

## **Policy Clarifications - Medicaid - Long-Term Care PMN12973468**

**Submitted: 4/5/06**

**Agency: CAOs**

**Citations:**

**Subject: Policy Clarifications - Medicaid - Long-Term Care  
PMN12973468**

**Submitted: 4/5/06**

**Agency: CAOs**

**Citations:**

**Subject: Treatment of Income When Determining Payment Towards Long-Term  
Care/First Month**

Procedures in the Long Term Care Handbook indicate that the CAO should only count the available income for the first month when calculating the cost of care for a person in a long term care facility. Does the first month refer to the first month that the individual was in the facility or the first month for which Medicaid eligibility is requested?

---

**Response By: Division of Health Services**

**Date: 4/6/06**

If an individual enters the facility after the first day of the month, the CAO will only count the income that is actually available. The first month refers to the month in which the individual was admitted, not the first month for which eligibility for Medicaid is authorized. If the individual was in the facility for the entire month, the payment towards the cost of care is based on the total amount of income received for the month.

If the individual spent the income on medical expenses, such as paying privately to the nursing facility, in the first month for which Medicaid is requested, the amount paid to the nursing facility can be adjusted against the payment towards the cost of care when the facility submits the bill for payment of services provided.

Procedures in the Long Term Care Handbook indicate that the CAO should only count the available income for the first month when calculating the cost of care for a person in a long term care facility. Does the first month refer to the first month that the individual was in the facility or the first month for which Medicaid eligibility is requested?

**Response By: Division of Health Services**

**Date: 4/6/06**

If an individual enters the facility after the first day of the month, the CAO will only count the income that is actually available. The first month refers to the month in which the individual was admitted, not the first month for which eligibility for Medicaid is authorized. If the individual was in the facility for the entire month, the payment towards the cost of care is based on the total amount of income received for the month.

If the individual spent the income on medical expenses, such as paying privately to the nursing facility, in the first month for which Medicaid is requested, the amount paid to the nursing facility can be adjusted against the payment towards the cost of care when the facility submits the bill for payment of services provided.