

## DMA CHANGE NOTICE FOR MANUAL NO. 26-10

**DATE: 12/23/10**

**Manual: Aged, Blind, and Disabled Medicaid**

**Change No: 26-10**

**To: County Directors of Social Services**

**Effective: 01/01/11**

**Make the following change(s)**

### **I. BACKGROUND**

While the Consumer Price Index – Urban (CPIU) increased between September 2009 and September 2010 by 1.1 percent, this increase was not enough to offset the decline that occurred last year (-1.3 percent). Therefore, there will be no increase in the spousal impoverishment standards for 2011.

Under section 6014 of the Deficit Reduction Act of 2005 (DRA), Medicaid will not pay for long-term care services for individuals whose equity interest in their home exceeds \$500,000, or at a State option, to a higher limit that does not exceed \$750,000. North Carolina has opted for the lower limit. Beginning January 1, 2011, these limits are to be increased each year by the percentage increase in the CPIU. Effective January 1, 2011, applying CPIU increase of 1.1 percent, the excess home equity limit will be \$506,000.

### **II. CONTENT OF CHANGE**

**A. MA-2240, Transfer of Assets, has been updated with the new Excess Home Equity Limit.**

**B. MA-2242, Home Equity Value and Eligibility for Institutional Services, has been updated with the new Excess Home Equity Limit.**

**C. MA-2242, Home Equity Value and Eligibility for Institutional Services, Figure 1/DMA-5115, has been updated with the new Excess Home Equity Limit.**

### **III. EFFECTIVE DATE AND IMPLEMENTATION**

Apply this policy to any applications or redeterminations taken or in process on or after January 1, 2011.

### **IV. MAINTENANCE OF MANUAL**

**A. Remove: MA-2240, Transfer of Assets, page 1, 2.**

Insert: [MA-2240](#), Transfer of Assets, page 1, 2 dated 1/1/11.

**B. Remove: MA-2242, Home Equity Value and Eligibility for Institutional Services, page 1, 2.**

Insert: [MA-2242](#), Home Equity Value and Eligibility for Institutional Services, page 1, 2 dated 1/1/11.

**C. Remove: MA-2242, Home Equity Value and Eligibility for Institutional Services, Figure 1/DMA-5115.**

Insert: [MA-2242](#), Home Equity Value and Eligibility for Institutional Services, Figure 1/DMA-5115 dated 1/1/11.

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

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Director

(This material was researched and written by John Benske, Policy Consultant, Medicaid Eligibility Unit.)