

TO: Local District Commissioners, Medicaid Directors

FROM: Judith Arnold, Director
Division of Eligibility and Marketplace Integration

SUBJECT: Affordable Care Act - Requirement to Apply Spousal Impoverishment Budgeting with Post-Eligibility Rules to Couples with a Spouse Receiving Home and Community-Based Services Pursuant to a Waiver or Enrolled in a Managed Long Term Care Plan

EFFECTIVE DATE: Immediately

CONTACT PERSON: Local District Support Unit
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The purpose of this General Information System (GIS) message is to advise local departments of social services (LDSS) of the requirement to apply spousal impoverishment budgeting with post-eligibility rules to married individuals receiving home and community-based services (HCBS) pursuant to a waiver under Section 1915(c) of the Social Security Act or through enrollment in a managed long term care (MLTC) plan under the State's 1115 waiver.

Section 2404 of the Affordable Care Act requires the use of spousal impoverishment budgeting with post-eligibility rules for couples with a spouse who is receiving home and community based waiver services or is enrolled in a MLTC plan. As a result, the policy described in GIS 12 MA/013, "Spousal Impoverishment Budgeting with Post-Eligibility Rules for Individuals Participating in a Home and Community-Based Waiver Program" and 13 MA/018, "Spousal Impoverishment and Transfer of Assets Rules for Certain Individuals Enrolled in Managed Long Term Care," which requires a comparison of two spousal budgeting methodologies in order to determine whether spousal impoverishment budgeting with post-eligibility rules is the most advantageous budgeting, is rescinded.

Spousal impoverishment with post-eligibility treatment of income includes a deduction for a community spouse monthly income allowance, a family member allowance (if applicable) and a personal needs allowance for the waiver participant or MLTC enrollee.

Effective January 1, 2014, spousal impoverishment with post-eligibility rules must be used when determining income and resource eligibility for married couples with a spouse receiving HCBS waiver services or with a spouse enrolled in a MLTC plan. For active cases, the change in budgeting must be applied at renewal or first contact/case maintenance.