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 | ADMINISTRATIVE DIRECTIVE |  
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TRANSMITTAL: 97 ADM-12

TO: Commissioners of  
 Social Services

DIVISION: Temporary  
 Assistance

DATE: May 27, 1997

SUBJECT: Public Assistance and Medicaid for Aliens Losing SSI Benefits

SUGGESTED

DISTRIBUTION: | Income Maintenance Directors  
 | FS Directors  
 | MA Directors  
 | Staff Development Coordinators

CONTACT

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ATTACHMENTS:

FILING REFERENCES

Previous ADMs/INFs	Releases Cancelled	Dept. Regs.	Soc. Serv. Law & Other Legal Ref.	Manual Ref.	Misc. Ref.
97 ADM-8		351.8	**Emer	PASB	
93 ADM-33			Fund Bill**	IV-F-1	

I. PURPOSE

This directive advises social services districts of provisions and requirements included in emergency state funding legislation with regard to processing of applications for public assistance (PA) for aliens who are or will be terminated from Supplemental Security Income (SSI) as a result of implementation of federal Welfare Reform.

II. BACKGROUND

Under the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), many aliens currently in the United States and receiving SSI will have their SSI terminated as of August 22, 1997. Notification of this termination has been sent by the Social Security Administration (SSA) to affected aliens by way of a Notice of Suspension of SSI Benefits. The aliens affected by the emergency New York State legislation are those notified by SSA that they will lose their SSI eligibility solely by reason of failure to meet citizenship and/or alien requirements imposed under PRWORA.

III. PROGRAM IMPLICATIONS

The intent of this emergency legislation is to enable aliens currently receiving SSI to transition to PA without interruption in benefits, while enabling districts to spread the workload of processing applications over the entire period of time during which the alien remains on SSI. Accordingly, the legislation permits districts to process applications for assistance for such persons while they are still receiving SSI, with eligibility for PA effective on the first day of the month after SSI terminates.

IV. REQUIRED ACTION

The actions described in this directive should be applied whenever an alien applying for public assistance provides notice from SSA that they are being suspended from SSI solely by reason of failure to meet citizenship and/or alien requirements of PRWORA.

A. PA Application Made BEFORE Termination of SSI

If application for public assistance is made before SSI terminates, eligibility for PA benefits must be effective on the first day of the calendar month succeeding their last month of SSI coverage, without a 45-day waiting period.

The specified conditions are:

- the alien must apply for PA; and
- the individual must meet the eligibility requirements for ADC or HR, as applicable.

When these conditions are met, the local district should not find the alien ineligible by reason of receipt of SSI income. Instead, it should process the application without regard to the SSI income, but should not issue its determination on the application until after SSI has terminated.

An alien who applies for PA prior to termination from SSI, if determined eligible for PA, will be entitled to receive PA effective the first day of the month immediately succeeding the month in which the last SSI benefit was received.

B. PA Application Made AFTER Termination of SSI

For applications for PA made after the last month of the alien's SSI coverage, the local district should determine eligibility and commence payments effective as of the date eligibility is determined, without a waiting period for issuance of benefits.

C. PA Applicant Living With a Family Already Receiving PA

When an alien losing SSI benefits lives with members of his/her family who are in receipt of PA and the alien would be a member of the PA case except for the receipt of SSI benefits, filing unit rules require that the alien be included as a member of the household effective as of the day following termination of SSI coverage. The household budget must be adjusted to include this additional individual in the case.

D. Medicaid Eligibility

As required by the U.S. District Court decision in Stenson, et al v. Blum, when an SSI recipient loses eligibility for SSI payments, the individual remains eligible for Medicaid until an ex parte redetermination of Medicaid eligibility is made. Ex parte redetermination means that, whenever possible, the redetermination is made by the district without the involvement of the individual. Thus, an ex parte redetermination is based to the maximum extent possible on information contained in the individual's Medicaid file, including information available through State Data Exchange (SDX) or Bendex, that the district believes is accurate.

The Health Care Financing Administration (HCFA) has clarified that states are not cited for Medicaid Eligibility Quality Control (MEQC) errors when the eligibility decision is based on current but inaccurate information received from any primary source Federal agency using automated computer matching. This includes information obtained from the Social Security Administration through the SDX.

Individuals losing eligibility for SSI payments solely by reason of their alien status, will remain eligible for Medicaid under current State statute. Thus, alien status is the only factor of eligibility which the district must investigate for the purpose of determining appropriate federal reimbursement. In addition, if at the time of the district's review, the individual is in receipt of Medicaid through a Public Assistance case, an ex parte redetermination is not required.

Note: The emergency funding bill authorizing these procedures expires June 20, 1997; thus, the application, determination and eligibility procedures for any payments scheduled for issuance subsequent to this date are subject to continuing legislation being enacted. Eligibility determinations should be made on a timely basis in anticipation of extension of this legislation.

#### EXAMPLES

1. Mr. Smis, a single 68 year old refugee has been legally in this country for 12 years and has been receiving SSI since becoming 65 years of age. He receives notice from the Social Security Administration(SSA) in May, 1997 that his SSI will be terminated effective August 31, 1997. On June 18, 1997 he applies for PA benefits at the local district. When should the district process the application and initiate PA payments?

The local district must process the application in time for Mr. Smis's payments, if found eligible, to commence on the first day of September. The eligibility and benefit determination should be made in accordance with Home Relief eligibility and payment standards; e.g., if Mr. Smis is living alone in his own apartment, HR will be limited to benefits for a single person household (not at the SSI Live-alone rate). Payments should begin September 1, 1997. Note, the agency is responsible for verifying that Mr. Smis's SSI benefits actually ended in August.

2. Using the above scenario, but changing the date Mr. Smis applies for PA to August 27, 1997. When does eligibility have to be established and what grant(s) is Mr. Smis eligible to receive?

The local district must determine the eligibility and if found eligible, issue payments, retroactively if necessary, effective the first of September, with on-going monthly payments thereafter.

3. What would be the effect if Mr. Smis failed to apply and to notify the district of the discontinuance of SSI until September 13, 1997 (after the fact)?

In this situation the eligibility determination would have to be made with payments to be effective as of the day

eligibility is determined. There should not be a waiting period before issuance of benefits.

4. Mrs. Mims is a qualified alien receiving SSI disability payments who has been in this country living with her husband and child who are in receipt of ADC. She notifies the local district that she will be suspended from SSI as of the end of August. What action must the local district take?

Mrs. Mims must be considered to be a member of the ADC household as of September 1, 1997, regardless of when she applies for PA. The agency must determine the case eligibility documenting what, if any, additional income or resources are available as a result of Mrs. Mims's inclusion in the budget and recalculate the budget for a family of three. Adjustments must be made to compensate for any under- or overpayments.

V. FOOD STAMP IMPLICATIONS

The same rules are used in both the SSI and food stamp programs to determine the eligibility of non-citizens based on alien status. Therefore, if a non-citizen loses eligibility for SSI solely by reason of alien status, that person is also ineligible for food stamps.

VI. SYSTEMS IMPLICATIONS

A. PUBLIC ASSISTANCE - UPSTATE

When opening a PG-ADC or HR case for aliens losing their SSI benefits, state/federal charge code "41" must be entered. This code, currently identified as "SAW", is being redefined as "Federally Non-Participating Alien".

B. MEDICAL ASSISTANCE - UPSTATE

Under existing SDX/Stenson case processing, individuals who are terminated from SSI have their Medicaid automatically continued as Case Type 20. This allows a period of time for the district to perform a separate determination of Medicaid eligibility.

When a Public Assistance case is opened (or the individual is added to an existing Public Assistance case), after the Case Type 20 has been established, the Case Type 20 will be "Force-Closed" via the usual process, and no further action is required on the part of the Medicaid staff.

In the event the Public Assistance case is established before the Case Type 22 is converted to a Case Type 20, the Case Type 22 is not always "Force-Closed" under existing procedures.

When the Medicaid case is not "Force-Closed," the district is alerted to the individual's involvement in multiple cases through the WINR 4139. Districts should follow local procedures in this instance.

For those individuals who do not apply for Public Assistance or are found ineligible, districts may wish to stagger their redeterminations over a period of time in order to ease their workload.

Aliens whose status does not meet the criteria listed in 97 ADM-8 must be coded in WMS using a State/Federal Charge Code of 41 on Screen 3. Further information about new/revised coding in WMS in regard to alien status is forthcoming.

C. Downstate

Systems implications for New York City will be provided under separate cover.

VII. EFFECTIVE DATE

The effective date of this ADM is May 30, 1997.

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Patricia A. Stevens  
Deputy Commissioner  
Division of Temporary Assistance