2008 Public Benefits Update

By Wesley E. Wright and Molly Dear Abshire, as published in the Houston Chronicle Senior Living Section on January 20, 2008.

The federal Centers for Medicare and Medicaid Services "CMS" has published the new Medicaid income and asset figures for calendar year 2008, which are as follows:

INSTITUTIONAL INCOME CAP FOR MEDICAID

The following figures apply to persons receiving Medicaid in nursing homes, intermediate care facilities - mental retardation "ICF-MR facilities," and state hospitals, as well as to persons enrolled in home and community-based waiver programs (e.g., community-based alternatives "CBA"):

Individual	$1,911.00 (per month)
Couple (both spouses applying)	$3,822.00 (per month)

Gross monthly income (less aid and attendance, house bound allowances, and reimbursements for out-of-pocket medical expenses paid by the Department of Veterans' Affairs) is tested against the appropriate income cap. If countable monthly income exceeds the cap, eligibility can still be achieved by using a device known as a qualifying income trust "QIT" or "Miller Trust."

SPOUSAL IMPOVERISHMENT CASES

Federal Medicaid law provides that when one spouse is institutionalized for a continuous stay (at least 30 consecutive days), a portion of the couple's combined countable assets is protected for the spouse at home (i.e., the community-based spouse). The amount protected is called the Spousal Protected Resource Amount "SPRA". The SPRA is one-half of the couple's assets as of the month of institutionalization, subject to minimum and maximum amounts, which are as follows for 2008:

Minimum SPRA	$20,880.00
Maximum SPRA	$104,400.00

In situations where the combined income of the spouses is low, the SPRA may be expanded even to an amount beyond the $104,400 maximum.

The minimum monthly maintenance needs allowance for the community-based spouse in 2008 is $2,610.00 (up from $2,541.00 in 2007).

SUPPLEMENTAL SECURITY INCOME "SSI"

The SSI program is a federal cash assistance program for aged, blind, and disabled individuals with limited assets and income. For 2008, the income limits are as follows:

Individual	$637.00 per month
Couple	$956.00 per month

ASSET LIMITS

The asset limits for both SSI and Medicaid have not changed since 1989. They remain as follows for calendar year 2008:

Individual	$2,000.00
Couple (both spouses applying or living together at home)	$3,000.00

Countable assets are always determined as of 12:01 a.m. on the first day of each calendar month.

MEDICARE

The Medicare Part A premium (for the few people who do not have free Part A) in 2008 is $423.00 per month.

The Medicare Part B premium (which is deducted from the beneficiary's Social Security check each month) is $96.40 in 2008.

The co-insurance amount for days 21 through 100 in a skilled nursing facility ("SNF") is $128.00 per day.

The deductibles for inpatient hospital care in 2008 are as follows:

Days 1 through 60	$1,024.00
Days 61 through 90	$256.00 per day

Wright Abshire, Attorneys, is available to assist you with Medicaid planning, wills, probate, advance directives, and durable powers of attorney for health care.