GEORGIA DIVISION OF FAMILY AND CHILDREN SERVICES MEDICAID POLICY MANUAL			
Chapter:	**2550**	**Effective Date:**	**February 2020**
Policy Title:	**Significant Change in Income or IME**		
Policy Number:	**2558**	**Previous Policy Update:**	**MT 37**

REQUIREMENTS

A significant change is a change in either income or IME that was not considered when determining the projected averages.

BASIC CONSIDERATIONS

A significant change occurs when there is a $20 or more change in income or IME.

Significant changes include the following:
- a change in regular, recurring income
- receipt of lump sum income
- a change in regular, recurring IMEs

NOTE: A large medical expenses that is a one–time non-recurring expense would not be treated in the manner of a significant change because it is not an item creating a recurring event. These one-time expenses are to be treated separately with no averaging. The non-recurring expense is to be deducted from the monthly liability in addition to the average IME deduction so that the allowed expense is offset in full or the liability is reduced to zero. If the one-time amount is not absorbed in full the first month of reduction, the remainder is applied to the second month of reduction with the patient liability again reduced to zero. This procedure is repeated until the non-recurring allowed expense has been absorbed in full.

PROCEDURES

Complete reconciliation and start a new three-month averaging period when a significant change is reported or discovered.

If the change occurred in the current month and timely notice can be given (10 days minimum remain in the month), complete the following actions:

- begin a new averaging period and complete reconciliation in the month of the change.
- Include the amount of both the one-time income/IME and recurring income/IME as part of the projected average income/IME for the new averaging period.

If timely notice (See Section 2701) cannot be given in the month in which the change occurs, complete the following actions:

- Begin a new averaging period and complete reconciliation in the earliest month for which notice can be given.
- Include the entire amount of any one-time income or IME as part of the reconciliation amount but not as part of the projected average income/IME for the new averaging period.
- Determine the new projected average income/IME based on the amounts of recurring income/IME.

NOTE: Do not include income or IMEs in reconciliation that were received or incurred more than three months prior to the month of reconciliation.

Client Notification

Send notice to the A/R of an increase in patient liability/cost share via the system-generated notice. See Section 2701 for specific notice requirements.
Send notice of termination (vendor payment/eligibility termination) to the A/R no later than 14 days prior to the first day of the effective month.

Use the following chart to determine the required action when a significant change is reported:

Chart 2558.1-Required Action Based on a Significant Change	
IF	THEN
Notice can be given in the month the unexpected income is received or the large unexpected IME is incurred	Begin a new averaging period and include the expense or income as part of the averaged projection for the new three-month averaging period.
Notice cannot be given in the month the income is received or the large IME is incurred	Include the income or IME as a reconciliation amount at the beginning of a new three-month averaging period, to begin with the earliest month in which notice can be given.
The income reconciliation amount exceeds the Medicaid billing rate for the nursing home where the A/R resides	Do not charge more than the billing rate as patient liability for the reconciliation month. Any remaining income is a resource for the following month. **EXCEPTION:** If the recipient receives VA A&A, refer to Section 2418, VA Income.
The IME reconciliation amount or average IME exceeds the A/R's monthly income	Do not carry the IME over to any future averaging period.
Large medical expenses that are one–time non-recurring expense	Deduct from the monthly liability in addition to the average IME deduction so that the allowed expense is offset in full or the liability is reduced to zero. And allow expense until it has been absorbed in full.