



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. 90-15

DATE: July 13, 1990

TO: County Welfare Agency Directors

SUBJECT: Post Eligibility Treatment of Income; Increased Maintenance Standards

This serves to advise that, beginning July 1, 1990, the standard for deriving the community spouse maintenance allowance has increased. 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 is also changing. These increases potentially affect all institutionalized New Jersey Care and Medicaid Only individuals with spouses in the community.

The new base allowance for a community spouse increases from \$815 to \$856. The new standard for determining the excess shelter costs of the community spouse is \$257. Therefore, in computing the community spouse allowance, the community spouse's shelter costs in excess of \$257 shall be added to the base allowance of \$856 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.

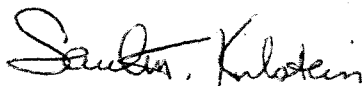
In determining the amount of the institutionalized individual's income that may be used to maintain other family members, the standard of \$856 also applies though the calculation is different from that of the community spouse allowance. The amount of income that may be deducted is equal to 1/3 of the amount by which \$856 exceeds the family member's own income.

Effective immediately, county welfare agencies shall apply the new standards 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, 1990. For any such case, the county welfare agency must assure that any change in the maintenance deduction be applied retroactively to July 1, 1990.

In order to assist the county welfare agencies in this review, we will be forwarding, under separate cover, a system-generated "change" PA-3L for each individual who is active in the current billing system (including those discharged to 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".

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

Sincerely,

A handwritten signature in black ink, appearing to read "Saul M. Kilstein". The signature is fluid and cursive, with the first name "Saul" being more prominent.

Saul M. Kilstein
Director

SMK:Hh

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

Nicholas Scalera, Acting Director
Division of Youth and Family Services