

# Financial Concerns

## **FINANCIAL CONCERNS**

CHCPE is funded through State and Medicaid money and there are questions that arise regarding contributions, recoupment, and transfer of assets. The information in this section is intended to give basic guidelines for the CT Home Care Program and is not intended to substitute for legal advice. Financial questions may require the expertise of an Elder Law Attorney or Department of Social Services (DSS).

**Are clients in the higher income range required to contribute to the cost of their care ?**

Clients whose income exceeds 200% of the Federal Poverty Limit (currently \$2,199.00), may be required to contribute a portion towards the cost of their care. This amount may be reduced by a client's ongoing medical expenses such as private medical insurance premiums, medical insurance co-pays, prescriptions, over the counter medications, dietary supplements, adult diapers and outstanding doctor or hospital bills toward which the client is making regular payments.

**Does the state have the right to recover monies from the estate of individuals that receive services from the Program?**

Yes, the state has the right to recover monies from the estate of an individual for the cost of services provided while the client was on CHCPE. DSS can recoup only for services that were provided.

**What if a couple is over assets for Medicaid, is there a way to protect the**

## spouse that is not in need of services?

### **Assessment of Spousal Assets**

Under state and federal law, a married couple is allowed to protect assets for the spouse living in the community when the other spouse is institutionalized. The Department of Social Services defines institutionalization as a continuous stay in a medical or long-term care facility for a period lasting 30 or more consecutive days. The date of institutionalization is the date of admission to a medical or long-term care facility or the date the Department determines the applicant to be in medical need of community-based services. The assessment of spousal assets is completed using the assets, which existed as of the beginning of the initial continuous period of institutionalization, which started on or after September 30, 1989. To determine the amount of assets that may be protected, the Department completes an assessment of spousal assets. The purpose of the spousal assessment is to determine how much of the couple's countable assets may be protected for the community spouse. The value of the protected assets of the community spouse are not counted when the eligibility of the institutionalized individual is determined.

The amount of assets that can be protected is determined by adding together the counted assets of both spouses as of the date the institutionalized individual is considered to be institutionalized and dividing the amount in half to establish a spousal share. Effective January 1, 2008, the Community Spouse Protected Amount (CSPA) is equal to the spousal share up to a maximum of \$119,220.00 or to a minimum of \$23,844.00. Federal law sets the maximum and minimum amounts and the state is required to update the amounts January 1st of each year. The CSPA cannot exceed the maximum amount, except by Fair Hearing decision or through a court order. It is often helpful

to request an assessment of assets as soon as you are in need of home and community-based services because it will usually increase the amount of assets/resources that can be protected for the community spouse. The countable assets of the institutionalized spouse cannot exceed \$1,600.

When an institutionalized individual and his or her spouse have assets which exceed the amount established as the CSPA and the \$1,600.00 asset limit, the excess assets are considered to be available to the institutionalized individual. This is true regardless of which spouse is the owner of the assets. The institutionalized individual is not eligible for Medicaid until the couple's combined assets are reduced to the total of the \$1,600 asset limit and the CSPA. The couple is not required to "spenddown" the excess to pay for the institutionalized individual's medical expenses. As long as fair market value is received, the excess assets may be spent in any way the couple wishes.

As assessment of spousal assets may be completed at the request of either spouse anytime prior to application for Medicaid. If an assessment of spousal assets is not completed prior to a Medicaid application, an assessment must be completed at the time the Medicaid application is filed.

If you are applying for Medicaid there is no fee for the assessment of spousal assets. If you are not applying for Medicaid at the time of the request, there is a fee of \$50.00 for the assessment of spousal assets. This fee must be paid before the assessment can be completed. After a review of the information, the Department of Social Services will notify the applicant in writing of the decision. The results of the assessment will be retained by the Department of Social Services and used to determine eligibility if the person later applies for Medicaid.

If a couple believes they qualify for a spousal assessment they may request this assessment by submitting a Home Care Request Form (W-1487) to the Department of Social Services or by calling the Department's toll free number, 1-800-445-5394, to initiate the process.

**What if the client wants to transfer some of their assets to someone else before they apply?**

### **Transfer of Assets**

Transfer of Assets is important to understand because improper transfer of assets may delay or prevent eligibility for the CT Home Care Program for Elders. The Department of Social Services (DSS) must comply with federal laws regarding the transfer of assets that affect the CT Home Care Program for Elders.

Transferring an asset means that the applicant or client has given an asset to someone else and that asset now belongs to a relative or other party. If property is sold, it must be sold at fair market value. Selling property for less than market value counts as a transfer of assets.

The applicant's or client's home in which he/she lives does not count as an asset unless the house has a fair market value of over \$840,000. The transfer of ownership of a property to someone else converts the property into an asset and it then counts toward the CT Home Care Program's financial asset limit of \$35,776 (single) and \$47,688 (married). In addition to loss of eligibility, there is a penalty period, a number of months or years, which must expire before eligibility for CT Home Care Program for Elders can be granted.

For further information, please call 1-800-445-5394 (toll-free) or 860-424-4904 locally in the Hartford area.

**Elder Law Attorneys**

**[National Academy of Elder Law Attorneys](#)**

**[Department of Social Services Website](#)**

**[Elder Law Self Help Guides](#)**