

Policy Clarification Medicaid – Long Term Care PMN-18829-468

Submitted: 09/14/2017

Agency: CAOs

Subject: Eligibility for the Home Maintenance Deduction (HMD) and Dependent Allowance

Questions: 1) Who is eligible for the HMD?

2) Is an individual who receives a HMD eligible for a Dependent Allowance when there is no community spouse (CS)?

Response By: Division of Health Services

Date: 2/15/2018

1) The HMD is only permissible for:

- A single individual, or
- A married individual when both spouses are institutionalized.

If both spouses are institutionalized, the HMD is given to the spouse to whom it provides more benefit, per Long Term Care Handbook (LTCH) 468.38

To ensure the individual is eligible for the HMD, the worker must verify:

- The individual intends to return home within a 6-month period, which the physician indicates on the Medical Evaluation (MA 51), and
- That the individual is not given the HMD for more than one 6-month period per admission.

Individuals with a CS are not eligible for the HMD. If there is a CS, the worker must use the Community Spouse Monthly Maintenance Needs Allowance (CSMMNA) to calculate the cost of care, even if the HMD would produce a lower cost of care. The income made available for support of the CS, the spousal allowance, as indicated on the Certification of Payment of Income to Community Spouse or Child (PA 1847) is deducted from the institutionalized spouse's (IS) gross income. Details on the other deductions permitted in the cost of care calculation are available in LTCH 468.3.

NOTE: If the married couple is separated, the individual is only eligible for the HMD if both spouses are institutionalized. Otherwise, workers will use the CSMMNA cost of care calculation for married couples.

2) Yes, per LTCH 468.37, an individual in a nursing facility with a disabled child or with a dependent child when there is no spouse in the community is eligible for a dependent allowance. The amount of the deduction is the Disabled/Blind Child Maintenance (SSI) limit for a disabled child. For a dependent child, the amount of the deduction is the one-person NMP limit, Family Size Allowance, for the county where the child lives. The individual in the facility eligible for the dependent allowance when there is no community spouse may be single or live separately from the community spouse.

NOTE: This is a policy change. The handbook will be updated with the new policy and this Policy Clarification will be obsolete.