

## **300% Eligibility Standard for Medicaid Long Term Care Services**

### **Frequently Asked Questions**

**July 2010**

On June 16, 2010 Governor Parnell signed SB 238 into law. SB 238 restores the Medicaid income eligibility threshold for individuals who reside in a medical or intermediate care facility or who are eligible for Medicaid waiver services to 300% of the prevailing Supplemental Security Income (SSI) income standard.

**Q. When does this change become effective?**

- A. September 13, 2010 (90 days after it was signed into law). However, because Medicaid rules provide that a person who is eligible for at least one day in a month is eligible for the entire month, the actual effective date is September 1, 2010.

**Q. What is the income limit until September 2010?**

- A. \$1,656 monthly.

**Q. What will the income limit be in September 2010?**

- A. \$2,022 monthly.

**Q. Does this change alter the monthly personal needs allowances for cost of care?**

- A. No. The personal needs allowances will remain the same.

\$75 for institutionalized individuals in a nursing home or swing bed facility.

\$90 for veterans in a nursing home or swing bed facility.

\$1656 for recipients of HCB waiver services living at home.

\$1396 for recipients of HCB waiver services living in an assisted living home.

**Q. Would a Qualifying Income Trust (QIT) be needed for July or August 2010 if the applicant has more than \$1,656 monthly income but less than \$2,022 monthly income?**

A. Yes. The income limit does not change until September 2010, so a Qualifying Income Trust would be needed to be eligible in July or August 2010.

**Q. Would a Qualifying Income Trust (QIT) be needed in September 2010 (or later) if the applicant has more than \$1,656 monthly income but less than \$2,022 monthly income?**

A. No. As of September 2010, the income limit will change to \$2,022. If the applicant has less than this new monthly income limit, they would not need a QIT.

**Q. If a recipient has a QIT because their monthly income was higher than \$1,656 when they applied but their monthly income is currently under \$2,022, do they still need the trust?**

A. No. A Qualifying Income Trust would no longer be needed to be eligible.

**Q. What options does the recipient have if a Qualifying Income Trust is no longer needed after the income limit changes?**

A. The recipient can:

1. Stop funding the trust on a monthly basis and continue to pay out appropriate expenses from the trust until there is a zero balance.
2. Petition the court to terminate the trust.
3. Continue to use the trust even though it is not necessary for eligibility.

**Q. What can the recipient do if they want to terminate a QIT?**

A. The trustee or recipient can petition the court to terminate the trust.

**Q. If a recipient no longer needs a QIT but is still responsible for cost of care, how will cost of care payments be monitored?**

A. At each review, the caseworker will seek verification from the recipient that cost of care is paid up to date. If the cost of care is not paid up to date, the caseworker must explain to the

individual that because their trust is no longer being funded and the trustee is no longer paying the cost of care on their behalf, it is the individual's responsibility to pay the monthly cost of care.