RESOURCES

NEW YORK STATE PARTNERSHIP FOR LONG-TERM CARE

Description: The Partnership for Long-Term Care (Partnership) promotes the availability of State-approved, long-term care insurance policies sold through private insurance companies. The Insurance Department of the State of New York must approve all Partnership insurance policies, and insurance companies marketing Partnership policies must enter into an Insurer Participation Agreement with the NYSDOH. Partnership policies are required to provide a minimum benefit covering three years of nursing home, six years of home care, or an equivalent combination of the two.

Policy: For persons who utilize the required amount of benefits under a Total Asset Partnership insurance policy, Medicaid eligibility is determined without regard to resources. This is called Medicaid Extended Coverage (MEC). Therefore, it is not necessary to collect and/or document information on an individual's resources or the resources of his or her spouse except to the extent that such information documents income derived from such resources (i.e., a bank statement showing interest, statement from a financial broker indicating dividends earned, etc.).

For persons who utilize the required amount of benefits under a Dollar-for-Dollar Partnership insurance policy is entitled to a resource disregard that is equal to the amount of long-term care benefits that have been paid by their Partnership insurance.

All Medicaid income rules in effect at the time of application will apply. Local districts are notified of an A/R's qualification for Medicaid Extended Coverage by the presentation of a 90-day Notice of Qualifying Status for Medicaid Extended Coverage letter.

References:

LCM 97 OMM LCM-3

GIS 07 MA/020

Informational References: http://www.nyspltc.org

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Interpretation:

Total Asset

For A/Rs who purchase Total Asset Partnership policies and subsequently utilize the required amount of benefits eligibility for Medicaid Extended Coverage is based solely upon income. All resources (including annuities) are totally disregarded These A/Rs may apply for Medicaid Extended Coverage even if benefits are still available under a Partnership policy, so long as the A/R has utilized the required amount of benefits.

Dollar-for-Dollar

A/Rs who have purchased Dollar-for-Dollar Partnership policies and subsequently utilize the required amount of benefits are entitled to a resource disregard (asset protection) that is equal to the amount of long-term care benefits that have been paid by their Partnership insurance.

The resource disregard is applied first to reduce the resources of the individual that exceed the appropriate resource standard. If the policy/certificate holder is applying for nursing facility services and the policy/certificate holder or his/her spouse, any remaining dollar – for-dollar disregard not used to establish resource eligibility may be used to offset the transferred resources.

If an annuity, such as a deferred annuity, is a countable resource at the time of application for Medicaid Extended Coverage (MEC) the dollar-for-dollar Partnership policy/certificate holder may use the asset protection earned by the Partnership insurance to establish resource eligibility. If the dollar-for-dollar asset protection is not sufficient to disregard the entire value of the annuity, any portion of the annuity value not disregarded is a countable resource for purposes of determining eligibility for MEC. In **no** instance is the dollar-for-dollar policy/certificate holder or his/her spouse required to name the State as a remainder beneficiary of the annuity when the annuity has been determined to be a countable resource.

In instances where the annuity is **not** a countable resource (e.g., a qualified annuity in payment status) and the dollar-for-dollar Partnership policy/certificate holder is applying for Medicaid coverage of nursing facility services, the policy/certificate holder and his/her souse will be required to name the state as a remainder beneficiary or the annuity will be treated as an uncompensated transfer. Effective August 8, 2006, if the policy/certificate holder or his/her spouse refuse to name the State as remainder beneficiary, any dollar-for-dollar disregard remaining after the establishment of

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resource eligibility may be used to offset the amount of the transfer (purchase price of annuity less any monies actually received from the annuity). A note must be maintained in the case record to avoid re-applying this disregard in the future.

NOTE: Although a Partnership policyholder may utilize New York State Partnership insurance in another state, s/he must be a resident of New York State to obtain Medicaid Extended Coverage. Provided a Partnership policyholder is not placed in a New York State institution by another state, or by a public or private organization contracting with the other state for such purposes, an A/R returning to New York State is a resident of New York State upon entering the State. (See **OTHER ELIGIBILITY REQUUIREMENTS** STATE RESIDENCE AND RESPONSIBILITY FOR ASSISTANCE DISTRICT OF FISCALLY RESPONSBILITY (DFR) for determining the district of fiscal responsibility.)