



**Commonwealth of Massachusetts**  
**Executive Office of Health and Human Services**  
**Office of Medicaid**  
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MassHealth  
Eligibility Letter 115  
January 1, 2004

**TO:** Division Staff

**FROM:** Beth Waldman, Director, Office of Medicaid *Beth Waldman*

**RE:** **2004 RSDI Cost-of-Living Adjustment (COLA) for Community and Long-Term-Care MassHealth Cases**

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The following cost-of-living adjustments are effective January 1, 2004.

- Retirement/Survivors/Disability Insurance (RSDI) benefits increased by **2.1%**.
- The maximum monthly spousal maintenance needs allowance increased from \$2,267 to **\$2,319**.
- The minimum amount of assets that can be kept by an institutionalized individual's spouse increased from \$18,132 to **\$18,552**.
- The maximum amount of assets that can be kept by an institutionalized individual's spouse increased from \$90,660 to **\$92,760**.
- The basic Medicare Part B premium increased from \$58.70 to **\$66.60** per month.

These regulations are issued as emergency regulations, effective January 1, 2004.

#### **MANUAL UPKEEP**

<b><u>Insert</u></b>	<b><u>Remove</u></b>	<b><u>Trans. By</u></b>
519.003 (2 of 2)	519.003 (2 of 2)	E.L. 99
520.016 (2 of 2)	520.016 (2 of 2)	E.L. 103
520.026 (1 of 5)	520.026 (1 of 5)	E.L. 111

Trans. by E.L. 115

**MASSHEALTH  
COVERAGE TYPES**

Rev. 01/01/04

**Chapter 519**  
**(2 of 2) Page 519.003**

(B) SSI Payment Standards. The RSDI amount, as described in 130 CMR 519.003(A)(3), and any other countable-income amount, as defined in 130 CMR 520.009, of the individual or couple is compared to the SSI payment standards to determine Pickle eligibility.

<b>MASSACHUSETTS SSI PAYMENT STANDARDS</b>					
<b><u>LIVING ARRANGEMENT CATEGORY</u></b>					
	<b>A</b>	<b>B</b>	<b>C</b>	<b>E</b>	<b>G</b>
	<b><u>Full Cost of Living Expenses</u></b>	<b><u>Shared Living Expenses</u></b>	<b><u>Household of Another</u></b>	<b><u>Licensed Rest Home</u></b>	<b><u>Assisted Living</u></b>
<b><u>Individual</u></b>					
<b>Aged</b>	\$692.82	603.26	480.36	857.00	1018.00
<b>Disabled</b>	678.39	594.40	463.58	857.00	1018.00
<b>Blind</b>	713.74	713.74	713.74	713.74	1018.00
<b><u>Member of a Couple</u></b>					
<b>Aged</b>	\$523.86	523.86	389.90	857.00	763.50
<b>Disabled</b>	513.03	513.03	379.09	857.00	763.50
<b>Blind</b>	713.74	713.74	713.74	713.74	763.50
NOTE: The personal-needs allowance in licensed rest homes is \$60. The personal-needs allowance in nursing facilities and chronic-disease hospitals is \$65.					

(C) Financial Standards Not Met. Individuals whose income, assets, or both exceed the standards in 130 CMR 519.003 may establish eligibility by reducing assets in accordance with 130 CMR 520.004, meeting a deductible as described in 130 CMR 520.028 et seq., or both.

**Trans. by E.L. 115**

<b>MASSHEALTH FINANCIAL ELIGIBILITY</b>		<b>Chapter</b>	<b>520</b>
<b>Rev. 01/01/04</b>	<b>(2 of 2)</b>	<b>Page</b>	<b>520.016</b>

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- (i) one-half of the combined total countable assets of the institutionalized spouse and the community spouse, not to exceed \$92,760;
  - (ii) \$18,552, if the total combined countable assets of the couple are between \$18,552 and \$37,104;
  - (iii) the amount of the couple's total countable assets, if the total combined amount is \$18,552 or less;
  - (iv) a court-ordered amount; or
  - (v) an amount determined after a fair hearing in accordance with 130 CMR 520.017.
- (b) Compare the amount of the remaining assets to the MassHealth asset standard for one person, which is \$2,000. When the amount of the remaining assets is equal to or below \$2,000, the institutionalized spouse has met the asset test of eligibility.
- (3) Post-Eligibility Transfer of Assets.
  - (a) To meet the needs of the community spouse and to allow the continuing eligibility of the institutionalized spouse, the Division allows the institutionalized spouse, after he or she has been determined eligible for MassHealth Standard, to transfer assets to or for the sole benefit of the community spouse in accordance with 130 CMR 520.016(B)(1) and (2).
  - (b) The institutionalized spouse must transfer any of his or her assets that are part of the community spouse's asset allowance no later than 90 days immediately after the date of the notice of approval for MassHealth Standard. During this 90-day period, the Division:
    - (i) will continue to exclude these assets in the determination of continuing eligibility; and
    - (ii) will not apply the transfer rules in 130 CMR 520.018 and 520.019 to the assets transferred to the community spouse.
  - (c) The Division may extend the 90-day period if any of the following conditions exist:
    - (i) the court is involved in assigning the couple's property through support actions;
    - (ii) an appeal of the asset allowance has been filed with the Board of Hearings; or
    - (iii) the condition of the institutionalized spouse requires the appointment of a conservator or guardian to act on his or her behalf.
  - (d) The amount of the transferred assets added to the assets owned by the community spouse cannot exceed the community spouse's asset allowance as defined in 130 CMR 520.016(B)(2).

**Trans. by E.L. 115****MASSHEALTH  
FINANCIAL ELIGIBILITY****Rev. 01/01/04****Chapter 520  
(1 of 5) Page 520.026**

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- (1) The Division determines the MMMNA by adding the following amounts:
- (a) \$1,515 (the federal standard maintenance allowance); and
  - (b) an excess shelter allowance determined by calculating the difference between the standard shelter expense of \$455 and the shelter expenses for the community spouse's principal residence, including:
    - (i) the actual expenses for rent, mortgage (including interest and principal), property taxes and insurance, and any required maintenance charge for a condominium or cooperative; and
    - (ii) the applicable standard deduction under the Food Stamp Program for utility expenses. If heat is included in the rent or condominium fee, this amount is \$258. If heat is not included in the rent or condominium fee, this amount is \$425.
- (2) The maximum-monthly-maintenance-needs allowance is \$2,319 per month, unless it has been increased as the result of a fair-hearing decision based on exceptional circumstances in accordance with 130 CMR 520.017(D).
- (3) If the institutionalized individual is subject to a court order for the support of the community spouse, the court-ordered amount of support must be used as the spousal-maintenance-needs deduction when it exceeds the spousal-maintenance-needs deduction calculated according to 130 CMR 520.026(B) or resulting from a fair hearing.

(C) Deductions for Family-Maintenance Needs.

- (1) The Division allows a deduction from the income of a long-term-care resident to provide for the maintenance needs of the following family members if they live with the community spouse:
- (a) a minor child — a child under age 21 of either member of the couple;
  - (b) a dependent child — a child over age 21 who is claimed as a dependent by either spouse for income-tax purposes under the Internal Revenue Code;