



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

P.O. Box 712
Trenton, NJ 08625-0712

CHRIS CHRISTIE
Governor

JENNIFER VELEZ
Commissioner

KIM GUADAGNO
Lt. Governor

VALERIE HARR
Director

MEDICAID COMMUNICATION NO. 11-06

DATE: June 8, 2011

TO: County Welfare Agency Directors
Division of Medical Assistance and Health Services Staff
County Welfare Agency Medicaid Supervisors

SUBJECT: Processing Post Eligibility Treatment of Income for Pre-Eligibility Medical Expense (PEME) Cases

BACKGROUND: As discussed in Medicaid Communication 10-07, Post Eligibility Treatment of Income for Pre-Eligibility Medical Expenses is an allowable deduction from the PR-1 (Statement of Available Income for Medicaid Payment) for those necessary medical expenses recognized by State law that occurred in the three months prior to the date of Medicaid eligibility. These income adjustments are limited to the established Medicaid rates at the time those medical services were rendered. These pre-Medical expenses must be first submitted to all third parties for payment of these medical services, such as but not limited to, other health insurance, including Medicare, prepayment health plans, worker's compensation, and auto insurance. If the person has incurred a penalty due to a transfer of resources, no PEME deduction will be allowed.

Operations: Once a PEME is requested, the requestor must provide information in order to calculate this deduction on the Pre-Eligibility Medical Expense (PEME) form. See attached. The requestor must provide the Medicaid recipient's name and Medicaid number, Medicaid eligibility effective date, as well as the facility name.

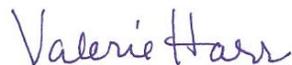
The facility must provide the dates of service, Medicaid rate for the room and board (rates differ for bed hold days), and amount of third party reimbursements for these services, as well as the total monthly income and/or payments the resident turned over to the facility for these medical services. The amount of PEME requested for room and board will be calculated as follows: date(s) of the service multiplied by Medicaid room and board rates minus third party reimbursements minus income and/or payments would yield the amount of PEME requested for room and board. If the requestor has additional medical charges they must provide the Medicaid rate for each medical charge requested as well as proof of any third party

reimbursements. This should be completed for each month of PEME requested, up to three months. The requestor must also provide documentation to verify which if any services were covered by other third party insurance claims. Once the County Welfare Agency case worker has determined the total amount of PEME, the available income, which is the net income after all other allowable deductions are made, is deducted from the PR-1. The worker must project this amount over the number of months needed to satisfy the PEME amount and adjust the PR-1 accordingly. However, in the course of evaluating Post Eligibly Treatment of Income, if all of the institutionalized spouse's income has been diverted to the community spouse, PEME does not exist. These instructions are to be applied only to NJ Care and Medicaid Only cases. There will be a future Medicaid Communication issued for PEME in regards to Medically Needy cases.

For PEME requests where Medicaid eligibility was established prior to January 1, 2010, these cases must be referred to your field staff representative.

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Eligibility Policy field service staff for your agency at 609-588-2556.

Sincerely,



Valerie Harr
Director

Attachment

c: Jennifer Velez, Commissioner
Department of Human Services

Kevin Martone, Deputy Commissioner
Department of Human Services

Joseph Amoroso, Director
Division of Disability Services

Jeanette Page-Hawkins, Director
Division of Family Development

Dawn Apgar, Deputy Commissioner
Division of Developmental Disabilities

Allison Blake, Commissioner
Department of Children and Families

Mary E. O'Dowd, Acting Commissioner
Kathleen M. Mason, Assistant Commissioner
Department of Health and Senior Services

POST ELIGIBILITY MEDICAL EXPENSE (PEME) REQUEST

PEME Approval is limited to 3 months prior to the month Medicaid eligibility is effective.

Please complete your request for each month

Nursing Facility _____

Resident Name _____

Medicaid case # _____

Medicaid Eligibility Approval Effective Date: _____

Month 1-

Dates of Service _____

Medicaid daily rate for room and board for above dates of service:

\$ _____

Total amount of other insurance /long term care policy reimbursements received for these dates of service. \$ _____

Total monthly income and/or payments received from Family/Resident during PEME period. \$ _____

Total room and board amount requested for PEME dates of service \$ _____

(Dates of service times Medicaid daily R & B rate minus TPL received minus income from resident = PEME amount)

If additional charges are requested for PEME dates of service \$ _____

(Provide all documentation/statements as verification)

(See attached itemized statement which shall include Medicaid rate after TPL payment)

Total PEME Amount Requested \$ _____

Month 2-

Dates of Service _____

Medicaid daily rate for room and board for above dates of service:
\$ _____

Total amount of other insurance /long term care policy reimbursements received for these dates of service \$ _____

Total monthly income and/or payments received from Family/Resident during PEME period. \$ _____

Total room and board amount requested for PEME dates of service \$ _____
(Dates of service times Medicaid daily R & B rate minus TPL received minus income from resident = PEME amount)

If additional charges are requested for PEME dates of service \$ _____
(Provide all documentation/statements as verification)
(See attached itemized statement which shall include Medicaid rate after TPL payment)

Total PEME Amount Requested \$ _____

Month 3-

Dates of Service _____

Medicaid daily rate for room and board for above dates of service:
\$ _____

Total amount of other insurance /long term care policy reimbursements received for these dates of service \$ _____

Total monthly income and/or payments received from Family/Resident during PEME period. \$ _____

Total room and board amount requested for PEME dates of service \$ _____
(Dates of service times Medicaid daily R & B rate minus TPL received minus income from resident = PEME amount)

If additional charges are requested for PEME dates of service \$ _____
(Provide all documentation/statements as verification)
(See attached itemized statement which shall include Medicaid rate after TPL payment)

Total PEME Amount Requested \$ _____

Other 3rd Party Insurance Reimbursement Information:

Reason dates of service were not covered by other Third Party Insurance
(i.e.: Medicare, Managed Care, Commercial Ins. Long Term Care Policy)

Not eligible, did not meet criteria to be billed (see attached documentation)

Benefits exhausted (see attached documentation)

Denied Claim by third party insurance (see attached documentation/denial).

Documents submitted by: _____ Date: _____
(Nursing Facility Representative)

Nursing Facility Contact phone number: _____

PEME Request authorized by: _____ Date: _____
(signature of Resident, applicant or representative)