



# STATE OF CONNECTICUT

DEPARTMENT OF SOCIAL SERVICES

W-1659  
(New 3/13)

## **SOME QUESTIONS AND ANSWERS ABOUT APPLYING FOR MEDICAID TO PAY FOR LONG-TERM CARE or HOMECARE.**

Medicaid rules are complicated and change often. This information describes some of the rules for applying for Medicaid for Long-Term Care or Home Care. The complete rules are in the Department of Social Services Uniform Policy Manual. If you have any questions about this information, please contact DSS.

We try to process your application within 45 days after you apply, or 90 days for disability applications. We can do this only if we have all of the information that we need. If you qualify, you may receive help back to the day you applied. You may receive up to three months before your date of application, if you needed help and were eligible in those months.

### 1. WHAT IS MEDICAID?

Medicaid, also called HUSKY in Connecticut, is a program that pays the medical bills of certain needy and low income individuals. DSS runs the program and pays medical bills with federal and state funds.

### 2. WHAT WILL I NEED TO DO WHEN I APPLY?

To apply, you will need to complete and sign an application. The application requires complete and detailed information about your finances. You will need to verify your financial information. We will tell you what we need to verify your finances and decide you are eligible.

### 3. HOW DOES DSS DETERMINE IF MEDICAID CAN PAY FOR MY NURSING HOME CARE or HOMECARE?

To be eligible you must:

- be United States citizen or an eligible non-citizen,
- be Connecticut resident
- be at least 65 years old or disabled
- not have too much money or assets
- need health care services provided by a nursing home

Income includes, things like: wages, Social Security benefits, pensions and veteran's benefits. Assets include, things like: bank accounts, stocks, bonds, trusts, annuities, property and life insurance. DSS follows federal and state laws that tell us how much income and how many assets you can have and still be eligible.

#### 4. HOW MANY ASSETS CAN I HAVE?

Your countable assets cannot be more than \$1600. If your assets exceed this limit, by even a penny, you will be ineligible.

#### 5. HOW ARE MY ASSETS TREATED IF I HAVE A SPOUSE IN THE COMMUNITY WHEN I APPLY?

If you have a spouse who lives in the community, you can protect part of your and your spouse's assets. We do not count the value of the protected assets when determining your eligibility. First, we add you and your spouse's total countable assets as of the date the you were admitted to a hospital or long-term care facility and had a continuous stay of 30 days or more. We divide this total in half to determine the "spousal share". The amount you can protect is called the "Community Spouse Protected Amount" or "CSPA". The CSPA is equal to the spousal share from a minimum of \$23,184 up to a maximum of \$115,920. The minimum and maximum amounts are set by federal law and the state is required to update the amounts yearly. The CSPA cannot exceed the maximum amount, except by a Fair Hearing decision or through a court order.

When you and your spouse have assets that are more than the CSPA plus the \$1600 Medicaid asset limit, the excess assets are considered available to you. This is true regardless of which spouse owns the assets. You are not eligible for Medicaid until you and your spouse's combined assets are reduced to the total of the \$1600 asset limit plus the CSPA. You and your spouse may reduce your asset total by paying your medical expenses. However, as long as fair market value is received, the excess assets may be spent on what either spouse needs.

#### 6. WHAT ASSETS ARE NOT COUNTED?

The following assets do not count towards the \$1600 asset limit.

- The equity value of your home as long as:
  - your spouse is living there
  - your child under the age of 21 is living there
  - your child with a disability lives there
  - if you are expected to return home
  - in some cases, if your brother or sister live there
  - the total equity value in your house is less than \$802,000. Any amount over \$802,00 will count as an asset.
  - Term life insurance that has no cash surrender value.
  - Ordinary household goods and personal effects.
  - One car owned by either you or your spouse.

7. CAN THE STATE PLACE A LIEN ON MY HOUSE OR FORCE ME TO SELL IT?

If any of the individuals mentioned in #6 above live in your house, DSS cannot put a lien on your house or force you to sell it.

If none of these people live in your house and you are not expected to return home, you must sell your house for fair market value. The state will put a lien on it while you try to sell it.

8. WHAT IF MY HOUSE DOES NOT SELL?

As long as you are doing your best to sell the house, DSS will not count it as an asset.

9. WHO GETS THE MONEY IF I SELL MY HOUSE?

DSS will be reimbursed for what we paid for your nursing home care. You will not get Medicaid until you spend the rest of your money from your house. Once you have \$1600.00 or less in total assets, you can receive Medicaid.

10. DOES THE VALUE OF WHOLE LIFE INSURANCE POLICES OR A PRE-PAID BURIAL CONTRACT COUNT TOWARDS THE ASSET LIMIT?

- We may or may not count whole life insurance policies as an asset. We look at the face value of your policies to decide if we have to count them. We add the face value of your policies together and if the total of your policies is \$1500 or less, we do not count them as an asset. If the total is more than \$1500, you must verify the cash surrender values of each policy and we will count the cash surrender values of the policies as an asset.
- You can have a funeral contract with a Connecticut funeral home, valued up to \$5400 or with a funeral home outside of Connecticut (subject to the laws of that state) if the contract is irrevocable. You can have a separate contract for burial space items which includes the purchase of a burial plot, opening and closing of a grave site, cremation urn, casket, outer burial container and a headstone or marker.

11. WHAT CAN I DO IF MY ASSETS ARE MORE THAN \$1,600.00?

Assets over the \$1600 limit may be used in several ways, as long as they are not given away or exchanged for something of lesser value. For example, you may use your assets over the \$1600 limit to pay for the cost of your care in the nursing home, to pay other bills that you have, or to prepay your funeral expenses.

12. HOW ARE JOINT ACCOUNTS TREATED?

The full value of any accounts with your name on it is presumed to belong to you, unless the other owner(s) can document that some or all of the funds are his or hers.

13. WHAT IF I TRANSFER ASSETS TO A PERSON OTHER THAN MY SPOUSE?

If you apply for Medicaid for long-term care, we look to see if you or your spouse gave away any assets in the 60 months before you apply for help. We call this the "look-back period". There is no penalty if you sell your assets for fair market value. However, if you transfer assets for less than fair market value to someone other than your spouse or a blind or disabled child or certain others described in DSS regulations, there will be a penalty period when you are ineligible for payment of nursing home or home care services. Currently, the penalty period is one month of ineligibility for every \$11,183 transferred for less than fair market value.

14. DO I HAVE TO USE MY MONTHLY INCOME TO PAY FOR THE NURSING HOME?

If you are on Medicaid, you may need to contribute to the cost of your care. Your contribution begins once you in the nursing for 30 days.

You are allowed to keep some money each month:

- \$60 personal needs allowance (this amount changes periodically)
- Support for your spouse or other dependent living at home
- Health costs that Medicaid does not pay for
- \$90 each month for a single war veteran or spouse of a deceased war veteran with reduced VA Improved pensions
- Some expenses for your home, if you are expected to return within 6 months

15. SHOULD I PAY THE NURSING HOME WHILE MY APPLICATION IS PENDING?

Yes, you should pay the nursing home while your application is pending. If you keep this money in a savings, checking or patient account, we will count it as an asset. If counting it causes you to have more than \$1600, we will not be able to help you for that month.

16. ONCE MY APPLICATION IS GRANTED DO I HAVE TO STAY WITHIN THE \$1600 ASSET LIMIT?

Yes, once your application is granted, you need to carefully watch the interest that builds up in your bank accounts and be sure to spend this and the personal needs allowance so that your assets stay below the limit.

17. WHAT DO I DO IF I THINK DSS MADE A MISTAKE WITH MY APPLICATION?

If you think that we made a mistake with your application, you may ask for a hearing. You or your representative must ask for a hearing in writing within 60 days of the action taken by the department. Send your hearing request to the Department of Social Services, Office of Legal Counsel Regulations and Administrative Hearings, 25 Sigourney Street, Hartford, CT 06106-5033. For information about how hearings work, or to get a hearing request form, you can call, (860) 424-5760 or toll free 1-800-462-0134.