

General Assistance Medical Care

General Assistance Medical Care (GAMC) is a state-funded program that pays for certain health care services for Minnesota residents whose income and resources are insufficient to cover their expenses and who are not eligible for other health care programs. This information brief describes eligibility, covered services, and other aspects of the program.

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Administration

Minnesota State Legislature

The legislature established GAMC in 1975. The state law includes provisions for funding and administration and gives certain program authority to the Minnesota Department of Human Services (DHS). The program was implemented on January 1, 1976.

State Department of Human Services

State law gives DHS authority to fund and administer the program. DHS administrative policy sets requirements related to eligibility, the provision of health care services, state and county duties, and provider payments.

Counties

County human services agencies determine eligibility for GAMC. The counties are responsible for the costs of administering the GAMC program at the local level.

Eligibility Requirements

General Requirements

In order to be eligible for GAMC, an individual must:

- reside in Minnesota;
- meet GAMC asset and income limits;
- not be eligible for Medical Assistance (MA) benefits;
- meet one of the following GAMC qualifying statuses:
 - ▶ receive General Assistance (GA) or Group Residential Housing (GRH) payments;
 - ▶ be awaiting a disability determination from the Social Security Administration or the State Medical Review Team;
 - ▶ be unable to meet the MinnesotaCare residency requirement;
 - ▶ be homeless;
 - ▶ be entitled to Medicare due to end-stage renal disease;
 - ▶ be enrolled in private health coverage;
 - ▶ be detained by law for less than one year in a county correctional or detention facility or admitted to a hospital on a criminal hold order, and meet other criteria; or
 - ▶ receive treatment funded through the Consolidated Chemical Dependency Treatment Fund;
- not be a parole violator or a fleeing felon and meet certain criteria if convicted of a drug offense (see [Minn. Stat. § 609B.425](#));
- cooperate with the local agency in determining whether the applicant meets MA eligibility requirements; and
- assign any medical support and insurance benefit rights to DHS.

GAMC eligibility must be redetermined every 12 months for those on a fixed income and every six months for all others.

Eligibility Groups

GAMC is available for the following groups of individuals:

1. Individuals receiving GA or GRH payments if they are not otherwise eligible for MA
2. Individuals who do not receive GA or GRH, but who meet the GAMC income limit (75 percent of the federal poverty guidelines or FPG) and asset limit (\$1,000 per household, excluding specified assets), and meet one of the GAMC qualifying statuses
3. Individuals with incomes greater than 75 percent but not exceeding 175 percent of FPG, who meet the asset limit used by MA for families and children (\$10,000 for a household of one and \$20,000 for a household of two or more, excluding specified assets), and who apply during a hospital stay. These individuals receive GAMC hospital-only coverage.

Covered services and cost-sharing requirements for these groups vary and are summarized in the table below.

Table 1
GAMC Eligibility Groups

| Eligibility Group | Income Limit | Asset Limit | Covered Services | Cost-Sharing |
|--|---|---|---|---|
| 1. GA and GRH recipients | GA limit (\$203/month for one person; \$260 for married couple) or GRH limit ¹ | GA limit (\$1,000 per assistance unit) or GRH limit ² | All covered services | Copayments |
| 2. Other individuals eligible for full coverage | 75 percent of FPG | \$1,000 per household | All covered services | Copayments |
| 3. Individuals eligible for hospital-only coverage | Greater than 75 percent but not exceeding 175 percent of FPG | \$10,000 per household of one/\$20,000 per household of two or more | Inpatient hospital services and physician services provided during inpatient stay | \$1,000 deductible for each hospitalization |

¹ GRH is a state program that provides payments for room and board and related housing services to persons who are aged, blind, or disabled, or who are potentially eligible for GA. GRH recipients must have net incomes that are less than the GRH assistance standard, which, effective July 1, 2007, is \$757 per month plus any applicable supplemental rate.

² The GRH asset limit is \$2,000 for all recipients who are aged, blind, or disabled and \$1,000 for all other recipients, after applicable asset exclusions.

Enrollment in MinnesotaCare

Since September 1, 2006, certain GAMC applicants and recipients eligible for full coverage have been required to enroll in the MinnesotaCare program as adults without children. These individuals are exempt for up to six months from MinnesotaCare premiums,³ income and asset limits, and eligibility criteria related to lack of health coverage and lack of access to employer-subsidized health insurance. GAMC applicants and recipients are exempt from the MinnesotaCare enrollment requirement if they are any of the following:

- (1) eligible for GAMC as GA or GRH recipients
- (2) awaiting a determination of blindness or disability
- (3) unable to meet the MinnesotaCare residency requirement
- (4) homeless
- (5) end-stage renal disease beneficiaries in the Medicare program
- (6) persons enrolled in private health coverage
- (7) certain persons detained by law for less than one year in a county correctional or detention facility or admitted to a hospital on a criminal hold order
- (8) persons who receive treatment funded through the Consolidated Chemical Dependency Treatment Fund.

Residency

To be eligible for GAMC, an individual must be a resident of Minnesota. A “resident” is defined as a person living in the state for 30 days, with the intention of making a home here and not for any temporary purpose. County agencies are required to waive the 30-day residency requirement in cases of medical emergencies. Migrant workers who have worked in Minnesota within the last 12 months and have earned at least \$1,000 in wages from this employment are exempt from the 30-day residency requirement.

Asset Limits

To be eligible for GAMC, the assets of applicants with incomes not exceeding 75 percent of FPG cannot exceed \$1,000 per household, excluding exempt assets. The assets of applicants with incomes greater than 75 percent but not exceeding 175 percent of FPG (i.e., those applying for GAMC hospital-only coverage) cannot exceed \$10,000 for a household of one and \$20,000 for a household of two or more persons, excluding exempt assets. Asset exemptions are determined using the standards of the MA program.

³ County agencies are required to pay the enrollee share of premiums for these individuals for six months and have the option of continuing to pay these premiums beyond this period.

Certain items are not considered assets when determining GAMC eligibility for individuals with incomes not exceeding 75 percent of FPG, including the following:

- The homestead
- Household goods and personal effects
- Personal property used as a regular abode
- A burial plot for each member of the household
- Life insurance policies and assets for burial expenses, up to the limits established for the Supplemental Security Income (SSI) program
- Capital and operating assets of a business necessary for the person to earn an income
- Insurance settlements for damaged, destroyed, or stolen property, which are excluded for nine months and may be excluded for up to nine additional months under certain conditions
- One automobile that is used for transportation of the enrollee or a household member of the enrollee

Certain items are not considered assets when determining eligibility for individuals with incomes greater than 75 percent but not exceeding 175 percent of FPG eligible for hospital-only coverage, including the following:

- The homestead
- Household goods and personal effects
- A burial plot for each member of the household
- Life insurance policies and assets for burial expenses, up to the limits established for the Supplemental Security Income (SSI) program
- Capital and operating assets of a business up to \$200,000
- Insurance settlements for damaged, destroyed, or stolen property, which are excluded for three months if held in escrow
- A motor vehicle for each person who is employed or seeking employment
- Court-ordered settlements of up to \$10,000
- Individual retirement accounts and funds
- Assets owned by children

Income Limits

To be eligible for GAMC, an applicant must have gross income that is equal to or below the income limit set by the state legislature. The income limit for GAMC full coverage is 75 percent of FPG. Individuals with incomes greater than 75 percent but not exceeding 175 percent of FPG are eligible for GAMC hospital-only coverage. (See table on [page 9](#).)

In determining whether an applicant meets the program income limits, specified types of income, such as federal and state tax refunds and food stamp benefits, are excluded from gross income.

Benefits

Covered Services

GAMC enrollees eligible for full coverage (those receiving GA or GRH payments, or with incomes not exceeding 75 percent of FPG who meet the program asset limit and one of the program qualifying statuses) receive most, but not all, of the services provided to MA recipients. The following health care services are available under the GAMC program to enrollees eligible for full coverage:

- Ambulance services
- Care coordination and patient education services provided by a community health worker
- Chemical dependency services
- Chiropractic services as covered under the MA program
- Dental services⁴
- Eyeglasses and eye examinations
- Family planning
- Hearing aids and prosthetic/orthotic devices
- Inpatient hospital services
- Laboratory and x-ray services
- Medical supplies and equipment
- Outpatient hospital services
- Physician services, including services provided by a nurse practitioner
- Podiatric services
- Prescription drugs
- Psychological services
- Public health nursing services provided by a unit of government
- Services provided by Medicare-certified rehabilitation agencies
- Vision care

Enrollees with incomes greater than 75 percent but not exceeding 175 percent of FPG are covered only for inpatient hospital services, including physician services provided during an inpatient stay.

In order to address the special needs of the mentally ill, GAMC covers the following additional services for eligible persons:

- Outpatient services provided by an authorized mental health center or clinic that is under contract with a county board
- Day treatment services provided under contract with a county board
- Medication prescribed for a person diagnosed as mentally ill who is at risk of being cared for in an institution

⁴ The \$500 annual limit on coverage of dental services was eliminated January 1, 2006.

- Case management services and special transportation services for persons who would be eligible for MA if they did not reside in an institution for mental diseases⁵

Beginning January 1, 2008, GAMC coverage of mental health services will be expanded to include all services covered under Medical Assistance.

The following services are not covered under GAMC:

- Home health care services
- Nursing facility services
- Therapy services provided by independently enrolled providers
- Pregnancy and related services⁶
- Services in an intermediate care facility for persons with mental retardation and related conditions (ICF/MR)

Cost-Sharing

Enrollees who are GA recipients, or have incomes not exceeding 75 percent of FPG, are subject to the following copayments:⁷

- \$25 for eyeglasses
- \$25 for non-emergency visits to an emergency room
- \$3 per brand-name prescription and \$1 per generic prescription, subject to a \$12-per-month limit. Antipsychotic drugs are exempt from copayments when used for the treatment of mental illness.
- 50 percent coinsurance for basic restorative dental services

Health care providers are responsible for collecting the copayment; GAMC reimbursement to a provider is reduced by the amount of the copayment. A provider cannot withhold services from an enrollee who does not pay the copayment.⁸

Enrollees with incomes greater than 75 percent but not exceeding 175 percent of FPG who qualify for hospital-only coverage are subject to a \$1,000 deductible for each hospitalization.

⁵ An institution for mental diseases (IMD) is a hospital, nursing facility, or other institution of 17 or more beds that primarily provides diagnosis, treatment, or care to persons with mental illness.

⁶ GAMC enrollees who are pregnant qualify for coverage of these services under Medical Assistance and/or Emergency Medical Assistance.

⁷ The \$3 copayment for nonpreventive visits was eliminated January 1, 2006. The monthly limit on prescription drug copayments was reduced from \$20 to \$12, effective January 1, 2006.

⁸ Minnesota Statutes, section 256B.0631, subdivision 4, allowed providers who routinely refused services to individuals with uncollected debt to include uncollected copayments as bad debt and deny services to enrollees. The Ramsey County District Court in *Dahl et al. v. Goodno*, court file number C9-04-7537, ruled that this provision was preempted by federal law. This provision will be repealed January 1, 2009.

Beginning July 1, 2009, the copayments for eyeglasses and restorative dental services will be eliminated and the per-month maximum for prescription drug copayments will be reduced from \$12 to \$7.

GAMC Managed Care

GAMC enrollees receive services under either a fee-for-service system, through prepaid health plans under the prepaid GAMC program, or through a county-based purchasing initiative. Prepaid GAMC has been implemented since the mid-1980s in coordination with the Prepaid Medical Assistance Program (PMAP). County-based purchasing was authorized by the legislature in 1997. Counties implementing county-based purchasing are responsible for providing all covered services to enrollees, either through their own provider networks or by contracting with prepaid health plans and providers. DHS payments to counties under county-based contracting cannot exceed GAMC payment rates to prepaid health plans.

As of September 2007, 15,340 GAMC recipients were enrolled in either prepaid GAMC or a county-based purchasing initiative.

Fee-for-Service Provider Reimbursement

Under fee-for-service GAMC, the individuals and institutions that provide medical services to GAMC recipients are reimbursed for those services directly by DHS. Generally, GAMC reimburses providers at the same rates used by the MA program.

Funding and Expenditures

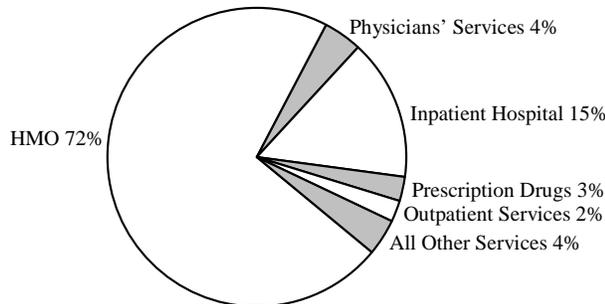
The GAMC program is funded solely by state dollars. There is no federal funding for GAMC. Beginning January 1, 1991, the state assumed responsibility for the historic county share of 10 percent of GAMC costs.

During state fiscal year 2006, the state spent \$288,785,153 in payments to health care providers for GAMC services.

Recipients

In fiscal year 2006, an average of 39,201 persons were eligible to receive GAMC services each month.

**GAMC Spending on Services
 FY 2006**



Source: DHS November 2006 Forecast

**GAMC Income Limit – Federal Poverty Guidelines⁹
 for 7/1/07 through 6/30/08 – 12-month period**

| Household Size | 75% of FPG | 175% of FPG |
|------------------------|------------|-------------|
| 1 | \$7,668 | \$17,868 |
| 2 | 10,284 | 23,964 |
| 3 | 12,900 | 30,060 |
| 4 | 15,516 | 36,156 |
| 5 | 18,132 | 42,252 |
| 6 | 20,748 | 48,348 |
| 7 | 23,364 | 54,444 |
| 8 | 25,980 | 60,540 |
| 9 | 28,596 | 66,636 |
| 10 | 31,212 | 72,732 |
| Each Additional Person | 2,616 | 6,096 |

House Research Department

For more information about health care programs, visit the health and human services area of our web site, www.house.mn/hrd/issinfo/hlt_hum.htm.

⁹ Federal poverty guidelines are updated every year, usually in February. New DHS income standards based on updated guidelines are effective July 1 of each year.