

CHANGE NOTICE FOR MANUAL, NO.12-07, SPOUSAL INCOME PROTECTION

DATE: MAY 25, 2007

Manual: Aged, Blind, and Disabled Medicaid

Change No: 12-07

To: County Directors of Social Services

Effective: July 1, 2007

I. NEW AVERAGE PRIVATE NURSING FACILITY RATE

MA-2240, Transfer of Resources, has been revised to raise the current average private nursing facility rate to \$5,000.

II. COMMUNITY SPOUSE INCOME ALLOWANCE AND DEPENDENT FAMILY MEMBER ALLOWANCE CHANGES

MA-2270, Long Term Care Need and Budgeting, has been revised to provide the following amounts for calculating the community spouse income allowance and the dependent family member allowance based on the increase in the federal poverty level.

A. The basic spousal allowance is increased from \$1,650 to \$1,712.

B. The shelter standard is increased from \$495 to \$514.

C. The maximum dependent allowance is increased from \$550 to \$571.

There is no change in the maximum community spouse income allowance. It increased to \$2,541 effective January 1, 2007.

D. Other Changes

1. The Minimum Medicaid Reimbursement Rates for the following Long Term Care facilities will change effective July 1, 2007:

ICF/MR-Minimum Medicaid Reimbursement Rate for 31 days changes from \$5,747 to \$7,062.

Hospice Care in a NF (SNF)-Minimum Medicaid Reimbursement Rate for 31 days changes from \$4,065 to \$3,162.

Hospice Inpatient Care (Acute Hospital)-Minimum Medicaid Reimbursement Rate for 31 days changes from \$13,205 to \$16,977.

2. The Minimum Medicaid Reimbursement Rates for the following Hospital Inappropriate Level of Care Bed, per diem and for 31 days, will change effective July 1, 2007:

Skilled-Per Diem rate changes from \$121.57 to \$123; and for 31 days, changes from \$3,768 to \$3,813.

Ventilator-Per Diem changes from \$356.94 to \$370.55; and for 31 days, changes from \$11,066 to \$11,488.

3. Procedures and policy have been revised for calculating Skilled Nursing Facility's Medicaid Reimbursement Rate. See changes in MA-2270, V.,B.

III. IMPLEMENTATION

These changes are effective July 1, 2007.

A. Spousal Income Protection

1. **Applications**

Apply the new amounts in determining spousal income allowances, dependent family member allowances effective on or after July 1, 2007. For the months prior to July 1, 2007, use the old amounts.

2. **Ongoing Cases**

Apply the new amounts in re-determining spousal income allowances, dependent family member allowances at the first re-determination/review or change in situation effective July 1, 2007, or later.

- a. For reviews or changes in situation in process or begun on or after receipt of this change notice, use these amounts to determine the patient monthly liability effective July 1, 2007, or later.
- b. For all other cases apply these amounts at the next review or change in situation.

B. Medicaid Reimbursement Rates for Long Term Care Facilities

1. **Applications**

Apply the new amounts and/or procedures in the LTC financial eligibility computations for applications taken on or after July 1, 2007. For the months prior to July 1, 2007, use the old amounts.

2. Ongoing Cases

Apply the new amounts and/or procedures in the LTC financial eligibility computations at the first re-determination/review or change in situation effective July 1, 2007, or later.

- a. For reviews or changes in situation in process or begun on or after receipt of this change notice, use these amounts and/or procedures in the LTC financial eligibility computation.
- b. For all other cases apply these amounts and/or procedures at the next review or change in situation.

C. New Average Private Nursing Facility Rate

Apply the new average private nursing facility rate of \$5,000 when determining sanction periods for transfer of resources when the applicant/recipient requests nursing home assistance, CAP, Long Term Care or in home services on or after July 1, 2007. When the application date is prior to July 1, 2007, use the old amount of \$4,800.

IV. MAINTENANCE OF MANUAL

A. Remove: A-2240, Transfer of Resources, pages 17, 18, 21 – 26, 31, 32, and Figure 2, pages 9, 10, A Guide for Evaluating Transfer of Resources.

Insert: [MA-2240, Transfer of Resources](#), pages 17, 18, 21 – 26, 31, 32 and [Figure 2](#), pages 9, 10, A Guide for Evaluating Transfer of Resources.

B. Remove: MA-2270, Long Term Care Need and Budgeting, pages 3 through 6, 9 and 10, 13 through 16, Table A, pages i and ii, and Figure 6, Community Spouse Income Allowance Worksheet.

Insert: [MA-2270](#), Long Term Care Need and Budgeting, pages 3 through 6, 9 and 10, 13 through 16, [Table A](#), pages i and ii, and [Figure 6](#), Community Spouse Income Allowance Worksheet, effective July 1, 2005.

If you have any questions, please contact your Medicaid Program Representative.

Mark Benton, Director
Division of Medical Assistance

(This material was researched and written by Steven F. Roberts, Medicaid Policy Consultant, Medicaid Eligibility Unit.)