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404.01 Introduction

(Eff. 10/01/05)

Over the years, Congress has enacted various laws to protect categorical Medicaid eligibility for certain former Supplemental Security Income (SSI) recipients or Optional State Supplementation (OSS) beneficiaries. These individuals are eligible for continued Medicaid benefits after their SSI or OSS eligibility terminates. These individuals belong in groups referred to as Pass-Along. The Medicaid eligibility worker is responsible for determining continued eligibility for Pass-Along groups. Each Pass-Along group will be discussed in this chapter.

The SSI Pass-Along protected groups and their Payment Categories (PC) are:

* 1977 Pass-Along (PC 16)
* Early Widows/Widowers Pass-Along (PC 17)
* Disabled Widows/Widowers Pass-Along (PC 18)
* Disabled Adult Children Pass-Along (PC 19)
* Pass-Along Children (PC 20)

404.02 Categorical Eligibility Criteria for SSI and OSS

(Rev. 10/01/05)

To determine eligibility for the Pass-Along groups, the eligibility worker must be familiar with the categorical eligibility criteria for SSI and OSS.

**To be categorically eligible for SSI, an individual must be:**

* Age 65 or older; or
* Blind (as defined by SSI rules); or
* Totally and permanently disabled (as defined by SSI rules).

**To be categorically eligible for OSS, an individual must be:**

* Age 65 or older; or
* Blind (as defined by SSI rules); or
* Totally and permanently disabled (as defined by SSI rules); and
* Residing in a licensed Community Residential Care Facility (CRCF); and
* Have an OSS slot authorized by Community Long Term Care (CLTC).

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| **Procedures for Verification/Determination of Blindness and Disability:**BlindnessAcceptable sources of verification of blindness include:* Social Security records or documents
* State Data Exchange (SDX)
* BENDEX
* Department of Disability Determination (DDD) disability decision letter

A determination of blindness is not needed if the applicant is:* Currently receiving SSI benefits or received SSI within the past 12 months, and benefits were terminated for a reason other than disability (closure code NO1); or
* Currently receiving Social Security Disability Income (SSDI) benefits.

(Refer to MPPM 102.06.02, if a determination of blindness is needed.)DisabilityAcceptable sources of verification of disability include:* Social Security records or documents
* SDX
* BENDEX
* DHHS Form 922, Medical Eligibility Unit Medical Review Summary

The eligibility worker must check the SDX and/or BENDEX systems to determine if the applicant is currently receiving SSI or SSDI. A disability determination is not needed if the applicant is: * Currently receiving SSI benefits or received SSI within the past 12 months, and benefits were terminated due to excess income (closure code NO1) or excess resources (closure code NO4); or
* Currently receiving SSDI benefits.

(Refer to MPPM 102.06.02, if a disability determination is needed.) |

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404.03 Financial Eligibility

(Eff. 10/01/05)

The strict SSI guidelines are used to determine Income and Resource eligibility for these groups of individuals. Refer to MPPM Chapter 401 for Income policy and procedures and MPPM Chapter 402 for Resource policy and procedures.

404.03.01 Income Considerations

(Eff. 10/01/05)

It is important to remember that the value of In-kind Support and Maintenance (ISM) is considered countable income for these groups. Refer to [POMS SI 00835.460](http://policy.ssa.gov/poms.nsf/lnx/0500835460%21opendocument)

404.03.02 Resource Criteria and Limits

(Eff. 10/01/05)

Strict SSI policy is used to determine countable resources for the Pass-Along groups. The limits are currently: $2,000 for an individual and $3,000 for a couple.

404.04 1977 Pass-Along – PCAT 16

(Rev. 01/01/20)

This coverage group was created by Section 503 of Public Law 94-566 (Pickle Amendment) and protects certain individuals if they would be eligible for SSI or OSS, but for the Title II cost-of-living increases received since they were last eligible for SSI or OSS and Title II concurrently after April 1977.

Therefore, these individuals must:

* Currently receive Title II Retirement, Survivors, and Disability Insurance (RSDI) Social Security benefits; and
* Have become ineligible for SSI or OSS benefits after April 1977; and
* Received RSDI and either SSI or OSS benefits in the same period. This criteria can be satisfied by one of the following:
	+ Receive RSDI and SSI or OSS benefits payment in the same month; or
	+ Receive RSDI beginning the month after becoming ineligible for SSI or OSS benefits; or
	+ Be approved retroactively for RSDI for a period when the individual was eligible for SSI benefits. In this situation, the individual may not have received an actual RSDI monthly benefits because the SSI monthly amount is subtracted from the RSDI monthly benefit as an offset. Because the individual was entitled for RSDI, this satisfies the criteria.

**Eligibility Criteria for 1977 Pass-Along**

To be eligible for Medicaid under this coverage group, the aged, blind, or disabled individual must meet ALLof the following requirements:

* Must be currently eligible for Title II SSA benefits;
* At some point since April 1977, must have:
	+ Received Title II SSA benefits and SSI/OSS benefits concurrently OR
	+ Been entitled to Title II SSA benefits and received SSI/OSS benefits concurrently;
* After April 1977, must have lost SSI or OSS eligibility; and
* Would be eligible for SSI or OSS benefits if his or her countable income was reduced by the amount of any cost-of-living increase the individual or his/her spouse received since the last months he or she was eligible for (and received) SSI or OSS benefits in the same month.

**Identification of Potentially Eligible Individuals**

Each year, the Social Security Administration provides a tape of potentially eligible individuals to DHHS. The tape is provided after the annual Cost of Living Adjustment (COLA). Computer-generated notices are sent to each potentially eligible individual. These notices advise individuals to contact their local Medicaid office to have a re-determination of their eligibility for coverage.

**Eligibility Factors to Verify and Document for Pass-Along**

The eligibility worker should obtain and verify the following factors, then follow the procedures listed below once it has been determined that an individual is Pass-Along eligible. The eligibility factors are:

* The date SSI or OSS benefits were terminated on or after April 1977
* The current amount of the RSDI
* The amounts of all RSDI/COLAs received since SSI or OSS was terminated (**Note:** Contact the local Social Security office if unable to verify benefits using BENDEX, SDX or by SSA letter.)

**Procedure:**

**Step One** Determine the Countable RSDI

 Refer to Appendix A, 1977 Pass-Along COLA Multiplication Factor Table. Find the row that corresponds with when the applicant became ineligible for SSI and multiply the applicant’s current RSDI amount by the multiplication factor. Drop the cents after the decimal point and use the whole dollar amount

 **Example:** Mr. Bojangles currently receives $1098 in RSDI. He became ineligible for SSI in June 2010.

$1098 \* 0.849 = $932.20. Drop the cents and count $932.

**Step Two** Add the countable RSDI to other countable earned and unearned income and compare to the current SSI or OSS income limit.

 If the countable income is BELOW the current SSI or OSS income, the applicant IS eligible under Pass-Along.

 **Note:** If the beneficiary was an OSS beneficiary, he remains in payment category 85 with a one-dollar payment.

 If the countable income is ABOVE, the applicant is NOT eligible.

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| **Procedure for Case Record Documentation for 1977 Pass-Along:**The Medicaid eligibility processing office must maintain a Case Record that must contain, at a minimum, the following information:* A signed and completed DHHS Form 3400, Healthy Connections Application and DHHS Form 3400-A, Additional Information for Select Medicaid Programs
* Verification of:
	+ Current eligibility for SSA benefits and the award amount;
	+ At some point since April 1977 EITHER:

-- Concurrent receipt of Title II SSA and SSI or OSS benefits OR-- Concurrent entitlement to Title II SSA and receipt of SSI or OSS benefits* + The last Title II SSA benefit amount prior to termination of SSI or OSS benefits
	+ Amounts of other income, including in-kind support and maintenance
	+ Value of resources (**Note:** The resource limit is $2,000 for an individual and $3,000 for a couple.)
	+ Verification of current categorical eligibility for SSI or OSS
* A completed [DHHS Form 927](http://medsweb.scdhhs.gov/EligibilityForms/FM%20927.pdf), Pass-Along Worksheet
 |
| **Example: Receiving Title II and SSI concurrently**Susie Smith is a 68-year-old who was receiving Title II SSA and SSI. Susie began drawing a private pension which caused her monthly income to exceed the current SSI FBR limit. Since Susie’s monthly income is greater than the FBR and she is no longer eligible for SSI, her SSI benefits stopped. Because Susie received both Title II and SSI in the same month after April 1977, she can be assessed for 1977 pass-along coverage. **Example: Being entitled to Title II and receiving SSI concurrently**Mark Mastiff was receiving the maximum amount of SSI in 1998, this was his only income. In July of 1998, Mark became entitled to Title II benefits in the amount of $785.00. Due to the one month lag between Title II entitlement and receipt, Mark did not receive this payment until August 1998 which put his monthly income over the FBR limit and caused his SSI benefits to stop. Since Mark received SSI and was entitled to Title II in the same month (July 1998) he can be assessed for 1977 pass-along coverage. |

**Annual Review**

Each year, the eligibility worker must determine if a beneficiary is still eligible for the 1977 Pass-Along coverage. If not, an ex parte determination must be completed.

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404.05 Early Widows/Widowers Pass-Along – PCAT 17

(Rev. 09/01/19)

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| **NOTE:** Previously this coverage category only concerned widows/widowers aged 60-64 who lost SSI due to early retired widows/widowers Title II. In CGIS, PCAT 17 will cover all former SSI widows aged 50-64 who lose SSI or OSS benefits due to the receipt of, or an increase to, Title II benefits. Turning 65 or receiving Medicare will still result in ineligibility for this PCAT. While MEDS is still being used to process cases, for any widow/widower under age 60, this coverage will have to be approved in PCAT 18. |

Section 5103 of the Omnibus Budget Reconciliation Act of 1990 (OBRA 90)permanently revised the restrictive disability standard that applied to disabled widows/widowers benefits to match the disability standard that applies to all other Title II SSA and Title XVI SSI disability claimants.

Effective January 1, 1991, section 1634(d) of the Social Security Act was amended to provide continuing Medicaid eligibility for any former SSI widows/widowers who would be eligible for SSI or OSS except for the receipt of Title II SSA widows/widowers benefits, or any Title II retirement benefits received after reaching age 60 if the individual was also eligible for Title II widows/widowers benefits. Potentially eligible individuals are referred to State DHHS by written notification from the Social Security Administration (SSA).

**Eligibility Criteria for Early Widows/Widowers Pass-Along**

To be eligible for Medicaid under this coverage group, a widow or widower must meet ALL of the following requirements:

* Must have received SSI or OSS benefits the month before their Title II payments began;
* Must be between the ages of 50-64;
* Must have lost SSI or OSS benefits due to the receipt of widows/widowers Title II benefits; or due to the receipt of, Title II retirement benefits received after reaching age 60 if the individual was also eligible for Title II widows/widowers benefits;
* Must not be eligible for Medicare Part A benefits; and
* Would be eligible for SSI or OSS benefits if the amount of the Title II SSA benefits received since SSI or OSS ineligibility, and any other retirement income received since reaching age 60 were disregarded.

**Termination of Benefits**

If an individual eligible in this coverage group becomes entitled to Medicare Part A prior to age 65 because of a disability benefits entitlement, the individual’s case must be closed at the appropriate time or at the beginning of the month, following the month in which the individual turns age 65.

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| **Example #1**Janie Summers is age 62 and receiving Medicaid as an Early Widow. In June, she starts receiving SSA disability and becomes entitled to Medicare Part A. Her Medicaid under this category is terminated effective July 1.**Example #2**Connie Sharpe has been receiving Medicaid as an Early Widow. She will turn age 65 in September. Her coverage in this category must terminate effective October 1. |

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| **Procedure for Case Record Documentation for Early Widows/Widowers Pass-Along:**The Medicaid eligibility processing office must maintain a Case Record that must contain, at a minimum, the following:* A signed and completed DHHS Form 3400 and DHHS Form 3400-A
* Verification of the following:
	+ The individual received SSI or OSS the month before their Title II.
	+ The individual is between the ages of 50 and 64; if age is questionable, it must be verified.
	+ The individual lost SSI or OSS eligibility due to the receipt of II widows/widowers benefits, or, if they are over age 60, the individual lost SSI or OSS eligibility due to the receipt of retirement and survivor’s benefits and they were eligible for widows/widowers Title II.
	+ The individual is not entitled to Medicare Part A.
	+ Current gross income amount, including Title II SSA benefits and ISM
	+ Current value of resources
	+ Categorical eligibility for OSS or SSI
* A completed [DHHS Form 927](http://medsweb.scdhhs.gov/EligibilityForms/FM%20927.pdf), Pass-Along Worksheet. In completing the worksheet, disregard any SSA retirement benefits that the widow/widower may begin receiving after age 60. These benefits may include:

-- Retirement benefits (early retirement at age 62)-- Wife’s benefits-- Husband’s benefits-- Child’s benefits-- Parents’ benefits-- Mother’s and father’s benefits |

**D. Annual Review**

Each year, the eligibility worker must determine if a beneficiary is still eligible for the Early Widows/Widowers Pass-Along. If not, an ex parte determination must be completed.

404.06 Disabled Adult Children Pass-Along – PCAT 19

(Eff. 10/01/13)

Section 6 of the Employment Opportunities for Disabled Americans Act, Public Law 99-643, provides continuing Medicaid coverage for disabled adult children who lose SSI and Medicaid when they either begin receiving Title II Disabled Adult Children’s benefits OR begin receiving an increase in Title II Disabled Adult Children’s benefits.

**Eligibility Criteria for Disabled Adult Children Pass-Along**

To be eligible for Medicaid under this coverage group, the blind or disabled individual must meet ALL of the following requirements:

* Must have lost eligibility for an SSI payment because he or she became entitled to OR received an increase in Title II SSA benefits provided to the Disabled Adult Child on or after 07/01/87;
* Must be age 18 or older;
* Must have become disabled or blind before reaching age 22; and
* Would be eligible for SSI benefits if the amount of the entitlement or increase in Disabled Adult Child benefits received on or after 7/1/1987 were disregarded.

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**Identification of Potentially Eligible Individuals**

Individuals potentially eligible under this provision are identified with the code “D” in the Medicaid eligibility field on the State Data Exchange (SDX) system.

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| **Procedure for Case Record Documentation for Disabled Adult Children Pass-Along:**The Medicaid eligibility processing office must maintain a Case Record that must contain, at a minimum, the following:* A signed and completed DHHS Form 3400 and DHHS Form 3400-A)
* Verification that SSI eligibility was lost because EITHER the individual:
	+ Started receiving Disabled Adult Child Title II SSA benefits

OR* + Received an increase in those benefits on or after 07/01/87.
* Verification that the individual is age 18 or older (Refer to MPPM 102.06.01A for acceptable forms of verifications.)
* Verification that the individual:
	+ Became disabled or blind before age 22; and
	+ Meets categorical eligibility criteria for SSI.
* Verification of the last Title II SSA benefit amount prior to termination of SSI benefits
* Financial Verification:
	+ Current gross income, including Title II SSA benefits and ISM; and
	+ Current value of resources.
* Completed [DHHS Form 927](http://medsweb.scdhhs.gov/EligibilityForms/FM%20927.pdf), Pass-Along Worksheet, comparing income to the SSI FBR
 |

**Annual Review**

Each year, the eligibility worker must determine if a beneficiary is still eligible for the Disabled Adult Child Pass-Along coverage. If not, an ex parte determination must be completed.

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404.07 Disabled Widows/Widowers Pass-Along – PCAT 18

(Rev. 09/01/19)

Section 5103 of the Omnibus Budget Reconciliation Act of 1990 (OBRA 90)permanently revised the restrictive disability standard that applied to disabled widows/widowers benefits to match the disability standard that applies to all other Title II SSA and Title XVI SSI disability claimants.

Effective January 1, 1991, section 1634(d) of the Social Security Act was amended to provide continuing Medicaid eligibility for any former SSI widows/widowers who would be eligible for SSI or OSS except for the receipt of Title II SSA widows/widowers benefits, or any Title II retirement benefits received after reaching age 60 if the individual was also eligible for Title II widows/widowers benefits. Potentially eligible individuals are referred to State DHHS by written notification from the Social Security Administration (SSA).

**Consolidation of Coverage**

With the introduction of CGIS, all potential widows/widowers pass-along cases will be processed under PCAT 17 Early Widows/Widowers Pass-Along. This category will cover eligible individuals aged 50-64. All potential individuals should be assessed by the rules set forth in MPPM 404.05.

**Processing Widows/Widowers age 50-59 in MEDS**

If you process an eligible widows/widowers pass-along case per the rules outlined in MPPM 404.05 for an individual age 50-59 before the introduction of CGIS, you will have to approve this coverage using PCAT 18 Disabled Widows/Widowers Pass-Along in MEDS.

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| **Example #1**Jessica Mayes is a 57-year-old widow. Her last SSI check was received in May; she began receiving Title II Disabled Widow’s benefits in June. She lost her SSI because the amount of the Title II benefits exceeded the SSI limit. She has no Medicare coverage. Eligibility for Pass-Along may be explored. Because she is 50-59 years old, if processed in MEDS, coverage will be processed under PCAT 18. If processed in CGIS, coverage will be processed under PCAT 17.**Example #2**Gabriel Howard is a widower whose SSI terminated because he became eligible for Title II Disabled Widower’s benefits. He is age 61 and is not entitled to Medicare A or B. Eligibility for Pass-Along may be explored. Because he is over 59, if processed in MEDS or CGIS, coverage will be processed under PCAT 17.  |

**Annual Review**

Each year, the eligibility worker must determine if a beneficiary is still eligible for the Disabled Early Widows/Widowers Pass-Along coverage. If not, an ex parte determination must be completed.

404.08 Pass-Along Children – PCAT 20

(Rev. 09/01/19)

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| **Note:** This PCAT became obsolete as of 2014. Eligibility for this category requires the individual to be receiving SSI on 08/22/96, and currently be under 18. |

Section 4913 of the Balanced Budget Act of 1997 provides that children who were receiving SSI payments on 08/22/96 and who, but for the passage of the new disability definition under welfare reform, would continue to be paid such benefits are eligible for Medicaid.

**Eligibility Criteria for Pass-Along Children**

To be eligible for Medicaid under this coverage group, a child must meet the following requirements:

* Was receiving SSI on 08/22/96;
* Lost SSI eligibility on 07/01/97 or later due to a finding that the child does not meet the definition of disability enacted by Section 211 of welfare reform; and
* Would continue to receive SSI but for the passage of the new disability definition under welfare reform.

404 Appendix A 1977 Pass-Along COLA Multiplication Factor Table

(Eff. 01/01/24)

If the last month a person received SSI while, or immediately prior to, receiving Title II was in any of the periods below, multiply the current amount of their Title II SSA by the corresponding factor in the chart below. The result will be the individual’s countable Title II income for 1977 pass-along budgeting.

A spouse’s total COLAs from the same time period can also be disregarded. Multiply the spouse’s Current Title II SSA by the factor the corresponds to the month and year they began receiving Title II, or the month and year their spouse lost SSI, whichever is later. The result will be the spouse’s countable Title II for 1977 pass-along budgeting.

| **If SSI was terminated during this period:** | **Multiply 2023 Title II SSA by:** |
| --- | --- |
| May - June 1977 | 0.188 |
| July 1977 - June 1978 | 0.200 |
| July1978 - June 1979 | 0.220 |
| July 1979 - June 1980 | 0.252 |
| July 1980 - June 1981 | 0.280 |
| July 1981 - June 1982 | 0.301 |
| July 1982 - Dec 1983 | 0.322 |
| Jan. 1984 – Dec. 1984 | 0.332 |
| Jan. 1985 – Dec. 1985 | 0.344 |
| Jan. 1986 – Dec. 1986 | 0.356 |
| Jan. 1987 – Dec. 1987 | 0.360 |
| Jan. 1988 – Dec. 1988 | 0.375 |
| Jan. 1989 – Dec. 1989 | 0.390 |
| Jan. 1990 – Dec. 1990 | 0.409 |
| Jan. 1991 – Dec. 1991 | 0.431 |
| Jan. 1992 – Dec. 1992 | 0.447 |
| Jan. 1993 – Dec. 1993 | 0.460 |
| Jan. 1994 – Dec. 1994 | 0.472 |
| Jan. 1995 – Dec. 1995 | 0.485 |
| Jan. 1996 – Dec. 1996 | 0.498 |
| Jan. 1997 – Dec. 1997 | 0.513 |
| Jan. 1998 – Dec. 1998 | 0.523 |
| Jan. 1999 – Dec. 1999 | 0.530 |
| Jan. 2000 – Dec. 2000 | 0.544 |
| Jan. 2001 – Dec. 2001 | 0.563 |
| Jan. 2002 – Dec. 2002 | 0.577 |
| Jan. 2003 – Dec. 2003 | 0.585 |
| Jan. 2004 – Dec. 2004 | 0.598 |
| Jan. 2005 – Dec. 2005 | 0.613 |
| Jan. 2006 – Dec. 2006 | 0.639 |
| Jan. 2007 – Dec. 2007 | 0.660 |
| Jan. 2008 – Dec. 2008 | 0.675 |
| Jan. 2009 – Dec. 2009 | 0.714 |
| Jan. 2010 – Dec. 2010 | 0.714 |
| Jan. 2011 – Dec. 2011 | 0.714 |
| Jan. 2012 – Dec. 2012 | 0.740 |
| Jan. 2013 – Dec. 2013 | 0.752 |
| Jan. 2014 – Dec. 2014 | 0.764 |
| Jan. 2015 – Dec. 2015 | 0.777 |
| Jan. 2016 – Dec. 2016 | 0.777 |
| Jan. 2017 – Dec. 2017 | 0.779 |
| Jan. 2018 – Dec. 2018 | 0.795 |
| Jan. 2019 – Dec. 2019 | 0.817 |
| Jan. 2020 – Dec. 2020 | 0.830 |
| Jan. 2021 – Dec. 2021 | 0.841 |
| Jan. 2022 – Dec. 2022 | 0.891 |
| Jan. 2023 – Dec. 2023 | 0.969 |