

DMA CHANGE NOTICE FOR MANUAL

DATE: JANUARY 1, 2011

Manual: Aged, Blind, and Disabled Medicaid

Change No: 02-11

To: County Directors of Social Services

Effective: January 1, 2011

I. BACKGROUND

- A. Session Law 2010-68 provided for the collaboration between the Division of Medical Assistance and the Department of Insurance to establish a qualified Long Term Care Partnership program policy which will provide both a resource disregard at application for LTC Medicaid or CAP and resource protection at estate recovery.**

Individuals who have used a qualified Long Term Care Partnership policy are eligible for a resource disregard at application for LTC Medicaid or CAP and resource protection at estate recovery. The amount of the resource disregard and protection at estate recovery may be equal to the amount paid out on behalf of the individual from the Long Term Care Partnership policy as of the date of application. A qualified Long Term Care Partnership policy provides a mechanism for individuals to qualify for coverage of the cost of care under Medicaid, or CAP services, without first being required to substantially exhaust their resources, and will also substantially reduce the burden on the state Medicaid program by encouraging individuals to obtain private long-term care insurance.

The definition of estate is different from other applicants and recipients. The definition of estate for those who received a resource disregard due to their use of a qualified Long Term Care Partnership policy, includes all real and personal property owned at the time of death and those assets conveyed to a survivor, heir or assignee, life estates, living trusts, ownership interests in joint tenancy with rights of survivorship, tenancy in common and any other arrangement.

- B. The MQB resource limits have been updated for 2011.**

II. CONTENT OF CHANGE

A. MA-2230, Financial Resources, is revised to:

1. Include the increase in resource limit for MQB-Q, B and E effective January 1, 2011. The resource limit for 2011 increased to \$6,680 for an individual and \$10,020 for a couple. Chart I.A.3. is updated with the new Medicare Savings Program reserve limits.
2. Include the definitions of resource disregard and resource protection at estate recovery in section XII. A.
3. Include the identification, application and reporting of qualified Long Term Care Partnership policies in section XII. D. The remaining section letters are adjusted with this inclusion.

B. MA-2231, Community Spouse Resource Protection, is revised to include the process of applying a resource disregard for those individuals who have used a qualified Long Term Care Partnership policy. If, on the date of application for long term care Medicaid, the individual is over the reserve limit after applying the CRSA, the Medicaid worker will give the individual a resource disregard up to the amount paid out from their Long Term Care Partnership policy as of the date of application.

C. MA-2285, Estate Recovery, is revised to include the provision for a resource protection at estate recovery for applicants of long term care Medicaid or CAP services who have used a qualified Long Term Care Partnership policy. The amount of the protection at estate recovery is equal to the amount paid out from the individual's Long Term Care Partnership policy as of the date of application. This amount is reported to the Estate Recovery Administrator at application approval for long term care Medicaid or CAP.

D. The MQB Q, B, E resource limits for 2011 have been increased. The new limits are updated in the following sections: MA-500 III.C.1a. b., and 2 b., MA-2130 II.D., MA-2140 II.E., MA-2160 III.C.4.b, and MA-2180 IV. I. 2.

III. EFFECTIVE DATE AND IMPLEMENTATION

This Policy is effective January 1, 2011. Apply this change to applications taken and redeterminations started on or after January 1, 2011, and for applications and redeterminations presently in process, only for months beginning January 2011 or later.

IV. MAINTENANCE OF MANUAL

A. Remove: MA-500, Classification, pages 3-6

Insert: [MA-500](#), Classification, pages 3-6 dated January 1, 2011

B. Remove: MA-2130, Qualified Medicare Beneficiaries-Q, pages 1-2

Insert: [MA-2130](#), Qualified Medicare Beneficiaries-Q pages, 1-2 dated January 1, 2011

C. Remove: MA-2140, Qualified Medicare Beneficiaries-B pages, 1-2

Insert: [MA-2140](#), Qualified Medicare Beneficiaries-B pages, 1-2 dated January 1, 2011

D. Remove: MA-2160, Qualifying Individuals 1(QI1/MQB-E), pages, 5-6

Insert: [MA-2160](#), Qualifying Individuals 1(QI1/MQB-E), pages 5-6 dated January 1, 2011

E. Remove: MA-2180, Health Coverage for Workers with Disabilities, pages 7-8

Insert: [MA-2180](#), Health care for Workers with Disabilities, pages 7-8 dated January 1, 2011

F. Remove: MA-2230, Financial Resources, pages 1-8, 97-118

Insert: [MA-2230](#), Financial Resources, pages 1-8, 97-119 dated January 1, 2011.

G. Remove: MA-2231, Community Spouse Resource Protection, pages 7-16

Insert: [MA-2231](#), Community Spouse Resource Protection, pages 7-16 dated January 1, 2011.

H. Remove: MA-2285, Estate Recovery, pages 1-4 and 9-12

Insert: [MA-2285](#), Estate Recovery, pages 1-4 and 9-13 dated January 1, 2011

If you have questions regarding this information, please contact your Medicaid Policy Representative.

Craigian L. Gray, MD, MBA, JD, Director

CLG:cmm

(This material was researched and written by Cynthia Mobley, Policy Consultant, Medicaid Eligibility Unit)