PAYMENT

GOALS:

1. Provide knowledge of laws and regulations that require the reduction of the cost of long term care to the state.
2. Ensure accurate determinations of patient co-payments and execution of proper billing procedures for medical facilities and community based care providers.

## RATIONALE:

Federal regulations mandate the reduction of the cost of long term care for the Commonwealth. All income of the recipient is considered available for the reduction of such cost after allowable deductions. Specific dollar amounts for deductions are prescribed by law. The local social service agency is responsible for verification of all income and the establishment of the monthly co-payment for each Medicaid recipient. The agency is also responsible for the monthly billing procedures for medical facility and community base care provider for payment for care.

## OBJECTIVES:

1. Develop a systematic application of rules for income deductions for the establishment of the monthly co-payment for the recipient for long term care.
2. Assist managers with the development of procedures that ensure accurate completion of the monthly long term care billing form (MAP-122) for nursing facilities and community base care providers.

## ALTERNATIVE ACTIVITIES:

1. Review of income determination examples of patient co-payment errors with discussion by group.
2. Completion of patient-pay evaluations using the applicable state forms and procedures with completion of the MAP-122 and Notice of Obligation for Long Term Care Cost.
3. Group Development of a desk tool for quick reference of all allowable income deductions.

## REFERENCES:

Code of Federal Regulations Title 42  
Virginia Administrative Code 12 VAC  
State Medicaid Manual  
Virginia Medicaid Manual, Volume XIII

SPENDDOWN: MEDICALLY NEEDY AND  
MEDICALLY INDIGENT

GOALS:

1. Provide an effective systematic procedure for the evaluation of the categorically needy, medically needy, and the medically indigent categories for long term coverage.
2. Assist local managers with the development of effective intake procedures to ensure the required coordination of the local agency worker and the applicant or recipient is effective for accurate administration of this program area.

RATIONALE:

Congress initially designed the medical assistance program to address the medical needs of our most needy citizens. The Medicaid program in the Commonwealth initially provided medical coverage to this population. These individuals were recipients of the federal Supplemental Security Income program, which provided monthly money payments to the disabled and the aged. However, the growing numbers of the elderly and children in our society that could not obtain or could not afford medical insurance resulted in the expansion of the program. Congress subsequently expanded the program due to the growing number of uninsured disabled and elderly in our society. Laws were enacted making provision for entitlement for individuals who have income in excess of the previously established limits but who have medical expenses that exceed their income. These regulations provide for the establishment of a deductible based on the individual's income and entitlement when the deductible is met with monthly medical expenses. An extremely complex policy is required for the implementation of this program area. The local agency must establish the deductible, obtain incurred medical expenses, and establish the coverage period. A difficult coordination of resources is

required to effectively implement this program area.

**OBJECTIVES:**

1. Provide in-depth understanding of the systematic application of spenddown regulations.
2. Assist local agency managers with the development of program procedures for the required coordination of the roles of the local eligibility worker and the client for effective administration of the spenddown program area.
3. Assist local managers with the development of a management/desk tool for quick reference of spenddown regulations for the systematic evaluation of the categorically needy non-money payment covered group, medically needy covered group, medically indigent covered groups, patient co-payment determination, and allowable income deductions.

**ALTERNATIVE ACTIVITIES:**

1. Evaluate and complete several income computations to establish the spenddown (deductible).
2. Completion of several cases for medically indigent coverage for long term care eligibility determinations.
3. Group case study with completion of at least two long term care spenddown evaluations for medically needy coverage and determination of patient co-payment.
4. Develop a desk tool for quick reference to categorically needy no-money payment, medically needy and medically indigent income levels, certification periods, allowable patient pay deductions, and allowable medical expenses for spenddown determinations.

**REFERENCES:**

Title 42 CFR  
State Medicaid Manual (Federal Interpretations and  
Updates)  
State Medicaid Plan  
Medicaid Manual, Volume XIII, M114



QUALITY ASSURANCE: ACCURATE  
ELIGIBILITY DETERMINATIONS AND  
QUALITY CLIENT SERVICES

GOALS:

1. Effectively address quality control deficiencies and develop procedures for improved agency administration of the Medicaid program.
2. Improve intake procedures to ensure quality client services.

RATIONALE:

Quality assurance for both accurate eligibility evaluations and client services is an extremely important component of the administration of the Medicaid program in the Commonwealth. Local agencies can be subjected to mandatory corrective action by the Virginia Department of Social Services for excessive case errors. Also, the quality of client services is equally important for the effective administration of the program. The public opinion of the type and quality of services provided by local social service agencies directly impacts the availability of local funding needed for agency operations. In addition, the public opinion directly impacts the morale of agency personnel. Effective and consistent management procedures for quality control are extremely important.

OBJECTIVES:

1. Assist local managers with the development of a training program for eligibility workers on the role and responsibilities of the local agency in the administration of the Medicaid program to encompass quality client services.
2. Assist local managers with the development of procedures for front-end fraud detection.
3. Small group activities for the development of procedures for management case reviews and corrective action plans for areas of

deficiencies.

**ALTERNATIVE ACTIVITIES:**

1. Simulated intake process for development of agency standards for quality control for client services.
2. Development of monthly review report with management strategies for targeting problem areas and implementing corrective action.
3. Simulated implementation of management review (second party case reviews using representative sample).

**REFERENCES:**

Code of Federal Regulations Title 20  
Virginia Administrative Code 12 VAC

**EVALUATION OF THE LONG TERM CARE  
PROGRAM**

**STUDENT EVALUATION:**

An example of a true/false test for the property transfer unit is used as a formative student evaluation. A case study incorporating all elements of the unit's objectives and activities is used to evaluate the performance of the student is used as an example of a summative evaluation.

The multiple test in Figure 2 is an example of a formative student evaluation.

The case study in Figure 3 is an example of a

summative student evaluation.

DOCUMENT VALIDATION:

A survey has been developed for the evaluation of the correspondence of the intended purpose of the curriculum and the curriculum content. The curriculum and survey will be sent to 12 specialist in the field for evaluation. These individuals currently hold professional positions consisting of administrative hearing officers, human services program coordinators, and policy analysts with extensive involvement in the administration of the Medicaid Program in the Commonwealth.

The survey in Figure 4 is the document validation.

Student Formative Evaluation Example for the property transfer unit.

True/False Examination:

1. Mr. Smith submitted an application for LTC on January 1, 1999. He transferred a certificate of deposit valued at \$10,000 to his granddaughter on December 31, 1995. Does this transfer of personal property effect entitlement?  
\_\_\_\_\_Yes\_\_\_\_\_No
2. Mrs. Joy submitted an application for LTC on April 1, 1999. On March 3, 1998, Mrs. Joy transferred her 1/2 interest in her home and 30 contiguous acres of land to her spouse, Mr. Joy. Mrs. Joy also conveyed a life estate in the home property to her daughter. Is this an improper transfer?  
\_\_\_\_\_Yes\_\_\_\_\_No
3. Mrs. Joy retained a life estate for herself in the home. Is the life estate a resource?  
\_\_\_\_\_Yes\_\_\_\_\_No
4. Mr. Hill submitted an application for LTC on August 1, 1998. Mr. Hill and Mrs. Hill established a discretionary trust with personal funds in the amount of \$100,000 on July 3, 1992. The trustees are Mr. and Mrs. Hill. Will the transfer effect entitlement for LTC?  
\_\_\_\_\_Yes\_\_\_\_\_No
5. Is the trust a countable resource?  
\_\_\_\_\_Yes\_\_\_\_\_No
6. On February 20, 1999, an application for LTC was submitted on behalf of Mrs. Chambers. Mrs. Chamber's nephew transferred funds in the amount of \$25,000 from several certificates of deposit belonging to Mrs. Chambers using a forged power of attorney. Mrs. Chambers daughter is in the process of recovering the funds. Will this transfer result in the imposition of an ineligibility period for Medicaid coverage?  
\_\_\_\_\_Yes\_\_\_\_\_No
7. Mr. Cramer is 76 years old and currently eligible for QMB coverage. He entered a medical facility on April 1, 1999 and applied

for LTC coverage. Mr. Cramer transferred his home to his daughter on January 30, 1996 retaining a life estate. He later transferred his life estate to his daughter on October 4, 1998. Will both transfers be evaluated and will any ineligibility periods be combined for the current application?

\_\_\_\_\_ Yes \_\_\_\_\_ No

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Figure 3  
Student Evaluation Case Study

Mr. Smith was admitted to Carillon Hospital on January 2, 1998. On January 27, 1998, he was admitted to the Richfield Nursing Home from the hospital. On February 3, 1999, Mr. Smith's submitted an application for Medicaid for long term care coverage to the local agency. Mr. Smith is married and his spouse lives in the community. Mr. and Mrs. Smith own their home and twenty acres of contiguous property with an assessed value of \$155,000. The couple transferred their second home with an assessed value of \$62,000 to their two children in March 1996. The couple also transferred a certificate of deposit in the amount of \$33,000 and established a discretionary trust for Mr. Smith in July 1996. Mr. and Mrs. Smith's resources as of January 1998 consisted of:

- An annuity in the name of Mr. Smith in the amount of \$34,000
- An IRA in the name of Mr. Smith in the amount of \$25,000
- A life insurance policy owned by Mr. Smith with a face value of \$5,000 and cash value of \$2,500
- An IRA in the name of Mrs. Smith in

the amount of \$30,000

- A jointly owned certificate of deposit with a cash value of \$23,000
- A life insurance policy owned by Mrs. Smith with a face value of \$1,250 and a cash value of \$900
- A joint savings account with a balance of \$5,000
- A joint checking account with a balance of \$2,500
- A 1998 vehicle valued at \$7,700 and a 1986 vehicle valued at \$600

The couple's current combined resources consist of their home and land, both life insurance policies, the trust, and a jointly owned certificate of deposit valued at \$59,700. Mr. Smith's income consists of \$1,250 monthly from social security and \$1,300 from a monthly pension. Mrs. Smith's income consists of \$980 from monthly social security and \$303 monthly pension. Mr. Smith has a monthly medical insurance premium of \$150 and a monthly life insurance premium of \$55. Mr. Smith has an outstanding medical bill of \$3,400.

The above case is an example of an application for long term care coverage. Please read the case carefully and ask any questions for clarifications before beginning the evaluation. Evaluate the following with completion of the required forms:

- Non-financial requirements
- Property transfer including evaluation of trust document
- Completion of resource assessment establishing the CSPRA
- Completion of the income evaluation establishing the CSMIA, the patient co-payment and spenddown for appropriate months.

Figure 4  
Survey for Document Validation:

Dear Mr./Ms.:

For many years, a need has existed for the development of a training program for specialization in the Medicaid program area of long term care. I have recently developed a curriculum for this area of Medicaid policy in an effort to address this need. It is my hope that the curriculum reflects all areas of policy and provides a mechanism to improve the quality of the administration of the long term care program. Your critique of the material will assist with the development of a program to address our concerns and ensure the effective administration in this problem area. Upon completion of the following questions, please mail the form to the above address.

Your time and cooperation are greatly appreciated.

Sincerely,

Deborah E. Hensley

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#### LONG TERM CARE CURRICULUM SURVEY

Please answer the following questions and provide additional comments applicable to any area of the curriculum that you feel is appropriate.

1. Does the rationale provide solid evidence of the basis of the program?
2. Does the definition of the program content encompass all required aspects of the subject area?
3. Is the content source applicable to the subject material?
4. Is the content structure precise and appropriately interrelated with the content, the



program goals, and the unit specifications?

5. Are there any units that do not meet the goals of the curriculum?
  
6. Do the learning activities achieve the aims, goals, and objectives of the curriculum?
  
7. Is a case study evaluating the material covered and the achievement of the program objectives an effective assessment tool?
  
8. What do you feel will strengthen the program?

Additional comments: