

**Process for Medicaid Authorization for
Developmental Disability Home and Community-Based Services
Reissued: July 2009**

This notice provides clarification about the process for applying for Medicaid by means of being found eligible for developmental disability home and community-based services¹ (formerly known as the “DS Wavier”).

- I. When a person receives developmental disability home and community-based services and has SSI, the process for obtaining and maintaining Medicaid usually works smoothly. However, when a person receives developmental disability home and community-based services and does not have SSI or no longer is eligible for SSI, the Department for Children and Families (DCF) needs to use a different set of rules to determine the person’s initial or ongoing Medicaid eligibility.
 - A. The developmental disability home and community-based services designation allows DCF to waive the normal financial responsibility rules.
 1. First, it disregards the normal parental and spousal financial responsibility. A person getting developmental disability home and community-based services is considered to be a “household of 1” (whether adult or child), so only that person’s income and resources are used when determining Medicaid eligibility.
 2. Second, it allows for a more generous income limit. The income limit allowed for a “household of 1” for a person getting home and community-based services is currently \$2,022, versus the non-home and community-based services income limit of \$991 (Chittenden County) or \$916 (elsewhere in the state)².
 - B. This designation enrolls people into Medicaid’s fee-for-service insurance plan.
 - C. In all circumstances, a person applying for Medicaid cannot exceed the \$2,000 resource limit allowed in “countable” resources. There are resource exclusions, such as burial funds (up to \$10,000) that may be taken into account to reduce the amount of a person’s “countable” resources.

¹ This information was originally released in memos dated October 2004 and October 2005.

² The income limits are updated as of January 2009.

- II. Approval for developmental disability home and community-based services does not automatically bestow Medicaid eligibility. Unless a person is already a Medicaid recipient, a person must still apply and meet financial eligibility criteria for Medicaid, even if he/she qualifies for Medicaid by virtue of being approved for developmental disabilities home and community-based services.
- A. If it is known that a person is receiving SSI, or one can verify SSI status through the Social Security Administration, the person generally will have Medicaid. If not, verify the person's is receiving Medicaid by contacting the regional DCF Economic Services Division office.
 - B. If a person is not already a Medicaid recipient, and the person is within the income and resource limits, they must apply for Medicaid by submitting the application form (#HC 202 MED) and, if needed, the form for retroactive coverage (#202A) to the person's regional DCF Economic Services Division office.
 - C. If a person has resources that exceed \$2,000, call the person's regional DCF Economic Services Division office and let the Benefit Program Specialist know the person is being considered for developmental disability home and community-based services and ask what the person's options are for becoming eligible for Medicaid (e.g., converting savings into a burial fund). If a person has a trust, DCF will need to see a copy of the trust to verify whether it is a viable special needs trust and therefore not considered to be a countable resource.

When an application for Medicaid has been made for a person who has been approved for developmental disabilities home and community-based services, it is helpful to write on the application "*Developmental Disability Home and Community-based Services approved locally; DDAS authorization pending*". It often takes a month or two (especially at the start of the fiscal year) for a person's name to show up on the DDAS developmental disability home and community-based services spreadsheet once a person has been approved for funding. It is the inclusion of the person on this spreadsheet that triggers notification of a person's developmental disability home and community-based services status to DCF. There is a 90-day retroactive window for Medicaid approval from the time DCF receives a Medicaid application so there is a limited period for retroactive reimbursement back to the start date of developmental disability home and community-based services. This should be taken into account when determining when to send in the Medicaid application.

Lastly, it is imperative that the person or the person's designated authority (e.g., representative payee, guardian, service provider) respond to reviews and requests for information from DCF in a timely manner. If a person does not have SSI or is terminated from developmental disability home and community-based services, DCF will re-determine a person's Medicaid eligibility using the most current information DCF or the Social Security Administration has on record.

If you have questions about this, please contact:

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