MIKIE SHERRILL
Governor

VACANT
Lt. Governor

State of New Jersey
DEPARTMENT OF HUMAN SERVICES
Division of Medical Assistance and Health Services
P.O. Box 712
Trenton, NJ 08625

STEPHEN CHA, MD, MHSR
Commissioner

GREGORY WOODS
Assistant Commissioner

**MEDICAID COMMUNICATION NO. 26-07** **DATE: October 21, 2026**

**TO:** NJ FamilyCare Eligibility Determining Agencies

**SUBJECT:** Post-Eligibility Treatment of Income – 2026 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). DFD has announced that the standard utility allowance will decrease from $977.00 to **$934.00 per month, effective October 1, 2026**.

County Social Service Agencies (CSSA) and Institutional Services Section (ISS) offices shall continue to apply these standards in the post-eligibility treatment of income beginning with the month of October 2026 for all new cases and cases subject to redetermination.

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

GW/bp
c:

Stephen Cha, MD, MHSR, Commissioner
Department of Human Services

Valerie Mielke, Deputy Commissioner
Department of Human Services

Kaylee McGuire, Deputy Commissioner
Department of Human Services

Michael J. Wilson, Deputy Commissioner
Department of Human Services

Natasha Johnson, Assistant Commissioner
Division of Family Development

David Helfand, Assistant Commissioner
Division of Mental Health and Addiction Services

Jonathan Seifried, Assistant Commissioner
Division of Developmental Disabilities

Jacqueline A. Moskowitz, Acting Director
Division of Disability Services

Louise Rush, Assistant Commissioner
Division of Aging Services

Joseph Ribsam, Acting Commissioner
Department of Children and Families

Dr. Raynard E. Washington, Commissioner
Department of Health

Nina Galletto, Director, Medicaid Fraud Division
Office of the State Comptroller