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

1-800-356-1561

MEDICAID COMMUNICATION NO. 01-13 DATE: August 14, 2001

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

SUBJECT: Community Spouse Maintenance Allowance

This is to advise you that, effective July 1, 2001, the standard for deriving the community spouse maintenance allowance has increased. This results from the annual adjustment to the allowance which is based on 150 percent of the federal poverty guideline. As the same standard is used in the determination of the maintenance allowance for other family members residing with the community spouse, the computation of that allowance has also changed. These increases potentially affect all institutionalized New Jersey Care...Special Medicaid Program (including the Medically Needy segment) and Medicaid Only individuals with spouses in the community.

The new base allowance for a community spouse increased from $1,408 to $1,452. The new standard for determining the excess shelter costs of the community spouse increased from $422 to $436. Therefore, in computing the community spouse allowance, the community spouse's shelter costs in excess of $436 shall be added to the base allowance of $1,452 to determine his or her overall standard. The community spouse's own income would be subtracted from the overall allowance to ascertain the amount that may be deducted from the institutionalized spouse's income prior to applying that income to the cost of care.

In determining the amount of the institutionalized individual's income that may be used to maintain other family members, the standard of $1,452 also applies though the calculation is different from that of the community spouse allowance. The amount of income that may be deducted is equal to one-third of the amount by which $1,452 exceeds the family member's own income.

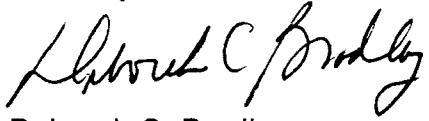
County boards of social services and ISS offices shall apply the new standards in the post-eligibility treatment of income beginning with the month of July for all new cases and cases subject to redetermination. All other cases in which there is a community spouse shall be reviewed for the potential of increased maintenance deductions no later than November 1, 2001. For any such case, the county board of social services must assure that any change in the maintenance deduction be applied retroactively to July 1, 2001.

In order to assist the county boards of social services and ISS offices in this review, we will be forwarding, under separate cover, a system generated "change" PR-1 (formerly PA-3L) for each individual who is active in the current billing system (including those discharged to a hospital) and who currently has a maintenance 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."

You are reminded that the community spouse's share of the resources, which was revised for January 2001, remains unchanged. The community spouse's share of the couple's countable resources is the greater of $17,400 or one-half of the couple's total resources, not to exceed $87,000.

Questions concerning this communication should be referred to the Bureau of Eligibility Policy at (609) 588-2556.

Sincerely,



Deborah C. Bradley
Acting Director

DCB:Hh

c: Christine Grant, Commissioner
William Conroy, Deputy Commissioner
Department of Health and Senior Services

David C. Heins, Director
Division of Family Development

Charles Venti, Director
Division of Youth and Family Services