

## MAPP

### *The Medicaid Purchase Plan*

Disability Rights Wisconsin  
June 2013

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## MAPP - Background

- 1997 - States given the option of creating a Medicaid buy-in program for people with disabilities who are working or interested in work
- 2000 – Wisconsin started the Medical Assistance Purchas Program (MAPP)
- Administered by Wisconsin Department of Health Services (DHS)

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## MAPP – Background

- Higher asset (\$15,000) and income levels (250% FPL) than other Elderly, Blind and Disabled (EBD) Medicaid programs
- Earnings may be saved in Independence Accounts
- MAPP rules are found in Chapter 26 of the Medicaid Eligibility Handbook (MEH) at <http://www.emhandbooks.wi.gov/meh-ebd/>.

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## Proposed MAPP Changes

- Governor Walker's proposed state budget included significant changes to the financial eligibility, premium calculations and work requirements for MAPP.
- All of the MAPP changes were removed by the Joint Finance Committee. This removal is unlikely to be reversed.

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## Non-Financial Eligibility

- Must be at least 18 years-old
- Disability determination required, including those over the age of 65
- MAPP disability follows SSA sequential evaluation, with exception of no Step 1 SGA test (earnings may exceed \$1,040) MEH 26.3.2
- Must be currently working or utilizing an approved Health and Employment Counseling (HEC) plan
- MAPP recipients may not receive both MAPP and SLMB+ (may receive QMB & MAPP or SLMB & MAPP)

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## Non-financial - HIP

- Health Insurance Premium Payment (HIP) rules apply, which require individuals who have access to employer sponsored group health insurance:
  - ◆ Enroll in the employer's health care plan if the plan is determined to be cost-effective.
  - ◆ Failure to cooperate or enroll in the employer's plan is non-cooperation. MEH 9.4
- HIP - MAPP will pay premiums and deductibles for employer group plan

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## Work Requirement

- Regular activity at least once per month
- Must receive something of value as compensation for his/her work activity. This includes wages or in-kind payments (food or shelter) MEH 26.3.2
- IM agencies vary on the level of documentation required to demonstrate in-kind employment
- Self-employment is acceptable as long as business generates some form of compensation at least once per month, even if the business is not making a profit. MEH 26.3.2.1

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## Work Exemption

- May be granted for up to 6 months if a serious illness or hospitalization occurs that prevents the participant from performing work. MEH 26.3.4
- Must be enrolled in MAPP for at least 6 months prior to the exemption.
- Limited to 2 exemptions within a 3 year period and the exemptions cannot be consecutive.
- Must complete an exemption request form. (HCF 10127)

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## HEC

- Allows people who are not currently working to enroll in MAPP – MEH 26.3.5.1
- HEC plan must be approved by the Office of Independence and Employment at the Department of Health Services
- HEC forms are available from the Regional Income Maintenance Consortia
- <http://www.dhs.wisconsin.gov/forms/F0/f00004.doc>

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## HEC

- HEC plan must be approved before MAPP eligibility begins
- Applicant must present approval letter to IM worker
- MAPP eligibility granted for a period of nine months.
- Applicants may only access MAPP through the HEC program twice in any five year period

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## HEC Extensions

- 3 month extension of the 9-month HEC period may be granted if requested within the first 7 months and if it is determined that employment is likely during the 3 month extension - MEH 26.3.5.2.
- Must complete the extension form and send it in to DHS
- DHS will send a letter confirming the person's extension, which must be submitted to IM worker

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## Financial Eligibility - Assets

- \$15,000 at application, plus independence account post eligibility
- Only assets of the applicant are counted, not the non-eligible spouse
- Excluded resources include home, one vehicle, personal property of reasonable value. See MEHB 16.0 for a complete list of excluded resources.

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## Independence Accounts

- Offers savings options beyond the \$15,000 asset limit
- Established after MAPP eligibility is determined – MEH 26.4.1
- Deposits into Independence Accounts are exempt assets, however, the total deposit cannot exceed 50% of actual gross earned income during a twelve-month MAPP review period. MEH 26.4.1(1)

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## Independence Accounts

- Includes Checking, Savings, Money Market, CD, Stocks, Bonds, IRA, Retirement, Pension, or Other Accounts
- Retirement and pension accounts may be designated as Independence Accounts, however, at the time of application they will be considered countable assets. MEH 26.4.1(3).
- Accounts must be registered with the IM agency or Tribal Health and Human Services agency

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## Financial Eligibility - Income

- Applicant and his or her spouse (if living in same household) must have net household income below 250% of FPL
- Household includes dependent children
- SSI-related income deductions apply such as impairment related work expenses (IRWEs), \$20 disregard, first \$65 earned income plus ½ remainder. Deductions apply to applicant's and spouse's income.
- See MEH 15.3 for a list of excluded income

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## Financial Eligibility - Income

- If either spouse has SSA income subject to cost of living adjustments (COLAs), the COLA will be deducted from the period of January 1st through date that the new FPLs are published (usually February or March). MEH 26.4.2(8).

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## MAPP – Income Limit 2013

Household Size	250% FPL
1	\$2,393.75
2	\$3,231.25
3	\$4,068.75
4	\$4,906.25

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## MAPP Income Eligibility Steps

- Step 1: calculate earned income
- Step 2: deduct \$65 and ½ remainder
- Step 3: deduct IRWEs – MEH 15.7.4
- Step 4: calculate unearned income
- Step 5: deduct \$20, general disregard
- Step 6: compare to 250% FPL

See Medicaid Worksheet WKST 08 in the worksheet section of the MEHB

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### MAPP Income Example

- Bill has earned income of \$300 per month and he receives a SSDI monthly benefit of \$1,200 per month
- Bill's wife, Sue, has earned income of \$2,000 per month

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### MAPP Income Example

300.00	Bill's earned income
<u>2,000.00</u>	Sue's earned income
2,300.00	combined earned income
<u>-65.00</u>	earnings disregard
2,235.00	
<u>x ½</u>	
\$1,117.50	countable earned income

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### MAPP Income Example

1,200.00	SSDI
<u>-20.00</u>	general income disregard
1,180.00	countable unearned income
<u>+1,117.50</u>	countable earned income
\$2,297.50	total countable income
	MAPP eligible
\$2,297.50 < 250% FPL for couple (\$3,231.25)	

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## MAPP Premiums

- If gross (i.e without any deductions) monthly income of the applicant is less than 150% of FPL for the applicable household size, there is no premium.
- If gross income is above 150% FPL, a premium will be calculated.

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## MAPP Premium Free Gross Income Limit - 2013

Household Size	150% FPL
1	\$1,436.25
2	\$1,938.75
3	\$2,441.25
4	\$2,943.75

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## Premium Calculation Steps

- Step 1: calculate unearned income
- Step 2: deduct standard allowance (\$813- 2013)
- Step 3: deduct IRWEs
- Step 4: deduct medical remedial expenses (MREs)
- Step 5: calculate earned income
- Step 6: multiply earned income by 3% (.03)
- Step 7: add earned and unearned income
- Step 8: compare to premium schedule – MEH 39.10

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## MAPP Premiums

- IMPORTANT - only the applicant's income counts, but the spouse and dependent children will be counted toward household size when comparing income to 150% FPL. MEH 26.5.1.
- IRWEs – must be related to work – MEH 15.7.4
- MREs – medical costs paid by the applicant that relate to the individual's disability, health, or employment. MRE's may not also be claimed as IRWE's and they may not be Medicaid covered expenses. MEH 15.7.3

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## MAPP Premiums

- If unearned income is less than the standard deduction (\$813), subtract the remaining deduction from earned income before multiplying by 3%.
- The premium schedule at MEH 39.10 rounds the premium payment down in \$25 increments.
- See Medicaid Worksheet WKST 09, in the worksheet section of the MEH.

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## Premium Example 1

- Amy receives \$800 in monthly SSDI
- Amy earns \$300 per month at her job
- Amy has \$100 in monthly IRWEs

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### Premium Example 1

800.00 SSDI  
+300.00 monthly earnings  
\$1,100.00 monthly gross income  
Amy has no MAPP premium because gross  
income is below 150% FPL (\$1,436.25)

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### Premium Example 2

- Mary receives a monthly SSDI benefit of \$1,400
- Mary has earned income of \$200 per month
- Monthly IRWEs of \$80
- Monthly medical remedial expenses of \$40

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### Premium Example 2

1,400.00 SSDI  
+200.00 monthly earnings  
\$1,600.00 monthly gross income  
Mary will have a MAPP premium because  
gross income is above 150% FPL (\$1,436.25)

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## Premium Exercise 2

\$1,400.00 unearned income (SSDI)  
- 813.00 standard living allowance  
- 80.00 IRWEs  
- 40.00 MREs  
467.00 countable unearned income

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## Premium Example 2

200.00 earned income  
x 3%  
6.00 countable earned income  
+ 467.00 countable unearned income  
\$ 473.00 compare to MAPP premium chart  
  
\$450.00 MAPP premium

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## Premium Example 3

- Bill has earned income of \$300 per month and he receives a SSDI monthly benefit of \$1,200 per month
- Bill's wife, Sue, has earned income \$2,000 per month

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### MAPP Premium Example 3

1,200.00 SSDI  
± 300.00 earned income  
\$1,500.00 gross income

Bill's gross income is less 150% FPL for a household of two (\$1,938.75) so he does not have a MAPP premium

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### MAPP Premium Payments

- If premiums are not paid timely, recipient may be terminated and/or placed in a restrictive re-enrollment period (RRP). Rules depend on when payments are received. MEH 26.5.5
- RRP - ineligible for the next 6 consecutive months following the closure of MAPP Medicaid Purchase Plan, unless there is good cause (26.6.2 Good Cause). MEH 26.6.1

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### MAPP Effective Date

- MAPP will begin the first day of the month of application, if all eligibility criteria are met.
- MAPP eligibility may begin up to three months prior to application if all eligibility criteria have been met, including the work requirement.

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## MAPP Appeals

- Applicants or participants in MAPP may request a Fair Hearing to review denials of eligibility and premium calculations.
- Fair Hearing requests must be received by the Wisconsin Department of Administration's Division of Hearings and Appeals within 45 days of the decision.

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