



## **MEPD and TW Bulletin 22-07**

**Date:** May 02, 2022

**To:** Eligibility Services Supervisors and Staff  
Program Managers  
Regional Directors  
Regional Attorneys  
Hearings Officers

**From:** Access and Eligibility Services Program Policy  
State Office 2115

**Subject:** **1. Pre-Eligibility Incurred Medical Expenses**  
**2. COVID-19 Update: Additional Emergency Allotment Supplement**

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The information in this bulletin will be included in a future handbook revision. Until the handbook is updated, staff must use the information in this bulletin. If you have any questions regarding the policy information in this bulletin, follow regional procedures.

Active bulletins are posted on the following websites:

- [Medicaid for the Elderly and People with Disabilities Handbook \(MEPDH\)](https://hhs.texas.gov/laws-regulations/handbooks/mepd/policy-bulletins) at <https://hhs.texas.gov/laws-regulations/handbooks/mepd/policy-bulletins>;
- [Texas Works Handbook \(TWH\)](http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins) at <http://hhs.texas.gov/laws-regulations/handbooks/texas-works-handbook/texas-works-bulletins>.

## 1. Pre-Eligibility Incurred Medical Expenses

### Background

Federal law requires that certain expenses for necessary medical care not covered or reimbursed by a third party but recognized under state law be deducted when determining the monthly co-payment amount for Medicaid recipients who reside in a long-term care facility or receive home and community-based waiver services.

### Current Policy

#### [MEPD](#)

Certain incurred medical expenses (IMEs) not covered or reimbursed by a third party are deducted from a recipient's personal income when calculating the monthly co-payment amount. ([MEPDH H-2100](#), Deduction of Incurred Medical Expenses (IMEs))

Expenses for necessary medical care received before a recipient's medical effective date are not allowable deductions. ([MEPDH H-2150](#), Non-Allowable Deductions – General IME)

### New Policy

#### [MEPD](#)

Expenses for necessary medical care not covered or reimbursed by a third party are allowable deductions when calculating a recipient's monthly co-payment amount if the medical services are received not more than three months prior to the month of application, regardless of the recipient's medical effective date (MED). Expenses for services received more than three months prior to the month of application are not allowable as IME deductions.

To be considered as an IME deduction, medical care expenses incurred not more than three months prior to application must:

- be the responsibility of the applicant/recipient;
- not be subject to payment by a third party;
- be reported at application or within three months of certification; and
- remain unpaid at certification.

A request for an IME deduction for services received prior to a recipient's MED must be initiated by the recipient or the recipient's legal guardian, Power of Attorney, or designated authorized representative. The request may not be initiated by a medical care or medical services provider or supplier, unless the provider or supplier is also the recipient's designated authorized representative.

Only the amount of the medical expense that remains the recipient's responsibility after payments from all third-party sources (Medicaid, Medicare, Health insurance, etc.) is considered an allowable deduction. The allowable deduction must not exceed the Medicaid reimbursement rate in effect when the medical expense was incurred, not the private pay rate. Verification must be provided for all medical care expenses to be considered as IME deductions.

For medical expenses incurred prior to the MED, allow the IME deduction in the first month in which the recipient has a co-payment responsibility. If the amount of the medical expense, in addition to other allowable deductions, exceeds the recipient's total countable income for the month, the excess portion of the deduction for the medical expense may be carried forward to ongoing month(s).

Reminder: Medical expenses incurred during a transfer of assets penalty period are not allowable as IME deductions. The recipient or the recipient's authorized representative, family, or trustee is responsible for paying the medical care provider (MEPDH H-2150)

### **Automation**

Staff must use the following Contingency Processing Method (CPM), Incurred Medical Expenses (IMEs) Prior to the Medical Effective Date #849463, when processing IME requests for medical expenses incurred prior to the MED.

Changes to TIERS will be included with a future release. Staff will be notified when these changes are implemented.

### **Correspondence**

Correspondence changes are not required.

### **Handbook**

The MEPDH is currently scheduled to be updated in the December 2022 revision.

Updates to the TWH are not required.

### **Training**

The Basic Skills Training (BST) and Continuing Skills Training for IMEs will be updated as needed by June 1, 2022.

### **Effective Date**

This policy is effective June 1, 2022.

## 2. COVID-19 Update: Additional Emergency Allotment Supplement

### Background

On January 27, 2020, the Secretary of the U.S. Department of Health and Human Services declared that a public health emergency exists nationwide due to the novel coronavirus (COVID-19) outbreak. Additionally, on March 13, 2020, Governor Greg Abbott also declared a state of disaster for all counties in Texas due to the COVID-19 outbreak. HHSC is providing the following temporary guidance regarding policies and procedures for processing case actions during the COVID-19 public health emergency.

### COVID-19 Policy

#### [Supplemental Nutrition Assistance Program \(SNAP\)](#)

HHSC has been granted approval from the Food and Nutrition Service (FNS) to issue May 2022 Emergency Allotment (EA) supplements to participating SNAP households. Households who are approved for SNAP in May 2022 will automatically be issued supplements that will bring the household up to the maximum monthly allotment for the household's size. All SNAP households will receive a minimum of \$95 in EA supplements.

All EA supplements will be automatically issued on the SNAP household's existing EBT card. SNAP households do not need to take any action to receive EA supplements.

HHSC will issue EA supplements for May on a randomized staggered schedule starting May 2, 2022. The expected completion of May EA supplement issuance for active SNAP households is May 6, 2022. Households who are determined eligible for SNAP after May 6, 2022 will be issued their supplement within approximately 60 days from disposition. Staff should call in a ticket when the SNAP household reports not receiving the supplement by that timeframe.

TIERS will add the following case comment "COVID-19 SNAP supplements issued" for a case where the EA supplement was issued. HHSC will not be sending a notice to households regarding the EA supplement.

Additionally, during the pandemic, Quality Control and other case reading reviews will continue to ensure accuracy. Although SNAP households will receive a minimum of \$95 in EA supplements, staff must still ensure regular monthly benefits are calculated correctly when processing any case actions.

**Automation**

May EA supplements for active SNAP households are expected to be issued between May 2, 2022, and May 6, 2022. Households who are determined eligible for SNAP after May 6, 2022 will be issued their May EA supplement within approximately 60 days from disposition.

**Correspondence**

Correspondence changes are not required.

**Handbook**

Handbook updates are not required.

**Training**

Training is not required.

**Effective Date**

This policy is effective with the release of this bulletin. Staff will be notified when the COVID-19 policy and clarifications no longer apply.