



State of New Jersey

DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

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Governor

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Lt. Governor

JOHN R. GUHL
Director

MEDICAID COMMUNICATION NO. 12-05

DATE: January 31, 2012

TO: County Welfare Agency Directors
Institutional Services Section (ISS) Area Supervisors

SUBJECT: Post-Eligibility Treatment of Income – 2011 Adjusted Utility Allowance
N.J.A.C. 10:71-5.7

In determining the amount that may be deducted from the income of an institutionalized Medicaid eligible individual for the maintenance of a community spouse, consideration is given to the excess shelter expenses of the community spouse. When calculating the amount of the shelter expenses, the standard utility allowance is utilized when the community spouse directly incurs utility charges.

As you are aware, these utility allowances are the same as those applicable in determining eligibility under the authority of the Division of Family Development's (DFD) Supplemental Nutrition Assistance Program (SNAP), formerly named the Federal Food Stamp program. DFD announced that the increased utility allowance became effective October 1, 2011.

Therefore, a utility allowance of **\$435.00** shall be included as a shelter expense, which is an increase from the previous allowance of \$365.00. Please be reminded that as of 2011 there is no longer a separate utility allowance based on what type of utility charges that the community spouse incurs therefore the \$435.00 utility allowance will be utilized in all cases where a community spouse directly incurs utility expenses.

Please apply the standard utility allowance for all new cases and cases subject to redetermination when calculating for the maintenance of a community spouse and completing the applicable PR-1 forms. Note that the standard utility allowance has increased and all other cases in which there is a community spouse shall be reviewed for the potential of increased maintenance deductions no later than April 1, 2012. For any such case, the County Welfare Agency must assure that any change in the maintenance deduction be applied retroactively to October 1, 2011.

In order to assist the CWA and ISS Offices with this review, we will be forwarding, under separate cover, a systemic report of those Long Term Care (LTC) cases which currently have a PR-1 on file with the Department of Health and Senior Services (DHSS) and have spousal maintenance deductions indicated in such records.

If you have any questions regarding this Medicaid Communication, please refer them to the Division's Office of Policy field service staff for your agency at 609-588-2556.

Sincerely,

A handwritten signature in blue ink that reads "Valerie Harr".

Valerie Harr
Director

VH:S

c: Jennifer Velez, Commissioner
Department of Human Services

Lynn Kovich, Assistant Commissioner
Division of Mental Health and Addiction Services

Kevin Martone, Deputy Commissioner
Department of Human Services

Joseph Amoroso, Director
Division of Disability Services

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