



John R. Kasich, Governor
John B. McCarthy, Director

MEDICAID ELIGIBILITY MANUAL TRANSMITTAL LETTER NO. 120

To: All Medicaid Eligibility Manual Holders

From: John B. McCarthy, Director

Subject: Medicaid: 1634 resources Batch Two

Effective August 1, 2016, Ohio transitioned from being a 209(b) state to a 1634 state for Medicaid eligibility. The transition impacted how Medicaid eligibility is determined for aged, blind, or disabled individuals. Most of the eligibility requirements are now based on criteria established by the Social Security Administration for supplemental security income (SSI).

As a 209(b) State, Ohio used eligibility criterion more restrictive than the SSI program for Medicaid determinations and provided a mechanism for individuals to reduce their income to the income eligibility level through the use of Medicaid spenddown.

As a 1634 State, Ohio will now use SSA's determination of an individual's eligibility for SSI benefits as a determination for Medicaid coverage. Ohio has also chosen the option to determine eligibility for Medicaid coverage for individuals who do not receive SSI benefits but have a disability determination and meet the income and resource criterion for SSI.

As a result of these changes, the Ohio Department of Medicaid reviewed all existing eligibility rules on aged, blind, or disabled Medicaid. Some rules were significantly rewritten, while others were simply updated.

This MEMTL contains two amended rules from Chapter 5160:1-3 and six new rules from Chapter 5160:1-3 of the Administrative Code to replace six rescinded rules from Chapter 5160:1-3.

The effective date of the rules is August 1, 2016.

Chapter 5160:1-3 Medicaid for the Aged Blind, or Disabled**5160:1-3-05.6 Medicaid: preneed funeral contracts**

This rule was rescinded and language found in new rule 5160:1-3-05.6.

5160:1-3-05.6 Medicaid: burial funds and contracts

This rule was made new to change rule title, added language on burial funds, replaced term “preneed funeral” with “prepaid burial” added language on burial spaces, changed some language on life insurance funded burial contracts, and added language on burial insurance.

5160:1-3-05.7 Medicaid: burial spaces

This rule was rescinded and made new to add the definition of “immediate family”, added rule references, and added language on burial funds.

5160:1-3-05.8 Medicaid: lump-sum payments

This rule was amended to change exclusion of lump-sum payments from six months to nine months.

5160:1-3-05.12 Medicaid: life insurance

This rule was rescinded and made new to add definitions of “term life insurance”, “universal life insurance”, and “whole life insurance”, and added language on dividends.

5160:1-3-05.14 Medicaid: resource exclusion

This rule was rescinded and made new to add federal exclusions.

5160:1-3-05.20 Medicaid: deeming of resources

This rule was amended to add language on the treatment of retirement funds and changed the resource exclusion amount.

The information is available on the Internet and may be accessed at www.medicaid.ohio.gov.