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LONG-TERM CARE-MEDICAID SPOUSAL ASSETS AND HOME- AND COMMUNITY-BASED SERVICES

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You asked which states count spousal assets of Medicaid long-term care applicants the same way Connecticut does (i.e., which ones allow a community spouse to keep up to the maximum allowed by federal law). For these states, you also want to know (1) the percentage of Medicaid funds spent on elderly home- and community-based services (HCBS) versus institutional care and (2) what types of HCBS they offer.

This report updates OLR Report [2011-R-0133](#), which indicated that eight states and Connecticut allowed a community spouse to keep the maximum amount of assets.

SUMMARY

Federal Medicaid law (42 USC § 1396r-5(f)(2)) allows the spouse of someone living in a long-term care institution (e.g., nursing home) to keep some of the couple's assets to ensure the spouse living in the community does not become impoverished. The amount retained by the non-institutionalized spouse is generally referred to as the community spouse protected amount (CSPA). Most of the remainder of the couple's assets is used to pay for nursing home costs of the institutionalized spouse. Once the institutionalized spouse begins a continuous nursing home stay, federal law requires the couple's assets to be combined and divided in half. The amount the community spouse can keep (spousal

share) can currently be as much as the federal maximum, \$109,560. [PA 10-73](#) adopted the federal maximum for Connecticut residents.

According to the Centers for Medicare and Medicaid Services, 19 states, including Connecticut, and the District of Columbia (D.C.) allow a community spouse to keep up to the maximum federal CSPA. The states are Alaska, Arkansas, California, Colorado, Connecticut, Florida, Hawaii, Idaho, Iowa, Louisiana, Maine, Mississippi, New Mexico, Oklahoma, Pennsylvania, Tennessee, Texas, Vermont, and Wyoming.

In FY 09, eight of the above states and D.C. spent a greater portion of their Medicaid long-term care funds on institutional care than Connecticut, which spent approximately 55%, according to the Kaiser Family Foundation’s website. The states include Arkansas (70.3%), Florida (63.6%), Louisiana (61.7%) and Mississippi (85%).

All but two of the 19 states and D.C. appear to offer home- and community-based services (HCBS) through a Medicaid Section 1915(c) waiver. Hawaii offers HCBS through a different Medicaid waiver. The services vary from state to state and include personal care, companions, and personal emergency response.

MEDICAID SPENDING ON HCBS IN STATES

Table 1 lists all the states that allow the community spouse to keep up to the maximum federal CSPA and (2) indicates how they distributed their Medicaid long-term care expenditures between HCSB and institutional care in FY 09.

Table 1: Distribution of Medicaid Spending On Long-Term Care (FY 09)

<i>State</i>	<i>Percentage of Medicaid Funds Spent on Institutional Care*</i>	<i>Percentage of Medicaid Funds Spent on HCBS**</i>
Connecticut [1]	54.5	45.5
Alaska	30.4	69.6
Arkansas	70.3	29.7
California	45.8	54.2
Colorado	43.9	56.1
District of Columbia	62.9	37.1
Florida	63.6	36.4
Hawaii	39.9	60.1
Idaho	53.8	46.2

State	Percentage of Medicaid Funds Spent on Institutional Care*	Percentage of Medicaid Funds Spent on HCBS**
Iowa	60.3	39.7
Louisiana	61.7	38.3
Maine	47.7	52.3
Mississippi	85.6	14.4
New Mexico	17.8	82.2
Oklahoma	58.4	41.6
Pennsylvania	65.9	34.1
Tennessee	65.7	34.3
Texas	55.2	44.8
Vermont	30.5	69.5
Wyoming	49.2	50.8

Source: Kaiser Family Foundation

* Includes nursing homes, mental health facilities, and intermediate care facilities for people with mental retardation

** May include standard home health services, personal care, targeted case management, hospice, and home- and community based care for functionally disabled elderly and services provided under HCBS waivers

¹ The Connecticut Commission on Aging reports a different expenditure ratio, which is based on information from the Connecticut Long Term Care Plan. Those percentages for FY 09 are 65% for institutional care and 35% for HCBS. (The ratio for Medicaid clients was 47% for institutional care and 53% for HCBS.) We believe that most of the difference can be explained by the following, provided by the state's Office of Policy and Management:

- Different time frame: Kaiser uses the federal fiscal year and the CT LTC Plan uses the state fiscal year.
- Institutional Care: Kaiser includes mental health facilities, which are not included in the CT LTC Plan. Chronic disease hospitals are only included in the CT LTC Plan.
- Community-based Care: Kaiser uses standard "Home Health Services", "Personal Care", "Targeted Case Management", "Hospice", "Home and Community-Based Care" for the functionally disabled elderly, and services provided under "Home and Community-Based" services waivers. In contrast, the CT LTC Plan uses home health care, elder waiver, PCA waiver, Katie Beckett waiver, ABI waiver, Comprehensive DDS waiver and targeted care management (mental health and developmental disabilities). Also note that in the CT LTC Plan the home health care expenditures are based on an estimate of the percentage of Medicaid expenditures for LTC home health care as opposed to short-term care, such as post-natal care. It is estimated that LTC home health care services comprise 60% of the total Medicaid home health care costs.

HCBS IN STATES THAT ALLOW MAXIMUM CSPA

It appears that all 19 jurisdictions that allow the maximum CSPA, except Hawaii, Tennessee, and D.C., offer HCBS through a Medicaid 1915(c) waiver. Hawaii incorporated its 1915(c) waiver into a larger Medicaid Section 1115 waiver. We were unable to determine what HCBS Hawaii offers, or whether Tennessee and D.C. offer HCBS using state or local funds.

Table 2 lists the states with Section 1915(c) waivers and the services they offer to their elderly population.

Table 2: HCBS for Seniors Available Through Medicaid Waivers¹

State / Service	Case/care management or coordination	Personal Care	Respite	Companion	Adult Day Ccare	Home / Environmental Modifications	Personal Emergency Response	Other ²
CT	X	X	X	X	X	X	X	AL, AS, CH, HOM, MH,N, TR
AK	X		X		X	X		CH, ME, N PDN, RSL TR
AR			X	X	X		X	HOM, CH, N
CA	X	X	X		X			C,H, HOU, N, PR, SU, TR
CO		X	X		X	X	X	AT, HOM, TR, CTS, IHS, MR
FL	X	X	X	X	X	X	X	CH, FAM, HH, ME, MH, N, OT, PT, PDN, ST, SU
ID	X		X	X	X	X	X	AT, B, CH,H, HOM, ME, N,PC, PDN, RSL, TR
IA	X	X	X	X	X	X	X	AS, AT, CH, HOM, HH, N, PDN, TR
LA		X	X		X	X		AS, CTS, N, PDN, TR
ME	X	X	X		X	X	X	HH, HOM, TR
MS	X		X		X			CTS, HOM, HH, N, TR,
NM	X		X		X	X	X	AL, CTS, PDN
OK	X	X	X	X	X	X	X	ARS, D, DEN, FAM, HOS, ME, N, PDN, OT, PT, RT ST, TR, V
PA		X		X	X	X	X	CTS, HH, HIS, ME, MH, N, PDCS, TR
TX		X	X			X	X	AFC, AL, AS, CTS, D, DEN, ME, N, OT, PDN, PT, ST,
VT	X	X	X	X	X	X	X	
WY	X	X	X		X		X	HDM, N, TR

Source: CMS , "Medicaid Waivers and Demonstrations List," state website

¹ Some of these states have combined waivers serving both elders and disabled. Not all services listed may be appropriate for one group or the other.

² Key to Other Services

AFC=adult foster care
AL=assisted living
ARS=advanced restorative services
AS=assistive devices
AT=attendant care (it is unclear how this differs from personal care)
B=behavior consultation/crisis management
C=communication
CH=chores
CTS=community transition services
D=prescribed drugs
DEN=dental services
FAM=family training
H=habilitation
HH=home health
HOM-homemaker
HOS=hospice
HOU-housing assistance
IHS-in-home support
ME-specialized medical equipment and supplies
MH=mental health counseling
MR=medication reminder
N-nutrition (includes home delivered meals)
OT=occupational therapy
PC=psychiatric consultation
PDCS=participant-directed community supports and services
PDN=private duty nursing
PR=protective services
PT=physical therapy
RT=respiratory therapy
RSL=residential supported living
SE=supported employment
ST=speech therapy
SU=supplemental services (e.g., professional care, protective supervision)
TR=transportation
V=vision services

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