



State of New Jersey

DEPARTMENT OF HUMAN SERVICES

DIVISION OF MEDICAL ASSISTANCE AND HEALTH SERVICES

CN 712

TRENTON, NEW JERSEY 08625

(609) 588-2600

ALAN J. GIBBS
Commissioner

SAUL M. KILSTEIN
Director

MEDICAID COMMUNICATION NO. 91-16

DATE: July 5, 1991

TO: County Welfare Agency Directors

SUBJECT: Community Spouse Maintenance Allowance

This serves to advise you, beginning July 1, 1991, the standard for deriving the community spouse maintenance allowance is increasing. This results from the usual annual adjustment to the allowance. This year, an additional increase, as provided in the Social Security Act, is scheduled. The current maintenance allowance is based on 122 percent of the federal poverty guideline. Effective July 1, 1991, the allowance will be based on 133 percent of the poverty guideline. As the same standard is used in the determination of the maintenance allowance for other family members residing with the community spouse, the computation of that allowance is also changing. These increases potentially affect all institutionalized New Jersey Care and Medicaid Only individuals with spouses in the community.

The new base allowance for a community spouse increases from \$856 to \$984. The new standard for determining the excess shelter costs of the community spouse is \$295. Therefore, in computing the community spouse allowance, the community spouse's shelter costs in excess of \$295 shall be added to the base allowance of \$984 to determine his or her overall standard. The community spouse's own income would be subtracted from the overall allowance to ascertain the amount that may be deducted from the institutionalized spouse's income prior to applying that income to the cost of care.

In determining the amount of the institutionalized individual's income that may be used to maintain other family members, the standard of \$984 also applies though the calculation is different from that of the community spouse allowance. The amount of income that may be deducted is equal to 1/3 of the amount by which \$984 exceeds the family member's own income.

Effective immediately, county welfare agencies shall apply the new standards for all new cases and cases subject to redetermination. All other cases in which there is a community spouse shall be reviewed for the potential of increased maintenance deductions no later than November 1, 1991. For any such case, the county welfare

agency must assure that any change in the maintenance deduction be applied retroactively to July 1, 1991.

In order to assist the county welfare agencies in this review, we will be forwarding, under separate cover, a system-generated "change" PA-3L for each individual who is active in the current billing system (including those discharged to a hospital) and who currently has a maintenance deduction indicated in the record. For ease of identification, the form will contain an asterisk in the LTCF block on the first line, in the column adjacent to "effective date".

You are reminded that the community spouse's share of resources, which was revised for January 1991, remains unchanged. The community spouse's share of the couple's countable resources is the greater of \$13,296 or one-half of the couples total resources, not to exceed \$66,490.

Questions concerning this communication should be referred to the Medicaid field service staff assigned to your county.

Sincerely,

A handwritten signature in dark ink, appearing to read "Saul M. Kilstein", written in a cursive style.

Saul M. Kilstein
Director

SMK:Hh

cc: Marion E. Reitz, Director
Division of Economic Assistance

Nicholas Scalera, Director
Division of Youth and Family Services