



December 14, 2010



DON L. ROSENBERG  
1301 W LONG LAKE RD STE 340  
TROY MI 48098 6349

For questions and/or problems, or help to translate, call the Beneficiary Help Line at 1-800-642-3195 or TTY 1-866-501-5656.

Spanish: Si necesita ayuda para traducir o entender este texto, por favor llame al telefono, 1-800-642-3195 or TTY 1-866-501-5656

Arabic: TTY 1-866-501-5656

إذا كان لديكم أي سؤال، يرجى الاتصال بخط المساعدة على الرقم الجاني ١-٨٠٠-٦٤٢-٣١٩٥

Dear Medicaid Beneficiary:

On March 9, 2010, the Michigan Department of Community Health received approval from the Centers for Medicare and Medicaid Services to allow the State to apply offsets to the Patient Pay Amount (PPA) for individuals residing in nursing homes who have incurred outstanding medical expenses during a period of time that they were not eligible for Medicaid. These expenses are referred to as Pre Eligibility Medical Expenses (PEME).

The State will now reduce the PPA for reasonable and necessary medical and remedial care expenses not covered by Medicaid if the service was incurred in the 3 month period prior to the month you applied for Medicaid. Expenses incurred prior to this three month period are not allowable deductions. Medical and remedial expenses incurred as the result of imposition of a penalty due to a transfer of resources are limited to zero, unless application of these limits would result in undue hardship. An undue hardship exists when your physician (M.D. or D.O.) says necessary medical care is not being provided and that you need treatment for an emergency condition.

You are receiving this notice because you applied for Medicaid on or after January 1, 2009 and are currently residing in a nursing home. If you have unpaid PEME that you are still obligated to pay, you may be eligible for a reduction in your PPA to help you pay off the old debt.

In order to qualify for an offset, your old bills must meet the following criteria:

1. The medical or remedial care service must have been received in the 3 months immediately preceding the date of your Medicaid application.
2. The medical or remedial care service bill must be unpaid and you must still have an obligation to pay it.
3. The medical or remedial care service must not be covered or be the responsibility of a third party.
4. The medical or remedial care services cannot be from a period that you are serving a penalty for the transfer of resources for less than fair market value (unless you claim undue hardship).
5. Your application for Medicaid must have been made on or after January 1, 2009.

If you believe that your old medical or remedial care bills meet the criteria listed above, you must send a copy of the unpaid bills to the following address by December 20, 2011:

Michigan Department of Community Health  
Medical Services Administration  
P.O. Box 30479  
Lansing, Michigan 48909-9634



Attn: PEME

Any reduction in your PPA under this change is being made so that you can pay off your old medical bills. It is your obligation to use the income that you are now keeping to pay off this old medical debt. The State of Michigan is in no way responsible for paying off your old Medical bills or assisting you in paying off your old Medical bills. If it is found that you are not applying this income toward your old bill, the deduction will be discontinued immediately.

Sincerely,

A handwritten signature in cursive script that reads "Stephen Fitton".

Stephen Fitton, Director  
Medical Services Administration