



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Office of Medicaid**  
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MassHealth  
Eligibility Letter 136  
July 1, 2005

**TO:** MassHealth Staff

**FROM:** Beth Waldman, Medicaid Director *BW*

**RE:** **Medicare Part D Regulation Changes**

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The Medicare Part D Prescription drug benefit is effective January 2006. Medicare beneficiaries who meet low-income and resource limits are eligible to receive a subsidy, as well as cost-sharing and premium assistance for prescription drugs.

All Medicare beneficiaries who are entitled to Part A and/or enrolled in Part B are eligible to apply for the subsidy. Medicare beneficiaries already dually entitled to Medicare and Medicaid, beneficiaries in a Medicare Savings Program (QMB, SLMB, or QI), and SSI-eligibles are deemed eligible for the subsidy and do not need to apply.

MassHealth will continue to screen for the Medicare Savings Programs and in addition, assist with the completion of the Social Security Administration (SSA) low-income subsidy application for Medicare Part D.

These emergency regulations are effective July 1, 2005.

#### MANUAL UPKEEP

<u>Insert</u>	<u>Remove</u>	<u>Trans. By</u>
501.002	501.002	E.L. 114
501.004	501.004	E.L. 123
515.002	515.002	E.L. 123

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GENERAL POLICIES****Chapter 501  
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**Rev. 07/01/05****501.002: Introduction to MassHealth**

(A) The MassHealth agency is responsible for the administration and delivery of health-care services to eligible low- and moderate-income individuals, couples, and families under MassHealth.

(B) 130 CMR 501.000 through 508.000 (referred to as Volume I) provide the MassHealth requirements for children, families, disabled persons, persons who are HIV positive, women with breast or cervical cancer, and certain individuals or couples who are under age 65 and not institutionalized. These requirements are prescribed under an 1115 Medicaid Research and Demonstration Waiver approved by the U.S. Department of Health and Human Services on April 24, 1995, and authorized by Chapter 203 of the Massachusetts Acts and Resolves of 1996: An Act Providing Improved Access to Health Care; and under Title XXI of the Social Security Act and authorized by Chapter 170 of the Massachusetts Acts and Resolves of 1997: An Act Expanding Access and Quality Health Care for Working Families, Children, and Senior Citizens in the Commonwealth.

(C) 130 CMR 515.000 through 522.000 (referred to as Volume II) provide the MassHealth requirements for persons who are institutionalized, aged 65 or older, or who would be institutionalized without community-based services as defined by Title XIX of the Social Security Act.

(D) The MassHealth agency will determine eligibility for low-income subsidies under Medicare Part D, as set forth in the Medicare Prescription Drug and Improvement and Modernization Act of 2003 and as described in federal regulations at 20 CFR Part 418.

**501.003: MassHealth Coverage Types**

(A) The MassHealth agency provides access to health care by determining eligibility for the coverage type that provides the most comprehensive benefits for an individual or family who may be eligible.

(B) MassHealth offers several coverage types: Standard, Prenatal, CommonHealth, Family Assistance, Basic, Essential, and Limited. The coverage type for which a person is eligible is determined based on the individual's income and circumstances, as described in 130 CMR 503.000 through 505.000.

(C) The MassHealth agency may limit the number of people who can be enrolled in MassHealth CommonHealth, MassHealth Family Assistance, and MassHealth Essential. When the MassHealth agency imposes such a limit, no new adult applicants (aged 19 or older) subject to these limitations will be added to these coverage types, and current adult members in these coverage types who have lost eligibility for more than 30 days for any reason will not be allowed to reenroll until the MassHealth agency is able to reopen enrollment for adults in these coverage types. Excluded from these limitations are parents receiving benefits under 130 CMR 505.005(C).

(D) Applicants who cannot be enrolled under MassHealth CommonHealth, MassHealth Family Assistance, or MassHealth Essential, pursuant to 130 CMR 501.003(C), will be placed on a waiting list when their eligibility has been determined. When the MassHealth agency is able to open enrollment for adult applicants, the applications will be processed in the order they were placed on the waiting list.

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**Rev. 07/01/05**

- (E) (1) Medical coverage for MassHealth CommonHealth for persons who are enrolled from a waiting list will begin on the date that the application or new determination is processed from the waiting list.
- (2) (a) Family Assistance Premium Assistance payments for persons enrolled from the waiting list will begin in the month that the application or new determination is processed from the waiting list, or in the month that the health insurance deduction begins, whichever is later.
- (b) Medical coverage for Family Assistance Purchase of Medical Benefits for persons who are enrolled from a waiting list will begin on the date that the application or new determination is processed from the waiting list.
- (3) (a) Essential Premium Assistance payments for persons enrolled from the waiting list will begin in the calendar month following verification of the member's health insurance information. Coverage before enrollment for MassHealth Essential members who are aliens with special status is described in 130 CMR 505.007(E).
- (b) Medical coverage for Essential Purchase of Medical Benefits for persons enrolled from a waiting list will begin on the date specified in MassHealth's notice of enrollment in the MassHealth Primary Care Clinician (PCC) Plan. There is no coverage for Essential members before the member's effective enrollment date, except as described in 130 CMR 505.007(E) for aliens with special status eligible for MassHealth Essential with MassHealth Limited.

**501.004: Administration of MassHealth**

(A) MassHealth. MassHealth formulates requirements and determines eligibility for all MassHealth coverage types.

(B) Other Agencies.

(1) Department of Transitional Assistance (DTA).

- (a) The Department of Transitional Assistance administers the Transitional Aid to Families with Dependent Children (TAFDC) Program. Persons who meet the requirements of section 1931 of Title XIX (42 U.S.C. § 1396u-1) are automatically eligible for MassHealth Standard coverage.

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515.002: Introduction to MassHealth

(A) The MassHealth agency administers and is responsible for the delivery of health-care services to MassHealth members.

(B) 130 CMR 515.000 through 522.000 (referred to as Volume II) provide the requirements for noninstitutionalized persons aged 65 or older, institutionalized persons of any age, persons who would be institutionalized without community-based services, as defined by Title XIX of the Social Security Act and authorized by M.G.L. c. 118E, and certain Medicare beneficiaries. These regulations are intended to conform to all applicable federal and state laws and will be interpreted accordingly.

(C) The requirements for coverage of noninstitutionalized low- and moderate-income persons under age 65, as prescribed under an 1115 Medicaid Research and Demonstration Waiver, are described in 130 CMR 501.000 through 508.000.

(D) The MassHealth agency will determine eligibility for low-income subsidies under Medicare Part D, as set forth in the Medicare Prescription Drug and Improvement and Modernization Act of 2003 and as described in federal regulations at 20 CFR Part 418.

515.003: MassHealth Coverage Types

(A) The MassHealth agency provides access to health care by determining eligibility for the coverage type that provides the most comprehensive benefits for a person who may be eligible. Generally, members are provided services on a fee-for-service basis as defined at 130 CMR 515.001.

(B) MassHealth offers the following types of coverage: MassHealth Standard, MassHealth Essential, MassHealth Limited, MassHealth Senior Buy-In, and MassHealth Buy-In. The type of coverage for which a person is eligible is based on the person's or the spouse's income and assets, as described in 130 CMR 519.000 and 520.000, and immigration status, as described in 130 CMR 518.000.

(C) The MassHealth agency may limit the number of people who can be enrolled in MassHealth Essential. When the MassHealth agency imposes such a limit, no new applicants aged 65 or older who are subject to these limitations will be added to MassHealth Essential, and current MassHealth Essential members who have lost eligibility for more than 30 days for any reason will not be allowed to reenroll until the MassHealth agency is able to reopen enrollment for adults.

(1) Applicants who cannot be enrolled under MassHealth Essential pursuant to 130 CMR 515.003(C), will be placed on a waiting list when their eligibility has been determined. When the MassHealth agency is able to open enrollment for adult applicants, the applications will be processed in the order they were placed on the waiting list.

(2) Medical coverage for MassHealth Essential for persons enrolled from a waiting list will begin on the date that the application or new determination is processed from the waiting list.