

SPEND DOWN OVERVIEW

JUNE 17, 2025



WHAT IS SPEND DOWN (SD)?



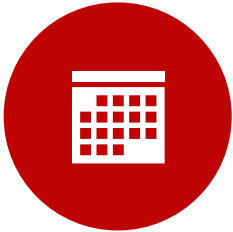
Allows a consumer with income exceeding the standard eligibility limit to qualify for Medicaid coverage by meeting a specified amount of medical/mental health expenses.



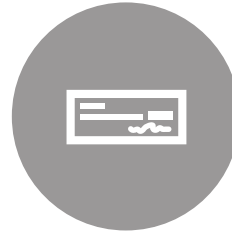
The amount Family Support Division (FSD) has determined an individual must contribute toward their medical/mental health care.

SPEND DOWN FACTS

- Spend down is **not a premium**. It does not have to be paid or met each month.
- Spend down must be met monthly for coverage to be active.
- Coverage can be activated retroactively for any of the previous 12 months.
- A spend down can be met in two ways by paying in or submitting expenses for that month.
- An invoice is sent to the participant with details.



MO HealthNet Division (MHD) mails a monthly invoice to individual cases the first week of the month (usually by the 5th).



The invoice is for the next month's spend down amount, for example, the 10/5/24 invoice is for the Nov. 2024 spend down.



The invoice gives the participant the option of paying the spend down amount to MHD or submitting medical expenses to FSD.



The invoice instructs the participant to call the MHD Premium Collections Unit at 1-877-888-2811 for questions about a payment.

SPEND DOWN INVOICE

HOW TO MEET SPEND DOWN?

Paid to the MO HealthNet Division (MHD):

- If paid to MHD, coverage begins on the 1st day of the month.
- If paid to MHD in advance, there is no break in the participant's coverage.
- If MO HealthNet does not pay claims for services equal to the amount **paid in for a month**, the difference is refunded to the participant after 12 months.

Can be met with incurred medical expenses sent to FSD:

- If met with medical expenses, FSD determines the date coverage begins.
- FSD also determines the amount of participant liability deducted from claim(s) on that date.

MEETING SPEND DOWN WITH EXPENSES

Allowable medical expenses to meet spend down are:

- Expenses incurred by the participant or the participant's spouse and;
- Not subject to payment by a third party (such as Medicare or other health insurance) **unless:**
 - A third party is a public program of a State or political subdivision of a State such as the **Department of Mental Health (DMH)** or **Department of Health and Senior Services (DHSS)**.



DOCUMENTING DMH SERVICES FOR SPEND DOWN

There are **two** ways to document CPR, CSTAR, CCBHC, and TCM services* that are billable to DMH rather than the consumer to meet the spend down:

- The preferred method is to complete the MO HealthNet (MHD) Spend Down Provider form and submit it without additional documentation.
- An invoice identifying the services as CPR, CSTAR, CCBHC, or TCM with the cost of the service.

*Community Psychiatric Rehabilitation (CPR), Comprehensive Substance Treatment and Rehabilitation (CSTAR), Certified Community Behavioral Health Clinic (CCBHC), and Targeted Case Management (TCM).



MO HEALTHNET SPEND DOWN PROVIDER FORM

- An electronic version of the MO HealthNet Spend Down Provider form is available and may be downloaded from the [Department of Social Services](#) website via this [link](#).
 - The form may be filled out electronically or printed and completed by hand.
 - Typed signatures are accepted.

SPEND DOWN FORM COMPONENTS

The MO HealthNet Spend Down Provider Form or invoice needs to have all the following information:

- Name and DCN of the MO HealthNet participant.
- Name of service provider (e.g. CPR, CSTAR provider).
- Provider type (First two digits of the Medicaid provider number: 87 for CPR, 86 for CSTAR, 88 for CCBHC, 15 for TCM).
- Date the service was provided.
- A service description identifying the service as CPR, CSTAR, CCBHC, or TCM.
- Procedure code
 - The T1040 for CCBHC-PPS is utilized.
- Charge for service(s) provided.

NOTIFICATION OF SPEND DOWN MET OR NOT MET WITH EXPENSES

When SD is met with expenses, FSD sends the participant a form indicating the MO HealthNet coverage start date and the amount of spend down liability due on the start date.



When the medical expenses submitted are less than the spend down amount, FSD sends the participant a form indicating the amount applied to the SD and how much still needs to be met for that month.

MEETING SPEND DOWN BY PAY-IN

- Payments can be made by check, money order or online via credit card by setting up an account via the [MO HealthNet Division portal](#).
- To pay via check or money order, address the check to:

MO HealthNet Division

P.O. Box 808001

Kansas City, MO., 64180-800

NOTE: *On the check or money order, write the DCN and the month(s) being paid for. If the client does not have the invoice include a note with the payment with the DCN and the months being paid for.*

SPEND DOWN PAY-IN BY AUTO-WITHDRAWAL



- Participants who pay-in may have the spend down automatically withdrawn from a bank account.
- The Spend Down Automatic Withdrawal Form must be complete and mailed with the monthly invoice.
- Address the voided personal check, savings deposit slip, or signed bank verification letter to:
Division of Finance and Administrative Services
P.O. Box 1116
Jefferson City, MO., 65102-116

SPEND DOWN PAY-IN BY AUTO-WITHDRAWAL

It usually takes 30 days for the automatic withdrawal to be set-up. Until finalized, the participant will continue to receive a monthly invoice and will need to submit payment to MHD or medical bills to FSD.

Once the automatic withdrawal is set-up:

- On the 10th of each month MO HealthNet Division will take spend down for the following month directly out of the bank account.
- The participant will no longer receive a monthly invoice, instead they will get a reminder each month that the payment was taken from their bank account.

OUT OF POCKET AFTER PAY-IN



- If a participant pays out-of-pocket for eligible medical expenses in a month, and paid the spend down to MHD, then the out-of-pocket expenses can be used to reduce the spend down for up to three months.
- The out-of-pocket expenses need to be submitted to the FSD Spend Down unit, and if allowed FSD will:
 - Enter the out-of-pocket expenses into the SD system and notify the MHD Premium Collections Unit.
 - Complete and mail an Out-of-Pocket Expenses Form (IM-29OPE) to the participant.
- MHD will adjust the future invoices for up to three months.

OUT OF POCKET AFTER PAY-IN EXAMPLE

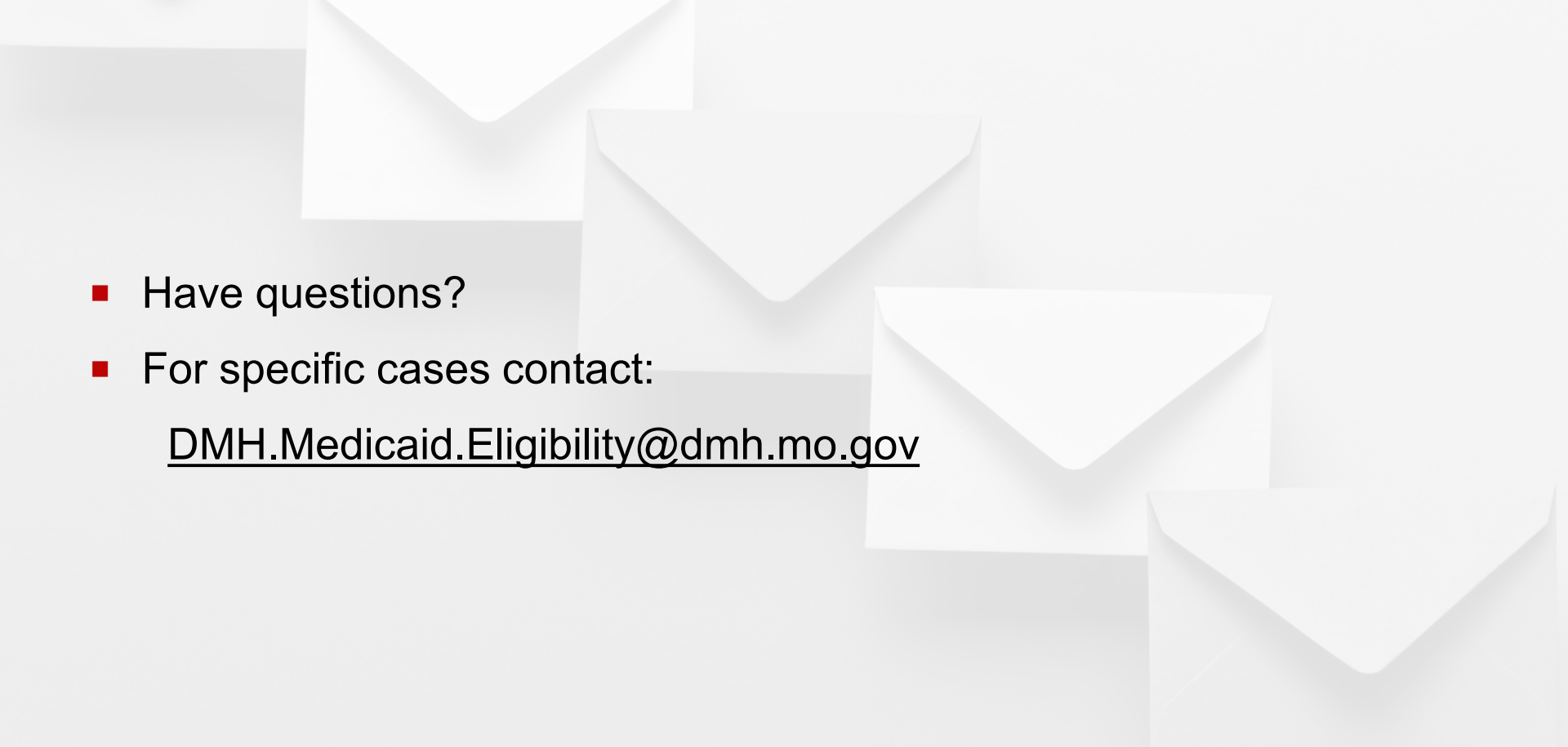


A participant pays their monthly spend down of **\$100** to MHD each month.

- September spend down paid in August.
- Participant had a dental expense of **\$250** on September 2.
- Participant reports paying out-of-pocket for the dental expense to FSD on September 5 and provides a bill from the dentist office showing it was paid.
- FSD completes the Out-of-Pocket Expense Form (IM-29OPE) to show the expense applied for 3 months,
 - If payment for the October has not been sent, SD will be reduced to zero for October and November, and **\$50** for December.
 - If payment for the October has been sent, SD will be reduced to zero for November and December, and **\$50** for January.



THANK YOU



- Have questions?
- For specific cases contact:
DMH.Medicaid.Eligibility@dmh.mo.gov