



**STATE OF TENNESSEE
DEPARTMENT OF HUMAN SERVICES**

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OCTOBER 21, 2005

**BULLETIN NO. 38
MA-05-08**

**TO: ALL DISTRICT, AREA AND COUNTY OFFICES, FAMILY ASSISTANCE
SERVICE CENTERS, AND DIVISION OF APPEALS AND HEARINGS**

FROM: VIRGINIA T. LODGE, COMMISSIONER, DEPARTMENT OF HUMAN SERVICES

**SUBJECT: REVISION ADULT/INSTITUTIONALIZED MANUAL VOLUME 1, CHAPTER 15,
QUALIFIED INCOME TRUST (QIT) /MILLER TRUST**

The State of Tennessee received clarification from the Center for Medicare and Medicaid Services (CMS) on September 8, 2005, of the requirement for Tennessee to implement Qualified Income Trust (QIT) policy for those individuals admitted to or soon to be admitted to long-term-care facility ICF/MR or Home and Community Based Services. Allowing a QIT to be established may enable an individual to qualify financially for Medicaid Coverage as categorically eligible. This policy is **effective July 1, 2005**, in Tennessee. Detailed guidelines are included in the attached manual pages.

For the purpose of determining Medicaid eligibility for an applicant/recipient who is or soon will be confined to a LTC setting, either in a nursing home or a HCBS waiver and whose income is over the Medicaid Income Cap, such individuals may still qualify for Medicaid coverage if some or all of his or her income is placed in a valid Income Trust (Miller Trust).

Individuals who established qualified trust prior to July 1, 2005, will have an effective date of eligibility July 1, 2005, if he/she has a valid trust and is otherwise eligible. If the month of application is prior to July 1, 2005, but after the date enrollment closed (close of business April 29, 2005), please deny the case with reason code 300 which produces the (non-group) Medicaid notices. Process the case the next day as needed (approval/denial) based on instructions found in AIA-05-25.

Please document in running record comments on ACCENT the amount of income that the applicant/recipient placed in the QIT in the month eligibility was established. Also, document the name of the trustee and his/her address. Please inform the applicant/responsible party that changes in the trust must be reported within 10 days.

If the individual established an income trust after July 1, 2005, but prior to their application date, three-month retroactive policy may still apply. However, there will not be any instance when QIT eligibility based on QIT policy may begin prior to July 1, 2005.

Please cross out the section on Miller Trust in the Adult/institutionalized Manual, Volume I page 52.3 and replace it with the attached manual pages.

Once the case is approved based on QIT Policy, please fax or mail a copy of the trust to:

Pam Guy
Director of TPL, Bureau of TennCare
310 Great Circle Rd.
Nashville, TN. 37243
Fax # 615-432-7509

Please include the name and address of the trustee with the trust information.

Any questions or comments concerning this bulletin should be routed through the Medicaid/TennCare policy unit.

MAR:MT:bb