

MA-3360 LIVING ARRANGEMENT

04/01/02

I. OVERVIEW OF LIVING ARRANGEMENT{ XE "LIVING ARRANGEMENT" }

A. Introduction

The type of living arrangement that an applicant/recipient (a/r) has affects whether the individual is potentially eligible for Medicaid **and** whether he is budgeted as private living arrangement (pla) or as long term care (ltc). How an individual is budgeted affects county of residence, reserve, and spousal/parental financial responsibility.

Use the chart at the end of this section, [Figure 1, Determining Potential Medicaid Eligibility](#),

B. Types of Living Arrangements

For Medicaid purposes there are two types of living arrangements, private living arrangement (pla) or long term care (ltc) living arrangement.

1. Private Living Arrangement (pla)

A private living arrangement is usually thought of as a private residence. However, in the Medicaid program individuals who live in many types of group living arrangements or institutional settings are also budgeted pla. All of the following types of living arrangements are considered to be pla:

- a. Home or apartment
- b. Commercial boarding house or rooming houses
- c. Adult Care Home (formerly domiciliary care facility)
- d. Residential treatment facility
- e. Educational or vocational facility
- f. Hotel and motel
- g. Group living arrangement or supervised independent living licensed by Mental Health
- h. Homeless or emergency homeless shelter

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- i. A general/acute care hospital, psychiatric unit of a state mental hospital or psychiatric residential treatment facility (PRTF), when the expected length of stay is 12 months or less

2. Long Term Care Living Arrangement (ltc)

In the Medicaid program, only those individuals who live in a medical facility as defined in [MA-3325, Long Term Care Budgeting](#), are considered to be in a long-term care living arrangement. This includes:

- a. A nursing facility for SNF, ICF, ICF-MR, SNF Rehab, hospice, or
- b. Nursing level of care in a hospital (usually called a swing bed or inappropriate level of care bed), or
- c. A general/acute care hospital, psychiatric unit of a state mental hospital, or psychiatric residential treatment facility (PRTF) when the length of stay is expected to exceed 12 months or ends with a direct transfer to a nursing facility.

NOTE: Always refers to [MA-3260, Community Alternatives Program](#), for budgeting rules when an a/r requests services under a Community Alternative Program (CAP).

II. SPECIFIC TYPES OF INSTITUTIONS/FACILITIES

In order to determine whether an individual is potentially eligible for Medicaid or whether he is budgeted pla or ltc, you must identify the type of residence. Use the following information to help you identify the a/r's living arrangement.

A. Penal Institution

1. Inmates (of any age) of a penal institution are not eligible for Medicaid.
2. A penal institution is the responsibility of a governmental unit. Inmates are under the jurisdiction of the courts. Other terms used to describe a penal institution are incarceration, detention, correctional, confinement, or detainment. Examples include:
 - a. Prisons
 - b. Jails
 - c. Training schools
 - d. Forestry camps and other facilities operated primarily for the detention of children who are determined by the court to be delinquent.

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3. An individual under the jurisdiction of the court may reside outside of a traditional penal setting. He remains an inmate (and not eligible for Medicaid) when the penal authorities retain responsibility for providing food and shelter. Some examples are:
 - a. Prisoners who are sent to work on farms, and
 - b. Daily work release programs that require the individual to return to the penal institution at night, and
 - c. Transfer to a hospital or other medical facility in order to receive necessary medical care.
4. An individual under the jurisdiction of the court for whom the penal authorities are not providing food and shelter are **not** considered inmates of a penal institution. These individuals are potentially eligible for Medicaid. Examples of this situation are:
 - a. House arrest, or
 - b. Probation, or
 - c. Parole
5. A child can be charged with an offense and placed in detention or a hospital setting by the court prior to adjudication (the judge's final order in his case is the final disposition of the charge). In this situation whether or not the child is considered an inmate of a penal institution depends on the final placement.
 - a. When the final placement is a detention or correctional facility, the child is considered an inmate of a public institution beginning with the day he is arrested and detained. He is not eligible for Medicaid during any of this period.
 - b. If the final placement is any place other than a penal institution (placed with a relative, psychiatric hospital, etc.), the child is never considered an inmate of a penal institution and may be eligible for Medicaid.
6. When a child is incarcerated waiting final placement, accept a Medicaid application. However, the child cannot be approved for Medicaid until the final placement is verified.
 - a. If the final placement has not been made by the end of the application-processing period, deny the application because the child remains an inmate of a penal institution. Advise the applicant/representative to contact the agency when a final placement is made.

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- b. If the final placement is not a public institution, follow instructions in [MA-3215, Processing Situations](#), to re-open the Medicaid application as an administrative action. A signed application is not required. Enter a "Y" in the administrative field of the DSS-8124 and enter the original application date as the date of the administrative application.

B. Medical Institution/Facility

1. A medical institution **primarily** provides inpatient medical care (not residential care). It can be a general hospital, speciality hospital, nursing facility (SNF, ICF, or ICF-MR), rehabilitation facility, Hospice facility, psychiatric hospital (see [C.](#)) or PRTF (see [E.](#)).
2. Inpatients in a medical facility can be budgeted pla or ltc depending on the type of medical facility, level of care, length of stay, and age of the recipient.
3. Only inpatients in a medical facility that meet the requirements in [MA-3325, Long Term Care Budgeting](#), are budgeted ltc. This means Medicaid will pay for the cost of care.

C. Psychiatric Hospital

1. A psychiatric hospital is a type of **medical** institution. It **primarily** provides diagnosis, treatment, or care of persons with mental diseases. The treatment of alcoholism, substance abuse, or other chemical dependency syndromes are included in this definition. (Residential facilities also treat alcoholism and substance abuse, but they are not considered a **medical** institution. Refer to [D.](#))
2. A psychiatric hospital may be a private psychiatric hospital or a state mental hospital. There are four state mental hospitals: Dix, Broughton, Umstead, and Cherry.
3. Inpatients between the ages of 21 through 64 in a private psychiatric hospital or a state mental hospital are not eligible for Medicaid for the period of time they are an inpatient. The only exception to this rule is an inpatient in the medical/surgical unit of a state mental hospital may be eligible for Medicaid for that period of time.
 - a. Medicaid authorization is for the entire month, but Medicaid will only pay for the medical/surgical services. This is done through the edit process in claims processing.
 - b. A similar situation arises when an individual is an inpatient in a state mental hospital or private psychiatric hospital for only a portion of a month. If otherwise eligible, authorize the individual for the entire month. However, Medicaid will not pay for psychiatric inpatient services. This is also done through the edit process in claims processing.
4. Inpatients in a general/acute hospital on a substance abuse ward or psychiatric ward may be eligible for Medicaid.

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5. An individual **age 21 or over** on convalescent leave, or conditional release, or a trial visit home from a psychiatric hospital is **not** considered to be an inpatient. Therefore, he is potentially eligible for Medicaid.
6. An individual **under age 21** retains his inpatient status until he is **unconditionally** released.
7. An individual who is an inpatient at the time he turns 21 remains eligible for Medicaid until he is released or turns age 22.

D. Residential Treatment Facilities (See [E.](#) for PRTFs)

1. A residential treatment facility is an institution that individuals are admitted to live and receive treatment or services appropriate to their needs. Treatment facilities provide food, shelter, and other services such as behavioral modification treatment for substance abuse or alcoholism, or help with personal living activities. Incidental medical or remedial care may also be provided.
2. Individuals in a residential treatment facility are always budgeted pla. Medicaid does not pay for cost of care (room and board). Always advise the a/r he is responsible for paying for cost of care. Refer him to Mental Health for possible funding.
3. There are many types of residential treatment facilities. Examples include, but are not limited to:
 - a. Non-hospital facilities licensed by mental health for substance abuse and alcoholism
 - b. Rehabilitative facilities for substance abuse and alcoholism
 - c. Detoxification facilities
 - d. Therapeutic camps and homes
 - e. Halfway houses
 - f. Group homes or supervised living arrangements licensed by mental health
 - g. Group homes serving developmentally disabled adults (DDA homes)
 - h. Eckerd Camps
 - i. Wilderness Camps

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E. Psychiatric Residential Treatment Facility (PRTF)

1. A Psychiatric Residential Treatment Facility (PRTF) provides treatment for individuals with mental illness or substance abuse/dependency and who require services in a non-acute inpatient setting. The individual must require supervision and specialized interventions on a 24-hour basis to attain a level of functioning that allows subsequent treatment in a less restrictive setting.
2. PRTFs are structured psychiatric programs which meet accreditation requirements, and the facility must enroll as a Medicaid PRTF provider to bill for these services.
3. Coverage includes room, board and treatment.
4. Budgeting procedures for MAF or MIC individuals in PRTFs are based on the length of time the child will be out of the home. Refer to [MA-3305, Budgeting](#) and [MA-3325, Long Term Care](#) for budgeting procedures.
5. Only individuals under age 21 are eligible for payment of this service, except that an individual who is in PRTF on his 21st birthday continues to be covered until age 22.

F. Verification

Use the following aids to determine the type of facility/institution:

1. EIS - Medical facilities where Medicaid pays for cost of care are listed in alphabetical order in EIS under facility inquiry (FI). Select the facility and verify that the Medicaid Certified field is marked "y."
2. Contact area mental health to verify residential treatment facilities.
3. Contact the Division of Youth Services to verify Eckerd camps.
4. Contact the administrator of the facility and ask how facility is licensed and source of expected payment for stay.