

**NURSING FACILITY SERVICES**

Those Medically Needy individuals who have no spenddown meet the requirement of Medicaid eligibility. Those who meet their spenddowns prior to the need for nursing facility care, have met the requirement of being eligible, through the current POE. After the POE during which nursing facility services begin, the client's situation is treated according to item 3 or 4 below. Those who do not meet their spenddowns prior to the need for nursing facility care are treated according to item 3 or 4 below.

When an applicant is not a recipient of full Medicaid coverage, the following test is made to determine eligibility.

3. Gross Income Test

If the client is not eligible under items 1 or 2 above, Medicaid eligibility may be established as follows:

- Determine the client's gross non-excluded monthly income.
- Compare the income to 300% of the current maximum SSI payment for one person.

To be Medicaid eligible, his income must be equal to or less than 300% of the SSI payment.

Once Medicaid eligibility is established in this manner, the client's contribution toward his cost of care is determined in the post-eligibility process. There is no spenddown amount for persons determined eligible in this way.

**EXAMPLE:** When the current maximum SSI payment is **\$637**, the client's gross, non-excluded monthly income is compared to **\$1,911**.

**NOTE:** SSI-Related Medicaid disability and asset guidelines must be met.

4. SSI-Related Medicaid Test

If the client is not eligible under items 1, 2 or 3 above, his eligibility as an SSI-Related Medicaid client must be explored as another way to receive financial assistance for the cost of nursing facility services.

All policies and procedures in effect for other SSI-Related cases apply to these cases, including the determination of a spenddown amount, if applicable.

**NURSING FACILITY SERVICES****EXCEPTIONS:**

- Income is not deemed.
- The MNIL for one person is always used. See Chapter 10, Appendix A.
- The spenddown amount is determined on a monthly basis.

When the monthly Medicaid rate for the facility in which the client resides equals or exceeds his monthly spenddown amount, the spenddown is assumed to be met and Medicaid eligibility is established. In addition, if the monthly spenddown amount exceeds the monthly Medicaid rate for the facility, the client may become eligible for Medicaid based on a 6-month POC, but not for payment of nursing facility services. The Medicaid daily rate for the facility is multiplied by 30 to determine the average monthly rate. The daily rates for all Medicaid are found only on the DFA intranet page. The rates are updated semi-annually.

**NOTE:** The Medicaid rates for nursing facilities are provided only for DHHR staff who must determine eligibility for Medicaid. The rates cannot be released by local DHHR staff to the public. Any requests for the rates must be made under the Freedom of Information Act (FOIA) to the DHHR Office of the Deputy Secretary, Division of Accountability and Management Reporting.

Case examples of the entire process of determining eligibility and the amount of the client's contribution are found below in item D.

**NOTE:** For cases with a community spouse, the amount of the spenddown is used only for comparison with the Medicaid cost. It is not used as a part of the client's contribution toward his cost of care as it is for all other nursing facility cases which must meet a spenddown.

**D. POST-ELIGIBILITY PROCESS**

In determining the client's contribution toward his cost of nursing facility care, the Worker must apply only the income deductions listed below. This is the post-eligibility process. The remainder, after all allowable deductions, is the resource amount, which is at least part of the amount the client must contribute toward his cost of care. The client's spenddown amount, if any, as determined in item C,4 above, is added to this amount to determine the client's total contribution toward

Long Term Care**NURSING FACILITY SERVICES**Post-Eligibility

\$1,900.00	Income
- 50.00	Personal Needs Allowance
\$1,850.00	Remainder
- 175.00	OLE
\$1,675.00	Remainder
- <b>96.40</b>	Medicare Part B premium (non-reimbursable medical expense)
<b>\$1,578.60</b>	Remainder
- 1,680.00	Spenddown (non-reimbursable medical expense)
0.00	Resource Amount

The client has no resource amount, so his total contribution is \$1,680, his spenddown amount. The Department will not pay any part of the \$1,680 because it is the client's spenddown and he is, by definition, liable for it.

**EXAMPLE: Single Individual Without OLE, Medically Needy**

Same as above except the client has no OLE. The client's spenddown amount is the same as determined above.

Post-Eligibility

\$1,900.00	Income
- 50.00	Personal Needs Allowance
\$1,850.00	Remainder
- <b>96.40</b>	Medicare Part B premium (non-reimbursable medical expense)
<b>\$1,753.60</b>	Remainder
- 1,680.00	Spenddown (non-reimbursable medical expense)
<b>\$ 73.60</b>	Resource Amount

The client's total contribution toward his cost of care is:

\$1,680.00	Spenddown
+ <b>73.60</b>	Resource Amount
<b>\$1,753.60</b>	Total Contribution

**EXAMPLE: Married Individual Without Community Spouse, Medically Needy**

Mr. Smith is married, but has been separated from his wife for 10 years. He has 1 dependent child still living in his home. His monthly income is \$1,900. He has non-reimbursable medical expenses of **\$96.40** (Medicare Part B premium). The monthly Medicaid cost for his care is \$4,600.

Long Term Care**NURSING FACILITY SERVICES**Eligibility

\$1,900.00	Income
- 20.00	SSI Disregard
\$1,880.00	Remainder
- 200.00	MNIL
\$1,680.00	Monthly Spenddown

Post-Eligibility

\$1,900.00	Income
- 50.00	Personal Needs
\$1,850.00	Remainder
- 96.40	Medicare Part B premium (non-reimbursable medical)
<b>\$1,753.60</b>	Remainder
- 1,680.00	Spenddown (non-reimbursable medical)
<b>\$ 73.60</b>	Resource
+1,680.00	Spenddown
<b>\$1,753.60</b>	Total Contribution

**NOTE:** Mr. Smith is not eligible for the FMA, because there is no community spouse.

**EXAMPLE: Married Individual With Community Spouse, Medically Needy**

Mr. Holley has the following income:

\$1,250.00	RSDI
+ 800.00	Retirement
\$2,050.00	Total Income

He has a community spouse who has \$585/month RSDI income and \$365/month earned income, for a total of \$950. His child receives \$585/month RSDI. The monthly Medicaid cost for his care is \$5,322.

Eligibility

\$2,050.00	Income
- 20.00	SSI Disregard
\$2,030.00	Remainder
- 200.00	MNIL
\$1,830.00	Monthly Spenddown

## Long Term Care

**NURSING FACILITY SERVICES**Post-Eligibility

Community Spouse	\$ 600.00	Shelter
Deduction:	+ <b>295.00</b>	SUA
	<b>\$ 895.00</b>	Total Shelter/Utilities
	- 514.00	30% Min. SMS
	<b>\$ 381.00</b>	Excess Shelter/Utilities
	+ 1,712.00	Min. SMS
	<b>\$ 2,093.00</b>	
	- 950.00	Total gross monthly non-excluded income
	<b>\$1,143.00</b>	of Community Spouse
		CSMA
Family Maintenance	\$1,712.00	Min. SMS
Deduction:	- 585.00	Income
	<u>\$1,127.00</u>	Remainder ÷ 3 = \$375.66 FMA
\$2,050.00	Income	
- 50.00	Personal Needs	
<u>\$2,000.00</u>	Remainder	
- <b>1,143.00</b>	CSMA	
<b>\$ 857.00</b>	Remainder	
- 375.66	FMA	
<b>\$ 481.34</b>	Remainder	
- 158.50	Medicare premium and doctor bill	
<b>\$ 322.84</b>	Resource and total contribution toward his care	

The client has a **\$322.84** resource to contribute to his care. Because there is a community spouse, the spenddown amount determined in the eligibility process is not subtracted as a non-reimbursable medical expense and is not added to the resource to determine his total contribution.