

**STATE OF CONNECTICUT  
DEPARTMENT OF DEVELOPMENTAL SERVICES**

**ADVISORY: Use Of Consumer Funds To Procure Prescription And Non-Prescription Medications, And Outpatient Services.**

**No.:** I.F.Adv.004

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**Issued By:/S/:** Vincent O'Connell,  
Chief Fiscal Officer

**Author/Contact Persons:**  
Andrew Wagner,  
Director of Medicaid Operations

**Employee Groups for Review and Implementation:**

Private Providers, Private ARD's, Public ARD's, Resource Managers and Administrators, Case Manager Supervisors

**Manual Section:** I. Service Delivery, Human Rights and Legal Responsibilities

**Purpose**

This advisory establishes the asset limit for use of DDS consumer funds to pay for certain prescriptions and non-prescription medications, and outpatient services.

**Applicability**

This applies to all DDS consumers residing in non-ICF/MR programs. For consumers living in licensed settings, eligible medications are only those ordered by the consumer's physician.

**Definitions**

Consumer: For the purpose of this procedure, the word "consumer" refers to individuals receiving services from the Department of Developmental Services in licensed non-ICF/MR settings.

Consumers Funds: Funds belonging to the consumer, held by either the consumer, or by their residential Private Provider, on behalf of the consumer. These funds are also referred to as Personal Funds.

Earned Income: Income from work related activities.

Earned Income Disregard: Earned income that is for personal use and not counted toward the cost of room and board.

Unearned Income: Includes income from sources such as Supplemental Security Income (SSI), Social Security benefits, Veterans benefits and pensions.

Unearned Income Disregard: Unearned income that is for personal use and not counted toward the cost of room and board.

Sufficient Assets: Assets, which exceed \$500.

## **Information**

The Department has income and asset limits for use of consumer funds to pay for prescription and non-prescription medications. Eligible medications are only those ordered by the consumer's physician. The maximum expenditure was limited to \$30 per calendar month for prescription drug co-payments, non-prescription medication purchase, and/or outpatient services, regardless of asset balances. If the consumer did not have sufficient income to pay for the costs, state funds could be used for this purpose.

The Department revised the guideline effective September 30, 2008. Contributions from consumer personal funds will be based on the consumer's unearned and earned income level and defines the term sufficient assets.

- Unearned income - the unearned income disregard for room and board calculations is specified by DSS. Contributions from this allowance for medication and/or outpatient services is limited to 1/3 (one third) of the unearned income disregard rounded to the nearest dollar per calendar month **if**, at the time of the payment, their total asset balance (personal income and assets) exceeds \$500. The individual may only be charge for current month expenditures and carryover from previous months cannot be billed to the individual.
- Earned income - Substantial earned income is defined as income exceeding \$65 per month. Consumers who have substantial earned income can contribution 1/3 (one third) of their earned income in excess of \$65 toward medication and /or outpatient services. The individual may only be charge for current month expenditures and carryover from previous months cannot be billed to the individual.

**For example**, a person with a 185.70 unearned income disregard would be expected to contribute a maximum of \$62 toward medications and/or outpatient services not covered by Medicaid or Medicare. This assumes the person has over \$500 in assets. If the person earns \$95 per month a contribution of 1/3 (one third) of the amount over \$65 or \$10 would also be expected. In total, the person would be expected to contribute a maximum of \$72 toward uncovered medications and services and would retain \$208.70 for personal use.

## Exception

If the individual's Planning and Support Team and/or guardian feel that the medical costs are reasonable, and should be paid using the individual's personal funds, this should be discussed and decided at a Team meeting. This decision must be documented in minutes from the meeting. The Planning and Support Team review and approval of the expense to be paid by the individual's personal funds must be documented prior to the individual incurring the expense. Additionally, the details of the expense allowance must also be

documented, i.e. if this is an on-going approval versus a one-time approval and types of expenses approved by the Team to be funded by the individual.

## **References**

“State of Connecticut Department of Mental Retardation/Department of Social Services Operating Manual For Parent Organizations Providing Residential and Day Programs For Individuals With Mental Retardation”, Section 4.5 Guidelines For Handling Consumer Funds