



DC Department of Health Care Finance Financial Eligibility for Institutional Care



In order to receive Long Term Care (LTC) Medicaid to pay for care institutional setting (Nursing Homes and Intermediate Care Facilities for Persons with Intellectual and Developmental Disabilities (ICF/IDD)), you must meet the income and resources eligibility requirements for the District's Medicaid program. To qualify for LTC Medicaid, you monthly gross income must be at or below \$2,205.00 in 2017 and your total asset must be at or below \$4000.00 (household size one) or \$6000.00 (household size 2 - married couples). If you are married, we will determine your income and assets separately and not jointly to determine your eligibility.

What if my income is too high?

If your income is higher than \$2,205.00 a month, you are over the income limit for LTC Medicaid, but still may qualify for Medicaid by being placed on a Medically Needy Spend Down. According to 42 CFR 435.831, to be eligible for Medically Needy Spend Down, you must be responsible for medical bills that meet a certain amount which is known as your "spend-down amount". The spend-down amount is determined by subtracting the medically needy income standard of \$642.83 from applicant's or beneficiary's countable income amount. The amount is multiplied by 6 to get the six month budget period spend down amount for LTC Medicaid. To qualify for Medicaid under the Medically Needy Spend Down, the current unpaid and paid medical bills must equal the spend down amount.

See example below:

Example: Jane is over the income level for LTC Medicaid

Bob applied for Medicaid LTC Institutional care on February 14, 2017. He has a civil service retirement pension of \$2,500.00 per month. After allowing an unearned income disregard of \$20.00, Bob's countable income is \$2,480.00 per month.

Since Bob's countable income of \$2,480.00 is higher than \$2,205.00 per month limit, he will be placed on a medically needy spend-down. Bob's spend down obligation is calculated as follows;

\$2480.00 (Applicant's monthly countable income)

- \$642.83 (Monthly medically needy income)

\$1,837.17

X 6 months

\$11,023.02 (Bob's medical bills must equal this amount to be eligible for Medicaid)

Since Bob is a patient in a nursing home, he is allowed to use projected institutional expenses to meet his spend-down amount. Bob does not need to present any bills, the Economic Security Administration will automatically use the projected institutional cost to determine if he is eligible to receive LTC Medicaid to help cover the nursing home cost. .
Bob is responsible for paying the spend-down obligation

What medical bills can be used to meet your Spend Down amount?

If you have bills that you are responsible for and will not be paid by a third party like Medicare, Tricare and etc. can be used to meet your spend down amount.

The following bills towards their spend-down:

- Paid or unpaid Medical bills that your are received in the past three months from the date of application; or
- Bills acquired during the six-month spend-down budget period; or
- Old bills that you are still responsible for making payment.
- Projected institutional cost from the nursing home or ICF/IDD for the six month budget period may be used to meet your spend down. Once you are placed in a spend down the Department of Human Services, Economic Security Administration (ESA) will review the projected institutional cost for the nursing home or ICF/IDD to determine if you meet the spend-down amount.

Some examples of medical bills that can be used towards your spend down obligation are:

- Prescription cost/over the counter medication.
- Doctor bills
- Dental bills
- Hospital bill
- Medicare and health insurance premiums, deductions, and co-payments not paid by a third party
- Please refer to the *Frequently Asked Question on Spend Down* for further information on what medical bills may be used to meet your spend down.

Example: Acceptable bills for spend-down

Bob's spend-down amount is \$11,023.02 (see above example). He has a projected medical bill from the nursing facility totaling \$45,000 which covers February 14, 2017 through July 31, 2017. His projected medical bill exceeds her spend-down amount, therefore, he meets his spend-down amount and approved for Medicaid from February 1, 2017-July 31, 2017.

What medical bills cannot be used for Spend Down?

A person cannot submit shelter cost/expenses such as rent, mortgage, cable, gas, electric or telephone bill to meet spend down.

For More Information

If you have specific questions about Long Term Care Financial Eligibility or about the information on the fact sheet, please directly email the Department of Health Care Finance, Division of Eligibility Policy at DCMedicaidquestions@dc.gov.