



Commonwealth of Massachusetts
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MassHealth
 Eligibility Letter 182
 September 15, 2008

TO: MassHealth Staff

FROM: Tom Dehner, Medicaid Director

TD

RE: Increase in Personal Needs Allowance for Nursing Home Residents

MassHealth is revising the regulations to increase the personal-needs allowance (PNA) for residents of nursing facilities, chronic disease and rehabilitation inpatient hospitals, psychiatric inpatient hospitals, and licensed rest homes. The new monthly deduction is \$72.80.

These regulations are being issued as emergency regulations, effective October 2, 2007.

MANUAL UPKEEP

<u>Insert</u>	<u>Remove</u>	<u>Trans. By</u>
519.003 (2 of 2)	519.003 (2 of 2)	E.L. 161
519.007 (1 of 5)	519.007 (1 of 5)	E.L. 178
520.025	520.025	E.L. 147
520.027	520.027	E.L. 91
520.030	520.030	E.L. 123

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(3) would be currently eligible for SSI, in accordance with SSI payment standards at 130 CMR 519.003(B), if the incremental amount of RSDI cost-of-living increases paid to them since the last month subsequent to April 1977, for which they were both eligible for and receiving SSI and entitled to (but not necessarily receiving) RSDI were deducted from the current amount of RSDI benefits. Cost-of-living increases referred to in 130 CMR 519.003 include increases received both by the applicant or member or by the spouse. The spouse need not be otherwise eligible for SSI; and

(4) have countable assets that are \$2,000 or less for an individual, and \$3,000 or less for a married couple.

(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.

MASSACHUSETTS SSI PAYMENT STANDARDS					
<u>LIVING ARRANGEMENT CATEGORY</u>					
	A	B	C	E	G
	<u>Full Cost of Living Expenses</u>	<u>Shared Living Expenses</u>	<u>Household of Another</u>	<u>Licensed Rest Home</u>	<u>Assisted Living</u>
<u>Individual</u>					
Aged	\$751.82	662.26	519.70	916.00	1077.00
Disabled	737.39	653.40	509.92	916.00	1077.00
Blind	772.74	772.74	772.74	772.74	1077.00
<u>Member of a Couple</u>					
Aged	\$567.86	567.86	419.24	916.00	807.50
Disabled	557.03	557.03	408.43	916.00	807.50
Blind	772.74	772.74	772.74	772.74	807.50
NOTE: The SSI federal benefit rate (FBR) for an individual is \$623.00.					
NOTE: The personal-needs allowance in licensed rest homes is \$72.80. The personal-needs allowance in nursing facilities and chronic-disease hospitals is \$72.80.					

(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.

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(2) Pregnancy is verified by a written statement from a competent medical authority certifying the pregnancy.

519.007: Individuals Who Would Be Institutionalized

130 CMR 519.007 describes the eligibility requirements for MassHealth Standard coverage for individuals who would be institutionalized if they were not receiving home- and community-based services.

(A) The Kaileigh Mulligan Program. The Kaileigh Mulligan Program enables severely disabled children under the age of 18 years to remain at home. The income and assets of their parents are not considered in the determination of eligibility.

(1) Eligibility Requirements. Children under the age of 18 years may establish eligibility for the Kaileigh Mulligan Program by meeting the following requirements. They must

- (a) (i) meet Title XVI disability standards in accordance with the definition of permanent and total disability for children under the age of 18 years in 130 CMR 515.001 or have been receiving SSI on August 22, 1996; and
 - (ii) continue to meet Title XVI disability standards that were in effect before August 22, 1996;
- (b) have \$2,000 or less in countable assets;
- (c) (i) have a countable-income amount of \$72.80 or less; or
 - (ii) if greater than \$72.80, meet a deductible in accordance with 130 CMR 520.028 et seq.; and
- (d) require a level of care equivalent to that provided in a hospital or nursing facility in accordance with 130 CMR 519.007(A)(3) and (4).

(2) Additional Requirements. The MassHealth agency must have determined

- (a) that care provided outside an institution is appropriate; and
- (b) that the estimated cost paid by the MassHealth agency would not be more than the estimated cost paid if the child were institutionalized.

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(E) Waiver of the Trust Rules: Undue Hardship. When the MassHealth agency denies or terminates MassHealth due to excess assets, the individual may request, in accordance with 130 CMR 520.019(L), that the MassHealth agency rescind the denial or termination because such action would result in undue hardship.

(F) Verification of a Trust. The individual must provide the MassHealth agency with a copy of the trust or similar legal device or, when appropriate, a will and any information detailing investments, holdings, and distributions, as determined by the MassHealth agency.

(G) No Double Penalty. The MassHealth agency will apply the rules at 130 CMR 520.019(N) to prevent double penalty.

520.025: Long-Term-Care Income Standard

The MassHealth income standard for long-term-care residents is \$72.80 per month.

520.026: Long-Term-Care General Income Deductions

General income deductions must be taken in the following order: a personal-needs allowance; a spousal-maintenance-needs allowance; a family-maintenance-needs allowance for qualified family members; a home-maintenance allowance; and health-care coverage and incurred medical and remedial-care expenses. These deductions are used in determining the monthly patient-paid amount.

(A) Personal-Needs Allowance.

- (1) The MassHealth agency deducts \$72.80 for a long-term-care resident's personal-needs allowance (PNA).
- (2) If an individual does not have income totaling the standard, the MassHealth agency will pay the individual an amount up to that standard on a monthly basis.
- (3) The PNA for SSI recipients is \$72.80.

(B) Spousal-Maintenance-Needs-Deduction. If the community spouse's gross income is less than the amount he or she needs to live in the community (minimum-monthly-maintenance-needs allowance, MMMNA) as determined by the MassHealth agency, the MassHealth agency may deduct an amount from the institutionalized spouse's countable-income amount to meet this need. This amount is the spousal-maintenance-needs deduction. 130 CMR 520.026(B) applies to the first month of eligibility in an institution and terminates the first full calendar month in which the spouse is no longer in an institution or no longer has a spouse in the community. This deduction is the amount by which the minimum-monthly-maintenance-needs allowance exceeds the community spouse's gross income.

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(v) Expenses, fees, or costs for expenses that are not essential to obtain medical treatment for the ward including financial management, except when the management is necessary to accurately complete a MassHealth application or redetermination form.

(vi) Expenses, fees, or costs for transportation or travel time.

(vii) Attorney fees, except when payment of the fees is required for the appointment of the guardian.

(viii) Fees for guardianship services provided by a parent, spouse, sibling, or child, even if appointed by the probate court. However, the MassHealth agency allows a deduction for guardianship expenses in accordance with 130 CMR 520.026(E)(3)(a) and (e).

520.027: Long-Term-Care Deductible

If after applying the deductions in 130 CMR 520.026(A) through (E) the long-term-care-facility resident's monthly income exceeds the public rate at the long-term-care facility, the MassHealth agency will establish a six-month deductible in accordance with 130 CMR 520.028 through 520.035 and use an income standard of \$72.80.

520.028: Eligibility for a Deductible

The following individuals may establish eligibility by meeting a deductible:

- (A) former SSI recipients who are not eligible under the Pickle Amendment;
- (B) community-based individuals whose countable-income amount exceeds the 100 percent federal-poverty-level income standards;
- (C) long-term-care-facility residents whose income, after general deductions described in 130 CMR 520.026, exceeds the public rate in a long-term-care facility;
- (D) disabled adult children whose incomes exceed the standards set forth in 130 CMR 519.004(A); and
- (E) persons who are eligible for an increased disregard as described at 130 CMR 520.013(B).

520.029: The Deductible Period

The deductible period is a six-month period that starts on the first day of the month of application or may begin up to three months before the first day of the month of application. The applicant is eligible for this period of retroactivity only if the applicant incurred medical expenses covered by MassHealth and was otherwise eligible.

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520.030: Calculating the Deductible

The deductible is determined by multiplying the excess monthly income by six. Excess monthly income is the amount by which the applicant's countable-income amount as described in 130 CMR 520.009 exceeds the MassHealth deductible-income standard.

MASSHEALTH DEDUCTIBLE-INCOME STANDARDS		
<u>Number of Persons</u>	<u>Monthly-Income Standard for Community Residents</u>	<u>Monthly-Income Standard for Long-Term-Care-Facility Residents</u>
1	\$522	
2	650	\$72.80

520.031: Notification of Potential Eligibility

(A) MassHealth informs the applicant who has excess monthly income that he or she is currently ineligible for MassHealth Standard, Essential, or Limited but may establish eligibility for a six-month period by meeting the deductible. MassHealth informs the applicant in writing of the following:

- (1) the deductible amount and the method of calculation;
- (2) the start and end dates of the deductible period;
- (3) the procedures for submitting medical bills;
- (4) his or her responsibility to report all changes in circumstances that may affect eligibility or the deductible amount; and
- (5) that the bills submitted to meet the deductible are the responsibility of the individual and cannot be submitted for MassHealth payment.

(B) A member who has established eligibility based upon meeting a deductible is only eligible for MassHealth Standard, Essential, or Limited until the end of the deductible period. At the end of the deductible period, MassHealth notifies the member in writing of a new deductible period and amount, if the countable-income amount continues to exceed applicable income standards.