



COMBINED MEDICAID 700 Medically Needy Overview

Supersedes: CMA (07/01/16)

Reference: 42 CFR 435.301, 320, .322, .324, .403, .811, .831, .840, .845; ARM 37.82.101, 37.82, 37.82.1101 - .1111

Overview: Eligibility is determined for medically needy clients who are expected to meet their monthly spend down (either with incurred medical expenses or through a cash option payment to the Department). The spend down is equal to the difference between their 'total countable income' and the appropriate 'medically needy income level (MNIL)'. Medically needy Medicaid coverage is provided to clients who:

1. Meet all Medicaid non-financial requirements for the following programs
 - a. Family;
 - b. Qualified Pregnant Woman;
 - c. Child-Medically Needy;
 - d. Non IV-E Foster Care; or
 - e. Aged, blind or disabled.
2. Have countable resources within the appropriate limits
3. A spend down is established;
4. Meet their spend down obligation by:
 - a. incurring medical expenses equal to their spend down amount;
 - b. making a cash payment to the department; or
 - c. using a combination of incurred medical expenses and cash payment

NOTE: All eligibility criteria must be met for each month of medically needy coverage.

HOUSEHOLD COMPOSITION:

Family Medically Needy: Unless pregnant, the needs of parent(s) or other specified caretaker relatives cannot be included in medically needy coverage. Only children and pregnant women can receive Family Medically Needy coverage.

BENEFIT AUTHORIZATION:

Medically needy Medicaid is authorized/issued after:

1. The client(s) incurs and verifies allowable medical expenses equal to the spend down amount; or
2. The Fiscal Bureau receives a cash option payment in the spend down amount.

Fiscal Bureau staff complete the Medicaid authorization process after they receive the cash option payment.

DATE MEDICAID COVERAGE BEGINS:

Medicaid-covered expenses are paid:

1. Medical Expense Spend Down: from date the spend down obligation is met through month end;
or
2. Cash Option: after s/he pays amount due, for the full month.

Effective Date: March 01, 2017