

Department of Public Health
and Human Services

Section:

RESIDENTIAL MEDICAL
INSTITUTIONS

MEDICAL ASSISTANCE

Subject:

Resource Assessments

Supersedes: MA 903-1 (01/01/08)

Reference: 42 U.S.C. 1396; 42 CFR 435.601; ARM 37.82.101, .1330, .1331, .1336, .1337 and .1338

GENERAL RULE -- Resources owned individually or jointly by members of a married couple on the first day of the month of residential medical institution admission for a continuous period of institutionalization will determine the community spouse's resource maintenance allowance. Only one resource assessment will be completed for each spouse, no matter how many applications or periods of institutionalization occur.

A resource assessment may be completed whether or not an application has been completed. **However, a resource assessment can only be completed when one member of the couple has already entered a residential medical institution.**

**CONTINUOUS
PERIOD OF
INSTITUTIONAL-
IZATION**

A continuous period of institutionalization consists of 30 or more consecutive days of expected residence in an institution. The 30 days may include days of hospitalization.

**COMMUNITY
SPOUSE RESOURCE
MAINTENANCE
ALLOWANCE
(CSRMA)**

The community spouse's resource maintenance allowance is based on the spouses' combined countable resources (without regard to ownership). The amount attributable to the community spouse is based on combined countable resources owned the first day of the month of the first continuous period of institutionalization but not before October 1, 1989.



NOTE: Pre- and post-nuptial agreements have no bearing on the resource assessment process. That is, all resources whether owned individually or jointly by a married couple must be considered when completing the resource assessment.

The amount of the community spouse's resource maintenance allowance is the greater of:

1. One-half (not to exceed maximum CSRMA---see MA 005 for maximum) the combined countable resources;

2. Montana's minimum resource maintenance allowance (see MA 005 for minimum);
3. An amount designated by a hearings officer; or
4. An amount that has been court ordered.

Spousal shares do not change after a resource assessment has been completed.

Example: Client had a resource assessment completed in 1998; the CSRMA in 1998 was \$80,760. The client applied for nursing home coverage in 2002. Although the maximum CSRMA had increased in 2002, the community spouse was permitted to retain \$80,760 as calculated in 1998.

Example: Client entered the nursing home in October 2003 but did not request a resource assessment until February 2007. The resource assessment was completed based on assets owned in October 2003 and the community spouse's resource maintenance allowance was calculated based on the 2007 standards.

REVISING THE CSRMA

The amount of the community spouse's resource maintenance allowance may be revised **ONLY** when:

1. The community spouse's income, including the Spousal Income Maintenance Allowance, is inadequate to meet the minimum spousal income allowance;

NOTE: The amount of additional resources allocated to the community spouse must be determined by a hearings officer and must be agreeable to the institutionalized spouse.

2. The initial assessment was alleged to be incorrect and the hearings officer confirms the allegations; or

NOTE: Hearings must be conducted within 30 days of the hearing request.

3. Inaccurate information was provided to the county eligibility staff by any source.

COUNTABLE

Calculate the institutionalized spouse's countable resources as

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**RESOURCES OF
INSTITUTIONALIZED
SPOUSE**

follows:

Combined countable resources
 - Community spouse resource maintenance allowance
 = Institutionalized spouse's countable resources

The institutionalized spouse will be resource eligible when the couple's combined countable resources do not exceed the resource limit for an individual (currently \$2,000) plus the community spouse resource maintenance allowance (CSRMA).

Example 1:

Combined countable resources	\$ 25,000
CSRMA (2008 standard used)	<u>- 20,880</u>
Resources available to inst. spouse	\$ 4,120

The institutionalized spouse will be eligible when combined countable resources do not exceed \$22,880 (CSRMA of \$20,808 plus the institutionalized spouse's \$2,000).

Example 2:

Combined countable resources	\$ 100,000
CSRMA	<u>- 50,000</u>
Resources available to inst. spouse	\$ 50,000

The institutionalized spouse will be eligible when combined countable resources do not exceed \$52,000 (CSRMA of \$50,000 plus the institutionalized spouse's \$2,000).

Example 3:

Combined countable resources	\$ 250,000
CSRMA (2007 standard used)	<u>- 104,400</u>
Resources available to inst. spouse	\$ 145,600

The institutionalized spouse will be eligible when combined countable resources do not exceed \$106,400 (CSRMA of \$104,400 plus the institutionalized spouse's \$2,000).

**TRANSFER OF
RESOURCES
COMPRISING
THE CSRMA**

Within 90 days after the applicant has been determined Medicaid eligible, all resources which will make up the 'community spouse resource maintenance allowance' must be legally transferred to the community spouse.



NOTE: If resources are not transferred within the 90-day time frame, the value of all countable resources still legally owned by the institutionalized spouse are counted to

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determine the institutionalized spouse's eligibility, and may result in ineligibility.

NOTICE

Both members of a couple must receive notice of the community spouse's resource maintenance allowance. Each spouse has the right to appeal the resource maintenance allowance determination.

NOTE: After Medicaid eligibility has been determined, if the community spouse must transfer resources which comprise the CSRMA into his/her name only, include the 90 day time limit on the notice.



In addition to notices sent to the spouses, form HCS-409 must be completed and mailed to PAB Central Office, Attention: Mollye Gauer with a copy of the completed resource assessment calculation form (either form HCS-457 "Resource Assessment" or the electronic Resource Assessment Worksheet supplied in Excel format).

INSTITUTIONAL- IZED SPOUSE ACQUIRES ADDITIONAL RESOURCES

If additional resources are received by the institutionalized spouse after eligibility for institutional coverage has been established:

1. There will be no effect on eligibility if the new resources, combined with the institutionalized spouse's other resources, do not exceed the resource standard for one.
2. The resources will be exempt for 90 days if the institutionalized spouse intends to transfer the new resources to the community spouse, AND the community spouse's initial CSRMA was less than Montana's minimum resource maintenance allowance. In order to allocate new resources, the institutionalized spouse must:
 - a. Report the receipt within 10 days; and
 - b. Provide a statement of intent to transfer the new resource to the community spouse.
3. The resources will be included in the resource determination for the institutionalized spouse if the community spouse's initial CSRMA was at least equal to Montana's minimum resource maintenance allowance. If the institutionalized spouse transfers or diverts the additional resources to the community spouse anyway, the transfer or diversion will be treated as an uncompensated asset transfer.

Reminder!!
If the community spouse buys an annuity after Medicaid is open, it must still be assigned to the State per MA 402-1.

COMMUNITY

If the community spouse receives additional assets after Medicaid

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**SPOUSE
ACQUIRES
ADDITIONAL
RESOURCES**

has been approved for the institutionalized spouse, the additional assets will have no affect on the eligibility of the institutionalized spouse. However, the community spouse's income maintenance allowance should be redetermined if the additional assets would generate income.

**REAPPLICATION
AFTER CLOSURE**

When the Medicaid eligibility of an institutionalized spouse ends for any reason and a new Medicaid reapplication is submitted after the effective date of the closure, the individual may be considered a spouse or an individual for Medicaid eligibility determination purposes, depending on the length of the break in Medicaid eligibility and whether there was a break in institutionalization.

If there has been at least a full calendar month break in institutionalization and Medicaid eligibility, the original CSRMA is used in making the resource eligibility determination based on the combined resources of both spouses at reapplication.

If there as not been a 30-day break in both institutionalization and Medicaid eligibility, the institutionalized spouse is treated as an individual for Medicaid eligibility determination purposes. The resources of the spouses are not combined, and no CSRMA is allowed. Additional assets cannot be transferred to the community spouse without evaluating as an uncompensated asset transfer.

PROCEDURE

Responsibility

Action

Institution

1. Inform new resident/spouse/representative that resource assessments are available upon request.

Applicant/Spouse/
Representative

2. Contact county office for appointment; appear for interview if requested; provide required documentation/verification.

Eligibility Case
Manager

3. Advise requesting party of relevant documentation and verification necessary to complete the assessment.

NOTE: When requested information is not provided within 45 days, advise requesting party that assessment cannot be completed.

4. Complete assessment after reviewing verification/documentation.
5. Distribute copies of the assessment to the:
 - a. Husband;

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- b. Wife;
- c. PAB Central office (with a completed HCS-409), and
- d. County file.

NOTE: Either spouse can appeal the outcome of a resource assessment after a Medicaid application is completed.

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