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 | ADMINISTRATIVE DIRECTIVE |
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TRANSMITTAL: 95 ADM-6

TO: Commissioners of
 Social Services

DIVISION: Health and
 Long Term Care

DATE: March 24, 1995

SUBJECT: Transfer of Resources: Changes in the Medical Assistance
 Regional Rates for 1994

SUGGESTED DISTRIBUTION:	Medical Assistance Staff Adult Services Staff Fair Hearing Staff Legal Staff Staff Development Coordinators
CONTACT PERSON:	Robin Johnson at 1-800-343-8859, extension 3-5502 MA New York City Representative at (212) 383-2513 User ID av1800
ATTACHMENTS:	Attachment - County Listing by Region (available on-line)

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
93 ADM-27		360-4.4(c)	Ch. 558 of		GIS
92 ADM-44			Laws of 1989		94 MA/007
92 ADM-38			Section 303		
91 ADM-37			(b) of MCCA		
91 ADM-31			of 1988		
91 ADM-17			FSA of 1988		
89 ADM-45			SSL 366(5)		

I. PURPOSE

This Administrative Directive (ADM) notifies social services districts of the January 1, 1994 revisions to the Medical Assistance (MA) regional rates used to determine the period of limited coverage (penalty period) for persons determined to have made prohibited transfers of resources.

II. BACKGROUND

Chapter 558 of the Laws of 1989 amended Section 366.5 of the Social Services Law to establish transfer of resources provisions required by the Medicare Catastrophic Coverage Act of 1988. Persons who make prohibited transfers prior to the date of institutionalization, or the date of application for MA while institutionalized, whichever is later, may be ineligible for certain MA covered services for a period of time

The period of ineligibility is the number of months equal to the uncompensated value of the transferred resource divided by the MA regional rate established for the region in which the person is institutionalized. The period is intended to approximate the length of stay in an institution which the transferred resources would have purchased. The MA regional rates are updated annually, effective January 1st.

III. PROGRAM IMPLICATIONS

The revised MA regional rates are used to calculate a penalty period for persons who have made prohibited transfers of resources and who first apply for MA on or after January 1, 1994.

The MA regional rates effective January 1, 1994 are:

<u>Region*</u>	<u>Monthly Rate</u>
Northeastern	\$ 3,972
Northern Metropolitan	\$ 4,856
Western	\$ 3,651
Rochester	\$ 4,140
Central	\$ 3,859
Long Island	\$ 5,408
New York City	\$ 5,864

*See the attachment for county listing by region.

IV. REQUIRED ACTION

As specified in 89 ADM-45 and 91 ADM-37, a penalty period must be established when a federally participating MA-Only applicant/recipient (A/R), or the spouse of the A/R, has made a prohibited transfer of resources. The MA regional rate used to determine the penalty period is the rate for the region in which the individual is institutionalized. Districts must use the rate in effect for the year in which the individual first applies as an institutionalized person.

Social services districts must use the January 1, 1994 MA regional rates to establish the penalty period for any institutionalized person determined to have made a prohibited transfer of resources who has MA eligibility first determined for the month of January, 1994 or later.

A. RECALCULATING THE PENALTY PERIOD

Districts must recalculate the penalty period for an institutionalized A/R who became MA eligible on or after January 1, 1994, if the January 1, 1993 regional rates were used to estimate the penalty period.

Districts must review these cases as soon as possible, since a recipient's penalty period may change based on the new rates. When a penalty period has previously been calculated for an A/R who continues to reside in the community and who is not in receipt of home and community-based waived services, no recalculation of the penalty period is required until the individual becomes in need of nursing facility services.

B. NOTICE REQUIREMENTS

As specified in 89 ADM-45 and 91 ADM-37, social services districts must provide timely and adequate notice to A/Rs whose MA coverage is being limited due to a prohibited transfer of resources. The notices contained in these ADMs must be used to meet this requirement.

When a social services district recalculates a penalty period for a person in receipt of nursing facility services, who first applied for MA as an institutionalized person on or after January 1, 1994, the district must advise the client of any change in the period. Attachment II to 93 ADM-27, "Notice of Change in Limited Coverage Period For Institutionalized Person" must be used.

V. SYSTEMS IMPLICATIONS

None.

VI. EFFECTIVE DATE

The changes in the regional penalty rates are effective April 1, 1995, retroactive to January 1, 1994.

Richard T. Cody
Deputy Commissioner
Division of Health & Long Term Care

COUNTY LISTING BY REGION

NORTHEASTERN

Albany
 Clinton
 Columbia
 Delaware
 Essex
 Franklin
 Fulton
 Greene
 Hamilton
 Montgomery
 Otsego
 Rensselaer
 Saratoga
 Schenectady
 Schoharie
 Warren
 Washington

WESTERN (Buffalo)

Allegany
 Cattaraugus
 Chautauqua
 Erie
 Genesee
 Niagara
 Orleans
 Wyoming

ROCHESTER

Chemung
 Livingston
 Monroe
 Ontario
 Schuyler
 Seneca
 Steuben
 Yates
 Wayne

LONG ISLAND

Nassau
 Suffolk

NORTHERN METROPOLITAN
(New Rochelle)

Dutchess
 Orange
 Putnam
 Rockland
 Sullivan
 Ulster
 Westchester

NEW YORK CITY

Bronx
 Kings (Brooklyn)
 NY (Manhattan)
 Queens
 Richmond (Staten Island)

CENTRAL(Syracuse)

Broome
 Cayuga
 Chenango
 Cortland
 Herkimer
 Jefferson
 Lewis
 Madison
 Oneida
 Onondaga
 Oswego
 St. Lawrence
 Tioga
 Tompkins

1. Use the region in which the facility is located, or if the A/R is not institutionalized, use the region in which the individual resides.
2. For out of state facilities, use the region closest to the location of the facility.