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**Sent:** Friday, June 17, 2011 7:46 AM  
**To:** Margie Tibbets; Becky McManus; Beth Kokinchak; Cathy Hansen ; Darlene Ceresna ; Geri De Angelis; Gretchen Griffin; Heather Jackson; Jackie DePeau; Jane Sawyer; Jeanne Falcaro; Margaret Mester; Marie Douglass; Maritza DeFlorio; Marty Barrett; Melissa Heusser; Nancy Silvestri; Penny Lanigan; Thomas Zito  
**Subject:** Changes to the Calculation of the Community Spouse Protected Amount; New CSA Standards; New Average Cost of LTC [not-secure]

FYI - significant changes all effective 7/1/11.....

This email concerns important changes to long term care Medicaid eligibility policy that are effective July 1, 2011.

#### **Assessments of Spousal Assets**

**As of July 1<sup>st</sup>, we will calculate the Community Spouse Protected Amount based on one-half of the spousal assets as of the Date of Institutionalization, up to the maximum of \$109,560 (but not less than \$21,912).**

You will recall that state law changed last year to automatically allow the maximum Community Spouse Protected Amount of \$109,560. This will no longer be the case for eligibility determinations for July 2011 and beyond as Public Act 11-44 restores the earlier method of calculating CSPAs (1/2 of the spousal assets as of the date of institutionalization, up to the maximum of \$109,560).

*As we transition to this change, it is important to remember that we do not deem assets from the community spouse after the institutionalized spouse's initial month of Medicaid eligibility.*

For example, say you receive an application in July that requests retroactive long term care coverage for June. The spousal assets in June were \$100,000. Since the community spouse is entitled to the maximum CSPA in June, the institutionalized spouse is eligible in June. We would not deem any assets in July, despite the change in the law.

If, on the other hand, the couple had \$120,000 as of the date of institutionalization and at the time of the application in July, there would not be any eligibility for June (the \$120,000 exceeded the maximum CSPA, which we would use for June). The new law applies, and the couple must reduce the \$120,000 to \$61,600 (the \$60,000 CSPA under the new law and \$1,600 for the applicant) in qualify for Medicaid.

#### **Increases in the Community Spousal Allowance (CSA) and the Community Family Allowance (CFA) Standards**

- **The base Minimum Monthly Needs Allowance (MMNA) will be \$1,838.75;**
- **The base shelter amount (used to calculate the excess shelter component of the MMNA) will be \$551.63; and**
- **The maximum MMNA remains at \$2,739.**

The CSA should be recalculated using the new standards at the next contact with the assistance unit. However, Community Spouses should receive the benefit of these increased standards retroactively to July 1, 2011

#### **New Average Cost of Long Term Care**

**The average cost of care at the private rate will increase to \$10,586.00 per month.**

This new amount should be used to determine the penalty period for individuals who apply on or after July 1, 2011 and for recipients who became institutionalized on or after July 1, 2011.