



**State of New Jersey**

**DEPARTMENT OF HUMAN SERVICES  
DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES**

ADMINISTRATIVE OFFICES  
QUAKERBRIDGE PLAZA—BUILDING 5 & 7 & 12  
QUAKERBRIDGE ROAD  
TRENTON, NEW JERSEY 08619

ADDRESS REPLY TO:  
CN-712  
TRENTON, NEW JERSEY 08625

**MEDICAID COMMUNICATION NO:** 89-24

**DATE:** December 11, 1989

**TO:** County Welfare Agency/Board of Social Services Directors

**SUBJECT:** Identification of Potential Cases for Modified Community Spousal Deductions

The new maintenance deductions for the community spouse and certain other family members became effective for any Medicaid eligible individuals residing in a Title XIX facility on or after October 1, 1989, regardless of the date institutionalization began. Attached are two computer generated reports which should assist you in identifying those individuals in nursing facilities who are currently claiming a spousal deduction and those individuals who are married and may now be entitled to a spousal deduction under the spousal impoverishment provisions of the Medicare Catastrophic Coverage Act of 1988.

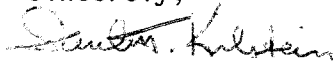
The first report which identifies those individuals who are currently claiming a spousal deduction is based upon PA-3L information submitted to the Bureau of Claims and Accounts after October, 1988. If a new PA-3L has not been prepared for any individual since that date, their name will not appear on this report although they may have a current spousal deduction.

The second report identifies those individuals who are coded as married on the Medicaid Eligibility File, as of October 16, 1989, and who are currently institutionalized in a Title XIX facility (Billing Term Code A), have been discharged from a Title XIX facility to a hospital (Billing Term Code 1), are receiving Medicare benefits to cover nursing facility care (Billing Term Code 8), or are reported as terminated from eligibility (Billing Term Code 5). Cases which are currently active in the billing system should be reviewed first, followed by those which are expected to return from hospitals, and, lastly, those which will convert from Medicare to Medicaid. In addition, we would appreciate your review of those cases which are coded as terminated from eligibility to verify that the termination was correct. SSI conversion cases which may come to your attention through the review process should also be explored for Medicaid Only eligibility.

Potentially affected cases must be reviewed for the community spouse and, if appropriate, certain other family member deductions no later than February, 1990. However, since all adjustments must be manually processed by the Bureau of Claims and Accounts, it is requested that these cases be completed as soon as possible. The PA-3L should reflect all adjustments for a community spouse and other family members, where appropriate, retroactive to October 1, 1989.

Questions regarding the contents of this letter or the enclosed reports should be referred to the Medicaid field staff assigned to your county.

Sincerely,

A handwritten signature in dark ink, appearing to read "Saul M. Kilstein", written over the printed name.

Saul M. Kilstein  
Director

SMK:PHd

Attachments

cc: Marion E. Reitz, Director  
Division of Economic Assistance

Nicolas Scalera, Acting Director  
Division of Youth and Family Services