



**A Study Of The Delays
In The Receipt Of Medicaid Cards
By Patients Discharged
From Mental Hygiene Facilities**

July, 1980

**A REPORT BY THE NEW YORK STATE COMMISSION
ON QUALITY OF CARE FOR THE MENTALLY DISABLED**

Clarence J. Sundram, *Chairman*

Mildred B. Shapiro

I. Joseph Harris

Commissioners

The Commission wishes to acknowledge the efforts of Thomas Harmon, formerly a Program Analyst and now Assistant Director of the Quality Assurance Bureau, in the preparation of this report.

EXECUTIVE SUMMARY

Medicaid eligible individuals released from State psychiatric and developmental centers have experienced lengthy delays in the receipt of Medicaid cards which adversely affect their access to needed services in the community and, at the same time, inappropriately reduce federal financial participation in the cost of these services. This Commission initiated a study of the Medicaid card issuance process to determine the causes and effects of such delays. This report reflects conditions found to exist from 1976 through early 1979 -- the period in which the sample population experienced delays in the receipt of Medicaid cards.

Summary of Findings

The following findings are based on extensive interviews with officials of the various Federal, State and local agencies involved in the process of furnishing Medicaid coverage for deinstitutionalized mentally disabled individuals; a review of appropriate Federal and State laws, regulations and procedures; and an investigation of 113 sample cases of individuals released from Department of Mental Hygiene institutions.

1. Many clients released from State psychiatric and developmental centers experienced delays in the receipt of Medicaid cards ranging from one to three months from the time of discharge. Some individuals experienced delays of up to one year (Report, p. 9).

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2. There are major systemic problems which delay the issuance of Medicaid cards (Report, pp. 10-17).
 - A) The Office of Mental Health (OMH) and the Office of Mental Retardation and Developmental Disabilities (OMRDD) did not take advantage of existing opportunities to file applications for Public and Medical Assistance prior to an individual's release from their institutions.
 - B) The determination of Supplemental Security Income (SSI) eligibility, which is the category of Public Assistance which generates Medicaid coverage for a majority of individuals released from psychiatric and developmental centers, is a lengthy process contributing to the delayed issuance of Medicaid cards. Moreover, difficulty in properly documenting an individual's disability for the purpose of generating Public and Medical Assistance benefits further delays the determination of eligibility and the issuance of a Medicaid card.
3. The delays associated with initiating applications for Public and Medical Assistance, and subsequent delays in the receipt of Medicaid cards, result in a significant loss of Federal reimbursement, unnecessary State expense and considerable hardship for deinstitutionalized individuals and health care providers (Report, pp. 18-26).
 - A) Because psychiatric and developmental centers often did not take advantage of existing procedures which allow for filing of applications for

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assistance prior to an individual's release, the State loses Federal SSI reimbursement and is forced to advance payments to providers caring for released individuals in the State's Family Care Program. The advance payment of these funds presents a recovery problem.

- B) The absence of Medicaid cards for released individuals results in the loss of Federal financial participation in the cost of medical care and in unnecessary State expense.
- C) In the absence of Medicaid cards for deinstitutionalized mentally disabled individuals, the parties responsible for their care expend considerable time and effort in securing necessary medical services.
- D) The discharged individuals themselves experience considerable hardship in the absence of a Medicaid card, often traveling back to the institutions for medical care, or sometimes paying for Medicaid reimbursable services with their own limited personal funds.
- E) Finally, health care providers willing to provide medical care to individuals awaiting the receipt of a Medicaid care suffer the inconvenience of delayed remuneration.

4. The delayed issuance of Medicaid cards is symptomatic of the lack of coordination among the agencies involved. The absence of administrative coordination and control to ensure that the process actually works was evidenced in:
 - A) Eligible individuals never receiving Medicaid cards due to differing interpretations among State agencies of responsibility for furnishing Medicaid coverage.
 - B) Individuals receiving wrong Medicaid cards which resulted in local social services districts bearing undue expenses.
 - C) Individuals receiving State-issued Medicaid cards which were not accepted by many health providers in the local jurisdictions (Report, pp. 27-34).

Recommendations

The Commission, noting that the process of furnishing Medical Assistance to deinstitutionalized individuals is dependent upon a labyrinth of Federal, State and local agency procedures, believes that the timely issuance of Medicaid cards can be accomplished only by creating administrative controls to ensure effective coordination among the agencies, and recommends that:

1. Medicaid cards be issued to eligible individuals on the day of their release from State psychiatric and developmental centers. To this end, it is recommended that the OMH, OMRDD, Social Security Administration (SSA),

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New York State Department of Social Services (NYSDSS), and local social services districts establish written agreements and procedures ensuring that:

- A) Applications for assistance be submitted and processed prior to any individual's release from a psychiatric or developmental center;
- B) Application packages for Public Assistance be initiated by OMH and OMRDD facilities at the time that individuals are first identified as possible candidates for community placement;
- C) Completed application packages be submitted by Resource Agents at least 30 days prior to release;
- D) Resource Agents be designated as the first and last steps of the Medicaid card issuance process -- initiating the process by submitting applications prior to release and ending the process by handing individuals, on the day of their release, Medicaid cards issued by the appropriate jurisdiction upon determination of the client's eligibility.
- E) In light of the inherently lengthy Supplemental Security Income (SSI) eligibility determination process, clients be issued Medicaid cards on the basis of their eligibility for Home Relief or Medicaid only, pending the determination and transmission of SSI eligibility and the generation of a Medicaid card on that basis.

2. To ensure that Medicaid eligible family care clients receive Medicaid cards and that these cards have been issued by the New York State Department of Social Services, it is recommended that:
 - A) Family care placement staff determine if clients have received Medicaid cards;
 - B) Family care placement staff, in coordination with Resource Agents, determine if the Medicaid card received by each client was in fact issued by the appropriate jurisdiction and duly report any errors;
 - C) Family care placement staff report to Resource Agents instances in which seemingly eligible individuals did not receive Medicaid cards.

3. An organized campaign be initiated to recruit health care providers willing to accept State-issued Medicaid cards. OMH and OMRDD should have as their objectives:
 - A) The pooling of information regarding health care providers within geographic areas known to accept State-issued Medicaid cards;
 - B) The identification of geographic areas where there are concentrations of family care clients, but an inadequate number of providers willing to accept State-issued Medicaid cards;
 - C) The identification of categories of health care providers (i.e., dentists, internists, gynecologists, etc.) needed within underserved areas; and

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- D) The delegation of responsibility for recruitment activities to develop the pool of available health care resources within geographic areas.
4. Training sessions be initiated for appropriate institutional staff routinely involved in the process of documenting individuals' disabilities for public assistance purposes, so that errors in this initial stage of generating Medicaid coverage might be reduced.
5. The jurisdictional responsibility for furnishing Medical Assistance to individuals released to State-operated community residences be clarified by the NYSDSS.

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In accordance with the Commission's policy of inviting the review and comments of agencies affected by Commission studies, this report was issued in draft form in January 1980 to the OMRDD, the OMH, NYSDSS and the Division of the Budget. The responses of these agencies (appended to the text in Appendix J and summarized in Chapter V) indicate that considerable progress has been made recently toward the more timely issuance of Medicaid cards to individuals released from Mental Hygiene facilities and that this progress is attributable to two factors: the enactment of Chapter 277 of the Laws of 1979 and the implementation of the Medicaid and Welfare Management Information Systems (MMIS and WMIS).

With the enactment of Chapter 277, NYSDSS assumed responsibility for the determination of public assistance

eligibility for individuals who are 621 eligible.* Such a shift in responsibility for determining eligibility from the local to the State level better enabled the two State agencies, the Department of Social Services and the Department of Mental Hygiene, to cooperatively implement a system for the timely issuance of Medicaid cards.

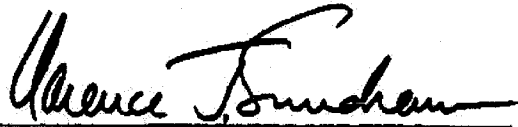
This realignment of responsibility coupled with the emergence of the Medicaid and Welfare Management Information Systems, which allow for the expedient exchange of eligibility data, has created a framework in which eligible individuals can receive their Medicaid cards on the day of their release; such a system was implemented in the New York City area in January 1980.

While considerable progress has been made toward the timely issuance of Medicaid cards, the cooperative endeavors of the various State agencies, although laudable, do not offer a comprehensive resolution to the problems identified in the report. Firstly, the implementation of Chapter 277 benefits only those individuals who are 621 eligible -- a significant number of individuals in OMH facilities are not 621 eligible. Secondly, MMIS and WMIS will not be operational Statewide for at least two years. Additionally, the success of the endeavors of the Department of Mental Hygiene and the Department of Social Services is contingent upon the appropriation of funds to purchase and install the necessary computer terminals at OMH and OMRDD facilities in order to access eligibility information.

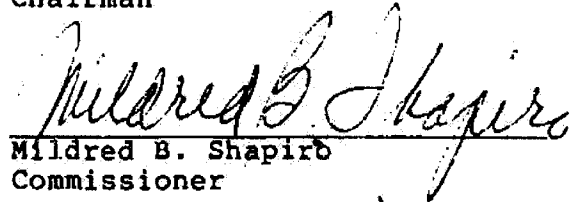
*621 eligible refers to those individuals who meet the criteria established by Chapter 621 of the Laws of 1974. This amendment to Social Services Law required that local Social Services districts be reimbursed 100 percent for services rendered to individuals released from mental hygiene facilities after inpatient stays of five or more consecutive years.

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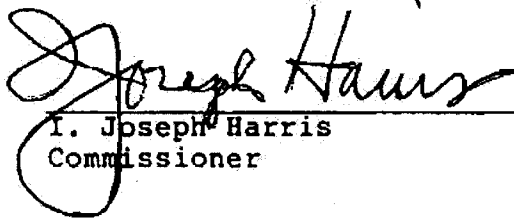
As such, in April 1980, at the direction of the Governor's Office, an interagency task force, consisting of representatives from OMH, the OMRDD, NYSDSS, the Division of the Budget and the Commission on Quality of Care, was created to address the problems identified in the report and to explore avenues for the comprehensive resolution of such problems and for the implementation of the Commission's recommendations.



Clarence J. Sundram
Chairman



Mildred B. Shapiro
Commissioner



I. Joseph Harris
Commissioner

Chapter I

INTRODUCTION

1. Purpose

Last year over 26,000 people were released from facilities operated by the New York State Department of Mental Hygiene (DMH) (Office of Mental Health (OMH) and Office of Mental Retardation and Developmental Disabilities (OMRDD)). Many of these individuals were eligible for Medical Assistance (Medicaid) while they were inpatients.¹ In fact, Medicaid funded their inpatient treatment. Others not eligible for Medicaid while they were inpatients, due to certain restrictions in Federal law on Medicaid coverage for inpatient psychiatric care, became Medicaid eligible upon discharge.

Despite their eligibility, few of these individuals were in possession of a Medicaid card upon release. In fact, based on reports received by this Commission, many eligible individuals experienced delays in the receipt of Medicaid cards ranging from two to twelve months from the date of discharge.

Concerned with the impact such delays might have on discharged mentally disabled individuals' access to health care services and on the financing of their health care needs, the Commission on Quality of Care for the Mentally Disabled initiated this study in order to:

- ° Verify that significant delays in the issuance of Medicaid cards to discharged patients is a widespread phenomenon;

- Identify significant factors impeding the timely issuance of Medicaid cards;
- Determine the financial ramifications as well as the burdens placed on deinstitutionalized individuals and health care providers resulting from a delayed issuance of Medicaid cards; and
- Formulate recommendations for corrective action.

2. Methodology

The findings and recommendations posited in this study are based on a review of the appropriate Federal and State laws, regulations, policies and procedures; numerous interviews with senior representatives of the Social Security Administration, Regional and District Offices, the New York State Department of Social Services (NYSDSS), and the OMH and OMRDD Central Offices and facilities; and a review of sample cases.

Sample Cases

The cases of 113 individuals released from psychiatric and developmental centers in the New York City and upstate regions to family care homes or community residences were selected for study to determine trends and problems associated with the process of Medicaid card issuance.² Family care and community residence placements were specifically chosen for study for the following reasons:

- i. Placements into family care and community residences, as illustrated in Appendix B, represent the two largest categories of placement activity, excluding releases to one's own home, family or relatives.
- ii. These two categories of placement activity reflect the two different realms of responsibility for the issuance of Medicaid cards; the State for family care and the locality for community residences.

Sixty-two individuals comprised the sample representing family care placements. Originally 100 individuals placed in family care during 1978 were randomly selected for study. However, 38 cases had to be eliminated from the review because the 1978 placement date was not the original placement into family care and:

- i. The individual's family care placement history was so complex that determining which Medicaid card was issued for a particular stay in family care was impossible; or
- ii. The original placement into family care was prior to 1976. This cutoff point was arbitrarily selected for the purpose of convenience in retrieving any necessary records or data.

The sample representing community residence placements consisted of 51 individuals who were discharged to community residences operated by eight voluntary agencies during the period ranging from late 1977 to early 1979.

A breakdown of the sample cases, by discharging institution and type of placement, is offered in Appendix C.

3. Organization of Report

The findings of this study are prefaced by a chapter which presents an overview of the Medicaid system. This general discussion of the process of securing Medicaid cards for deinstitutionalized mentally disabled individuals offers a background for the findings and recommendations presented in the following chapters.

The findings themselves are discussed in three chapters. "The Delays" presents a discussion of the major factors which contribute to the delayed issuance of Medicaid cards. "The Impact" discusses the financial effects of the delays and the burdens placed on clients and health care providers alike. The chapter entitled "The Confusion" addresses some major problems emanating from the Medicaid card issuance system which presently exists.

In the final chapter of the report, the Commission concludes the study with recommendations for corrective actions.

Chapter II

THE PROCESS: AN OVERVIEW

The issuance of a Medicaid card to an individual released from an OMH or OMRDD facility is a process affected by the category of assistance for which the individual is eligible and by the jurisdiction responsible for furnishing Medical Assistance.

1. Eligibility

Social Services Law section 366.1 describes the conditions under which a person is entitled to Medical Assistance. Generally, a person is eligible for Medicaid in either of two ways.

In the first case, a person is eligible to receive Public Assistance. The major categories of Public Assistance are:

- ° Supplemental Security Income (SSI). This is a federally administered program which grants cash assistance to needy aged, blind and disabled individuals. The size of the grant is dependent upon the individual's living arrangement and the size of the State supplement.
- ° Aid to Dependent Children (ADC). This is a locally administered program which has Federal financial participation and which provides assistance to needy households with dependent children.
- ° Home Relief (HR). This locally administered category of assistance provides cash grants to needy individuals who do not meet the eligibility requirements of a category of assistance that is federally administered or has Federal financial participation.

A person, however, may be eligible for Medicaid even if he or she is not eligible for Public Assistance. Such cases are usually referred to as "Medical Assistance Only (MA Only)" or "Medicaid Only." To be eligible for Medicaid Only, a person must meet certain income requirements, slightly higher than those of SSI and ADC. The person must also meet certain criteria regarding place of residence, public institutional care, transfer of property and:

- ° be under 21 or over 64 years of age, or
- ° with certain contingencies, be the spouse of a Public Assistance recipient, or
- ° for reasons other than income or resources, be eligible for ADC, Federal SSI benefits and/or additional State payments.

Although there are no statistics available which indicate on a comprehensive statewide basis the number of clients released from OMH or OMRDD facilities who receive Medicaid on the basis of their eligibility (i.e. SSI, ADC, HR or Medicaid Only), there are indicators that SSI eligibility is a major avenue for securing Medicaid coverage for such discharged individuals.

Representatives of OMH and OMRDD estimate that of the total number of clients residing in community residences certified by these Offices, 80 to 90 percent, respectively, are in receipt of SSI. Statistics show that approximately 85 percent of the clients in family care homes certified by OMH, and 92 percent of those in OMRDD family care homes, are in receipt of SSI.³

SSI is intended to ensure, through the provision of Federal dollars, a uniform level of income for the needy aged, blind or disabled persons throughout the nation. Eligibility for SSI, which is determined at the Federal level, serves in this State as a concomitant determination of Medicaid eligibility.⁴ Notification of SSI eligibility is transmitted to states through the State Data Exchange (SDX), an electronic information sharing device which records and transmits data regarding SSI eligibility.

2. Responsibility for Furnishing Medical Assistance

For the purpose of administering the Public Assistance and Medicaid programs, section 61 of the Social Services Law divides the State into 58 county and city public welfare districts, referred to in this report as local social services districts. As designated in section 365 of the Social Services Law, each local social services district is responsible for providing Medicaid coverage for eligible individuals within its geographic jurisdiction, except in cases where an individual is the responsibility of another social services district, or the responsibility of the NYSDSS.

The NYSDSS is responsible for administering the Medical Assistance program on behalf of eligible individuals residing in OMH and OMRDD facilities⁵ as well as eligible individuals who are conditionally released from such facilities to family care.⁶

Recently, with the enactment and approval of Chapter 277 of the Laws of 1979, the Social Services Law was amended to expand NYSDSS's responsibility to also include determining eligibility and providing Medical Assistance on

behalf of individuals meeting the criteria of Chapter 621 of the Laws of 1974. Chapter 621 mandated the NYSDSS to reimburse local social services districts 100 percent for the cost of Public Assistance and care rendered to individuals who are released from State psychiatric and developmental centers after five or more continuous years of inpatient treatment. With the enactment of Chapter 277 of the Laws of 1979, which broadened the responsibility of NYSDSS to include furnishing Medicaid coverage for "621 eligible" clients, the process of Medicaid care issuance will be altered. In fact, section 4 of Chapter 277 requires that NYSDSS and DMH jointly prepare and submit a report to the Governor and the Legislature, by March 1, 1980, on the implementation of Chapter 277's provisions and the measures which will be undertaken to assure the timely issuance of Medicaid cards.

It should be noted, however, that this study's sample consisted of individuals released from State psychiatric and developmental centers prior to the enactment of Chapter 277 and, as such, the jurisdictional responsibility for furnishing their Medical Assistance was not affected by their 621 eligibility.

Chapter III

THE DELAYS

The review of 62 family care placements verified the fact that individuals released from OMH and OMRDD facilities experience delays in the receipt of Medicaid cards ranging from one to 12 months. As illustrated in the table below, two-thirds of the 48 family care clients who received Medicaid cards* received them within three months after the month of release; others experienced delays of up to 12 months or longer.

Analysis of Months Lapsed From Time of Family Care Placement Until Receipt of a Medicaid Card

Months Lapsed Since Placement	Number of Cases	Percentage of Total Cases
One to three months	32	66.6%
Four to eight months	10	20.8%
Nine to twelve months	5	10.5%
Over twelve months	1	2.1%
Total	48	100.0%

A number of factors contributed to the delayed issuance of Medicaid cards. In isolated cases, human error played a role. For example, Valarie Dobbs and Esther Frank** did not receive Medicaid cards for over six months. In Ms. Dobbs'

*Fourteen individuals did not receive NYSDSS Medicaid cards. This problem is discussed in Chapter V.

**All names in this report have been changed to protect the confidentiality of the individuals in the study's sample.

case a mis-coded Social Security number caused the delay; in Ms. Frank's case the application for SSI was lost in the mail. Compounding the problem of instances of human error, however, are major systemic problems which delay the issuance of Medicaid cards to most eligible individuals released from OMH and OMRDD facilities. These problems include:

- ° Delays inherent in the SSI determination process;
- ° Difficulty in documenting an individual's disability; and
- ° Delays in filing applications for assistance.

1. The Lengthy SSI Process

SSI, as a category of Public Assistance which generates Medicaid coverage, is a primary source of such coverage for individuals released from OMH or OMRDD facilities. In this study it was found that 91 percent of the individuals in the sample who received Medicaid cards received them on the basis of SSI eligibility. Determining and transmitting SSI eligibility, however, is a lengthy process which contributes to the delayed issuance of Medicaid cards.

Data collected by NYSDSS Program Operations, a unit responsible for transmitting SSI eligibility transactions from the Federal to county levels, reveal the time delays inherent in the SSI process.⁷

Of particular significance in the data collected by NYSDSS on 847 applicants is the time delay associated with determining SSI eligibility on the basis of disability.⁸

As illustrated in the chart below, the data on the 847 SSI applicants whose eligibility was determined and transmitted to NYSDSS during December 1978 indicate that:

- ° Of the 350 cases whose eligibility was based on age, 69 percent were determined and transmitted to the State in less than 38 days from the date of application; and
- ° Of the 497 cases whose eligibility was based on disability, only 16 percent were determined and transmitted to the State in less than 38 days from the date of application. A majority of the disability cases took over 69 days to determine and transmit.

Analysis of SSI Application Date in Relation to Date
On Which NYSDSS was Notified of Eligibility

Days Lapsed From Application	Eligible Aged Individuals		Eligible Disabled Individuals	
	Number of Cases	Percentage	Number of Cases	Percentage
Less than 38	240	69%	79	16%
39-69	71	20%	133	27%
More than 69	39	11%	285	57%
Total	350	100%	497	100%

The problems associated with the determination of eligibility on the basis of disability have not gone unnoticed. According to a representative of the Social Security Administration (SSA) Regional Office, Region II, the average amount of time, nationwide, for determining SSI eligibility on the basis of disability is approximately 44 days and, as such, improving the situation in New York State is a high priority of the SSA. In addition to the SSA's own internal goals for reducing delays in the determination of disability, the New York State Department of Social Services,

which by contract with the Federal government determines disability for Federal programs, has retained the Public Executive Project of the State University at Albany to conduct a management study of the disability determination system. Furthermore, concerned that information affecting the issuance of Medicaid cards was not being transmitted from the Federal to local levels in a timely and accurate fashion, the SSI Information Task Force, chaired by the Health Care Financing Administration of the United States Department of Health, Education and Welfare, and consisting of representatives from the Federal, State and local levels, was created to study problems associated with the determination and transmission of SSI eligibility data.

2. Difficulties in Documenting Disability

A majority of discharged mentally disabled clients qualified for Public Assistance and Medicaid on the basis of their disability, based on the sample under study. Many Resource Agents,* however, particularly in OMH facilities, indicated considerable difficulty in documenting disability, a problem which delays the submission of applications and determination of eligibility.

The determination of disability for SSI, as well as for Medicaid Only purposes, is based on the submission of medical evidence which proves that the applicant has a physical or mental impairment which has lasted or is expected to last 12 consecutive months or result in death, and which prohibits the person from engaging in significant gainful activity.⁹

*Resource Agents are staff of the Department of Mental Hygiene and are responsible for procuring all benefits due residents in psychiatric and developmental centers.

Resource Agents, who rely on facility treatment teams to gather the necessary medical evidence, many times receive documentation which, in their opinion, would not provide disability. In such instances Resource Agents return the documentation to the clinical teams and request information which more appropriately substantiates the claim of disability. Resource Agents attribute the difficulty in documenting disability to the following factors:

- ° At the time of community placement the general orientation is toward the patient's improved condition and the appropriateness of placement in a less restrictive environment, rather than toward the individual's continued disabling condition; and
- ° Although physicians sign the statements of disability, at times non-medical personnel gather the various medical documents which should support the claim of disability.

In the past, the NYSDSS Bureau of Disability Determinations, which is responsible for determining disability for SSI purposes, has conducted training sessions for DMH personnel on the appropriate documentation of disabilities. During the course of this study, representatives from both OMH and the NYSDSS Bureau of Disability Determinations indicated that additional training sessions are warranted.

3. Delays in Filing Applications

In light of the delays inherent in determining and transmitting a client's eligibility for Public and Medical Assistance, and the difficulty in documenting an individual's disability for eligibility purposes, the timely filing of applications becomes of utmost importance. During this study, however, it was found that neither OMH nor OMRDD are taking full advantage of the opportunity to file applications for the various categories of Public Assistance, including SSI, on behalf of clients prior to their release.

Section 12103.1 of the Social Security Administration Claims Manual outlines a procedure for the filing of SSI applications prior to an individual's release from a public institution. These procedures allow for the filing of SSI applications up to three months prior to discharge.¹⁰

NYSDSS regulations also allow for the filing of applications for Public Assistance and the determination of eligibility prior to an individual's placement in the community:

"Each local department of social services shall upon notification from a director of a state mental hygiene facility that a patient is about to be placed in the community and is, or is likely to become in need of public assistance and care, process appropriate applications and determine the applicant's eligibility." 11

The OMH and OMRDD policies and procedures regarding the preparation of clients for community placement, however, do not promote an aggressive prerelease application process. As a result, applications for Public Assistance and care, which could have been filed prior to release, are often filed on the day of release or after the client is already residing in the community.

In the case of family care placements, the Resource Agent is responsible for securing all appropriate funding for the client.¹² Resource Agents are staff of the Central Offices of OMH and OMRDD. Their primary function is procuring all benefits and entitlements due residents in OMH and OMRDD facilities; inasmuch as clients placed into family care homes are still carried on the rolls of facilities, Resource Agents are responsible for filing applications for assistance in their behalf.

According to a memorandum issued July 17, 1978 by the Deputy Commissioner for Administration of OMH, Resource Agents are to be notified of an impending family care placement two weeks prior to placement in order to prepare the appropriate applications. Resource Agents are then notified of the location and actual date of placement on or immediately following the date of placement.¹³ In discussions with Resource Agents, it was found that, in most cases, completed applications for assistance were filed only when this notification of actual placement had been received.

Despite the fact that planning for a family care placement should be in process long before the actual placement, and, in fact, 30 days prior to placement, the client's next of kin should be notified of the intent to release the client and even given an opportunity to visit the family care home,¹⁴ applications for assistance for the person being placed in family care are initiated only two weeks before placement and filed upon notification of actual placement. This lack of an aggressive prerelease application process for family care placements often results in applications for assistance being filed after the date of placement. In the sample of 62 family care placements, ten cases were found in which applications for SSI were filed one to five months after placement. Such delays (discussed in the next chapter) have serious financial implications.

The OMH and OMRDD policies and procedures regarding placements into residential settings other than family care share the same lack of an aggressive prerelease application process as do the policies and procedures regulating family care placements. Neither the OMH nor the OMRDD policies or procedures designate specific time frames for the submission of applications for assistance for clients placed in residential settings.

The OMRDD policies and procedures require that a Community Service Plan be developed 30 days prior to any client's conditional release or discharge.¹⁵ Although OMRDD requires that this plan address the economic as well as other needs and goals of the client, and requires the assignment of individuals to arrange for such services, the policies and procedures do not specify a time frame for the filing of applications for assistance.

The OMH policies and procedures similarly offer little explicit information on the timing of the submission of applications for assistance. OMH does, however, require that the process be initiated when the patient is ready or nearly ready for community placement.¹⁶

Using the SDX, it was possible to study the SSI history of 40 of the 51 cases comprising the sample of community residence placements. It was found that 17 of these individuals were on SSI while they were inpatients. Of the 23 individuals who became eligible for SSI upon release, however, applications were filed prior to release in only six instances. In these six cases the applications were filed only one to seven days prior to discharge. Applications for SSI on behalf of the majority of clients who were not on SSI while they were inpatients were filed either on the day of release or shortly thereafter.

In summary, the delays inherent in the process of determining eligibility, and the problems associated with documenting an individual's disability, highlight the need for an aggressive strategy of filing applications prior to an individual's release.

Chapter IV

THE IMPACT

Delays associated with the filing of applications and the issuance of Medicaid cards result in a loss of Federal reimbursement, unnecessary State expenses and inconvenience for clients and health providers alike.

1. Financial Impact

Roberta Chase and Frances Lewis were placed in family care in February 1978. It was not until August of that year that Ms. Lewis received her Medicaid card and her SSI benefits. Ms. Chase received hers in December. In neither case, however, were the monthly SSI benefits retroactive to the date of placement. Ms. Lewis' benefits were retroactive to March, the month in which her application was filed. Ms. Chase's benefits were retroactive to July, also the month in which her application was filed.

Roberta Chase and Frances Lewis are only two of the ten cases found in our review of 47 family care placements who were eligible for SSI and whose applications were filed anywhere from one to five months after their release. In these ten cases the delayed application resulted in: (a) a delayed issuance of Medicaid cards; and (b) a loss of \$3,083 of Federal funds.

Although the payment of SSI benefits is retroactive to the first day of the month of eligibility, it is the date of the filing of the SSI application which determines the month of eligibility.¹⁷ In the ten cases found during the review of sample placements and cited above, it was the failure to

