State of New Jersey
DEPARTMENT OF HUMAN SERVICES
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CHRISTINE TODD WHITMAN
Governor

WILLIAM WALDMAN
Commissioner

VELVET G. MILLER
Director

MEDICAID COMMUNICATION NO. 95-14 **DATE:** October 5, 1995

TO: County Welfare Agency Directors
Institutional Services Section Area Supervisors

SUBJECT: Post Eligibility Treatment of Income - Increased Utility Allowances

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, standard utility allowances are to be used when the community spouse directly incurs utility charges.

These utility allowances are the same as those applicable in determining eligibility for the Food Stamp Program. The Division of Family Development has announced the new allowances that are effective October 1, 1995. Therefore, effective on that date the new figures are to be used in the determination of the community spouse's excess shelter costs.

- If the community spouse pays for heating fuel charges, a utility allowance of **$214.00** shall be included as a shelter expense.

- If the community spouse does not pay for heating fuel but does directly incur a utility expense other than telephone, water, sewerage, or garbage collection, the utility allowance is **$132.00**.

- If the only separate utility charge is the telephone, the utility allowance is **$19.00**. (There is no change from last year.) The telephone allowance cannot be used in conjunction with either of the utility allowances above.

Effective October 1, 1995, county welfare agencies shall apply the new appropriate standard utility allowance for all new cases and cases subject to redetermination. All other cases in which there is a community spouse shall be reviewed for the potential of increased maintenance deductions no later than February 1, 1996. For any such case, the county welfare agency must assure that any change in the maintenance deduction be applied retroactively to October 1, 1995.

In order to assist the county welfare agencies in this review, we will be forwarding, under separate cover, a system-generated "change" PA-3L Form for each individual who is active in the current billing system (including those discharged to a hospital) and who currently has a community spouse deduction indicated in the record. For ease of identification, the form will contain an asterisk in the LTCF block on the first line, in the column adjacent to "effective date".

Questions concerning this communication should be referred to the Medicaid field service staff assigned to your county.

Sincerely,

Velvet G. Miller
Director

VGM:Jm
cc: Karen Highsmith, Acting Director
Division of Family Development

Patricia Balasco-Barr, Director
Division of Youth and Family Services

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