

Bulletin

July 17, 2008

Minnesota Department of Human Services □ P.O. Box 64941 □ St. Paul, MN 55164-0941

OF INTEREST TO

- County Directors
- MinnesotaCare Operations Managers, Supervisors and Staff
- Financial Assistance Supervisors and Staff
- Mille Lacs Tribal TANF
- Social Services Supervisors and Staff
- Case Managers
- County Attorneys

ACTION/DUE DATE

Please read and implement upon receipt.

EXPIRATION DATE

July 17, 2008

Certain Payments to I-35W Bridge Collapse Survivors Excluded as Income or Assets for Income Maintenance and Health Care Programs

TOPIC

Certain payments made to I-35W bridge collapse survivors and their families are excluded from consideration as income or assets for Income Maintenance and Health Care Programs.

PURPOSE

To provide instructions for excluding certain payments made to I-35W bridge collapse survivors and their families from consideration as income or assets for Income Maintenance and Health Care Programs.

CONTACT

Counties and tribal agencies should direct policy questions related to the Minnesota Family Investment Program (MFIP), Minnesota Food Assistance Program (FMAP), Food Support (FS), General Assistance (GA) and Minnesota Supplemental Aid (MSA) to Policy Quest.

MinnesotaCare Operations, counties and tribal agencies should submit health care policy questions to HealthQuest.

All others should direct health care policy questions to:

Health Care Eligibility and Access (HCEA) Division
P.O. Box 64989
540 Cedar Street
St. Paul, MN 55164-0989

SIGNED

CHARLES E. JOHNSON
Assistant Commissioner
Children and Family
Services Administration

BRIAN J. OSBERG
Assistant Commissioner
Health Care Administration

Background and Introduction

In November 2007, Minnesota created the I-35W Emergency Hardship Relief Fund for individuals who suffered injuries due to the collapse of the I-35W Bridge on August 1, 2007. Families of those killed in the collapse are also eligible for payments from this fund. Payments from this fund are limited to \$20,000 per claimant and are based on lost wages due to physical injury or death.

Effective May 9, 2008, the Minnesota Legislature created a Catastrophic Survivor Compensation Fund and a claim process for survivors of the I-35W bridge collapse. The chief justice of the Minnesota Supreme Court named a special master panel on May 30, 2008, to consider claims and enter into settlement agreements with survivors. Survivors are defined as people who were present on the bridge at the time of the collapse, parents and legal guardians of survivors under age 18, legally appointed representatives of survivors, or surviving spouses or next of kin of deceased survivors. Survivors must file a claim with the panel by October 15, 2008, and settlement offers must be made by February 28, 2009. Settlement agreements are limited to \$400,000, but survivors may also receive supplemental payments for uncompensated medical expenses and to pay for loss of future income or earning capacity. Survivors may receive payments from both the I-35W Emergency Hardship Relief Fund and the survivor compensation process.

The 2008 Minnesota Legislature also passed a law that excludes payments from these funds as income or assets for purposes of eligibility for the Minnesota Family Investment Program (MFIP), the State-funded Food Assistance Program (MFAP), General Assistance (GA), Minnesota Supplemental Aid (MSA), and Minnesota Health Care Programs (MHCP) Medical Assistance (MA), General Assistance Medical Care (GAMC), and MinnesotaCare. In addition, survivors and their families who would be otherwise eligible for federally-funded Minnesota Health Care Programs (MHCP) must be enrolled in state-funded MHCP until and unless the Department of Human Services (DHS) receives federal approval for excluding these payments as income and assets.

This bulletin contains information and instructions regarding the treatment of funds received from the I-35W Emergency Hardship Relief Fund and the Catastrophe Survivor Compensation Fund for purposes of Income Maintenance and Health Care Programs eligibility. Follow current policies with regard to other types of payments made to I-35W bridge collapse survivors. Submit a Policy Quest or HealthQuest if you have questions about the treatment of other payments.

This bulletin contains the following sections:

- I. Action Required
- II. Systems Instructions
- III. Legal References
- IV. Special Needs

I. Action Required

A. Minnesota Family Investment Program (MFIP), General Assistance (GA) and Minnesota Supplemental Aid (MSA)

Disregard payments from the I-35W Emergency Hardship Relief Fund and the Catastrophe Survivor Compensation Fund as income and/or assets for MFIP, GA and MSA.

In the event you have an applicant or recipient who has received or will receive a payment, require verification of the amount to be excluded, such as a copy of the compensation agreement or other official document. Enter a case note to document the amount of the payment(s) to be excluded as income and/or assets. Contact DHS Policy Quest for specific guidance.

B. Food Assistance Programs

Disregard payments from the I-35W Emergency Hardship Relief Fund and the Catastrophe Survivor Compensation Fund as income and/or assets for Food Support applicants and recipients funded and receiving benefits through the Minnesota Food Assistance Program (MFAP).

Require verification of the amount to be excluded, such as a copy of the compensation agreement or other official document. Enter a case note to document the amount of the payment(s) to be excluded as income and/or assets.

In the event you have an applicant or recipient for federally-funded stand-alone Food Support who has received or will receive a payment, contact DHS Policy Quest for specific guidance.

C. Minnesota Health Care Programs (MHCP)

In the event you have an applicant or recipient who is eligible for or enrolled in an MHCP, and who has received or will receive a payment from the I-35W Emergency Hardship Relief Fund or the Catastrophe Survivor Compensation Fund, submit a HealthQuest for specific guidance.

Some applicants and recipients could be eligible for federally-funded Minnesota Health Care Programs (MHCP) even if they receive a payment from these funds, because program rules already prevent counting this type of income or the individual is not subject to an asset limit. Other applicants and recipients who would be eligible for federally-funded MHCP only if the payments are excluded under the new State law must be enrolled in state-funded MHCP until and unless DHS receives federal approval to exclude these payments as income and assets. DHS will track these cases via HealthQuest, to ensure proper treatment of income and assets, correct systems coding, and the appropriate conversion to federally-funded MHCP upon federal approval.

Disregard payments from the I-35W Emergency Hardship Relief Fund and the Catastrophe Survivor Compensation Fund as income in the month received or as assets in the month received or thereafter for purposes of MHCP eligibility.

Exclude these payments as income or assets for:

- All categories of MA, including MA for Employed Persons with Disabilities (MA-EPD), MA for persons requesting payment of long-term care services, and Emergency MA; and
- GAMC, including GAMC-Hospital Only (GHO), and Transitional MinnesotaCare; and
- MinnesotaCare.

Require verification of the amount to be excluded, such as a copy of the compensation agreement or other official document.

Enter a case note to document the amount of the payment(s) to be excluded as income and/or assets.

Funds from the Emergency Hardship Relief Fund and the Catastrophe Survivor Compensation Fund do not have to be held in a separate account to be or remain excluded assets.

D. Benefit Recovery

For your information, DHS cannot recover payments made to victims under the Emergency Hardship Relief Fund and the Catastrophe Survivor Compensation Fund for reimbursement of medical expenses related to the injury. However, DHS Benefit Recovery Section must track claim amounts for any MHCP eligible injured person who receives a settlement from either fund. DHS must reimburse the federal agency for its share of claims that might otherwise have been recovered under subrogation. Follow current processes to refer cases to the DHS Benefit Recovery Section in accordance with Health Care Programs Manual (HCPM) Chapter 15.15 (Third Party Liability).

Forward a copy of the compensation agreement or other verification to the DHS Benefit Recovery Section.

II. Systems Instructions

Submit a DHS Policy Quest and HealthQuest for specific systems instructions when you have an applicant or recipient who has received or will receive a payment from the Emergency Hardship Relief Fund or the Catastrophe Survivor Compensation Fund.

III. Legal References

Laws of Minnesota 2008, Chapter 288.

Laws of Minnesota 2008, Chapter 338, Sections 1 and 2.

Laws of Minnesota 2008, Chapter 370, Section 10.

IV. Special Needs

This information is available in other forms to people with disabilities by contacting us at (651) 431-2283 or toll free at (800) 938-3224, or through the Minnesota Relay Service at (800) 627-3529 (TDD), 711 or (877) 627-3848 (speech to speech relay service).