

# PATH

## Department of Prevention, Assistance, Transition, and Health Access

**FROM** John Michael Hall, Commissioner  
for the Secretary

**BULLETIN NO.** 04-02

**DATE** December 15, 2003

**SUBJECTS** 1/1/04 Standards Changes for  
Health Care Programs

**CHANGES ADOPTED EFFECTIVE** January 1, 2004

### INSTRUCTIONS

### MANUAL REFERENCE(S)

P-2420  
P-2740

**Maintain Manual - See instructions below.**

**Proposed Regulation - Retain bulletin  
and attachments until you receive**

**Manual Maintenance Bulletin: \_\_\_\_\_**

**Information or Instructions -**

**Retain until \_\_\_\_\_**

This bulletin revises income standards for Medicaid and other health care programs based on the consumer price index (CPI) and federal poverty level (FPL). Because the FPL is not published until February or March, PATH uses a forecast in January to update the PATH income standards based on the FPL. When the FPL is published, if it is higher than PATH's forecast, PATH will revise these income standards in April.

The bulletin also revises SSI/AABD payment maximums and other standards based on the federal cost-of-living adjustment (COLA).

The following standards change on January 1, 2004:

Protected income levels (PILs) for individuals in the community  
Income standards for health care programs based on the federal poverty level  
SSI/AABD payment levels  
Essential Person payment standards  
Institutional income standard  
Community spouse resource allocation maximum for Long-Term Care (LTC)  
SSI federal benefit payment rate  
Pickle deduction percentage chart  
Home Upkeep Deduction  
Maximum income allocation to community spouse for LTC  
Community maintenance allowance in the home-and-community-based waiver programs  
Medicare copayments for nursing home care

Vertical lines in the left margin indicate significant changes. Dotted lines at the left indicate changes to clarify, rearrange, or correct references, without changing the content of the procedure.

**Manual Maintenance**

**Medicaid Procedures**

**Remove**

P-2420 A	(02-42)
P-2420 B3	(02-42)
P-2420 B5	(02-42)
P-2420 C	(02-42)
P-2420 D1	(03-18)
P-2420 D3	(02-42)
P-2420 D4	(03-18)
P-2420 D5	(03-18)

**Insert**

P-2420 A	(04-02)
P-2420 B3	(04-02)
P-2420 B5	(04-02)
P-2420 C	(04-02)
P-2420 D1	(04-02)
P-2420 D3	(04-02)
P-2420 D4	(04-02)
P-2420 D5	(04-02)

**AABD Procedures**

**Remove**

P-2740 A	(02-36)
P-2740 B	(01-27)

**Insert**

P-2740A	(04-02)
P-2740 B	(04-02)

P-2420 Eligibility Determination for Medicaid

A. General Introduction

Use the following standards to determine eligibility and fees for health care programs. Income standards for most programs are based on a forecast derived from the federal poverty levels (FPLs) and updated January 1 each year. If the FPLs, which are not published until February or March, are higher than PATH's forecast, PATH will revise these income standards April 1.

B. Monthly Income Standards

**1. Eligibility maximums for Medicaid and waiver programs, effective 1/1/04**

Coverage Groups	Rule	% FPL	Household Size							
			1	2	3	4	5	6	7	8
PIL outside Chittenden County	M243	N/A	\$783	\$783	\$941	\$1,066	\$1,200	\$1,291	\$1,441	\$1,566
PIL inside Chittenden County	M240	N/A	850	850	1,000	1,125	1,266	1,350	1,500	1,633
VHAP (individual)	4001.84	150%	1,164	1,562	1,959	2,357	2,754	3,152	3,549	3,947
VHAP - Pharmacy	3301.74									
VScript	3203	175%	1,358	1,822	2,286	2,749	3,213	3,677	4,141	4,604
Transitional Medicaid	M302.21	185%	1,436	1,926	2,416	2,907	3,397	3,887	4,377	4,868
VHAP (parents, caretaker relative)	4001.84									
Dr. Dynasaur (pregnant women)	M302.27	200%	1,552	2,082	2,612	3,142	3,672	4,202	4,732	5,262
VScript Expanded	3201.64	225%	1,746	2,342	2,939	3,535	4,131	4,727	5,324	5,920
Working people with disabilities (WPWD)	M200.24	250%	1,940	2,603	3,265	3,928	4,590	5,253	5,915	6,578
Dr. Dynasaur (children under 18)	M302.26	300%	2,328	3,123	3,918	4,713	5,508	6,303	7,098	7,893
Healthy Vermonters (any age)	3401.54									
Healthy Vermonters (aged, disabled)	3401.54	400%	3,104	4,164	5,224	6,284	7,344	8,404	9,464	10,524

**2. Eligibility maximums for Medicare cost-sharing programs, effective 1/1/04**

Coverage Groups	Rule	% FPL	Household Size	
			1	2
Qualified Medicare Beneficiaries (QMB)	M200.41	100%	\$776	\$1,041
Specified Low-Income Medicare Beneficiaries (SLMB)	M200.43	120%	931	1,249
Qualified Individuals - 1 (QI-1)	M200.44	135%	1,048	1,406
Qualified Disabled and Working Individuals (QDWI)	M200.42	200%	1,552	2,082

1/1/04

Bulletin No. 04-02

P-2420 B3

P-2420 Eligibility Determination for Medicaid

B. Monthly Income Standards (Continued)

**3. Ranges for program fees, effective 1/1/04**

Coverage Groups	Rule	% FPL	1	2	3	4	5	6	7	8
VHAP - no fee	4001.91	> 0 ≤ 50%	\$388	\$521	\$653	\$786	\$918	\$1,051	\$1,183	\$1,316
VHAP - \$10/person/month	4001.91	> 50 ≤ 75%	582	781	980	1,179	1,377	1,576	1,775	1,974
VHAP - \$35/person/month	4001.91	> 75 ≤ 100%	776	1,041	1,306	1,571	1,836	2,101	2,366	2,631
VHAP - \$45/person/month	4001.91	> 100 ≤ 150%	1,164	1,562	1,959	2,357	2,754	3,152	3,549	3,947
VHAP - \$65/person/month	4001.91	> 150 ≤ 185%	1,436	1,926	2,416	2,907	3,397	3,887	4,377	4,868
VHAP - Pharmacy - \$13/person/mo.	3303.1	> 0 ≤ 150%	1,164	1,562	1,959	2,357	2,754	3,152	3,549	3,947
VScript - \$17/person/month	3203	> 150 ≤ 175%	1,358	1,822	2,286	2,749	3,213	3,677	4,141	4,604
VScript Expanded - \$35/person/mo.	3203	> 175 ≤ 225%	1,746	2,342	2,939	3,535	4,131	4,727	5,324	5,920
Dr. D. and WPWD - no fee	M302.26,27 M200.24	> 0 ≤ 185%	1,436	1,926	2,416	2,907	3,397	3,887	4,377	4,868
Dr. Dynasaur (pregnant women) – \$25/family/month	M302.27	> 185 ≤ 200%	1,552	2,082	2,612	3,142	3,672	4,202	4,732	5,262
Dr. D. (under 18) - \$25/family/mo. WPWD - \$50/family/month	M302.26 M200.24	> 185 ≤ 225%	1,746	2,342	2,939	3,535	4,131	4,727	5,324	5,920
WPWD - \$60/family/month	M200.24	> 225 ≤ 250%	1,940	2,603	3,265	3,928	4,590	5,253	5,915	6,578
Dr. D. (under 18) - \$35/with other ins. or \$70/uninsured/family/month	M302.26	> 225 ≤ 300%	2,328	3,123	3,918	4,713	5,508	6,303	7,098	7,893

**4. SSI/AABD payment levels (2700)**

Living Arrangement

		<u>Effective 1/1/04</u>	<u>1/1/03 – 12/31/03</u>
Independent Living	Individual	\$ 616.04	\$ 604.04
	Couple	944.88	927.88
Another's Household	Individual	415.30	407.30
	Couple	612.31	600.98
Residential Care Home w/ Assistive Community Care Level III	Individual	612.38	600.38
	Couple	942.77	925.77
Res. Care Home w/ Limited Nursing Care Level III	Individual	831.13	819.13
	Couple	1,449.69	1,432.69
Residential Care Home Level IV	Individual	787.94	775.94
	Couple	1,408.06	1,391.06
Custodial Care Family Home	Individual	662.69	650.69
	Couple	1,178.82	1,161.82
Long-term Care	Individual	47.66	47.66
	Couple	95.33	95.33

1/1/04

Bulletin No. 04-02

P-2420 B5

---

P-2420 Eligibility Determination for Medicaid

B. Monthly Income Standards (Continued)

**5. Institutional income standard for long-term care (M243.5)**

<u>Effective 1/1/04</u>		<u>1/1/03 – 12/31/03</u>	
Individual	\$1,692.00	Individual	\$1,656.00
Couple	\$3,384.00	Couple	\$3,312.00

**6. Personal needs allowance for long-term care (M432.1)**

Individual	\$47.66
Couple	\$95.33

1/1/04

Bulletin No. 04-02

P-2420 C

P-2420 Eligibility Determination for Medicaid

- C. Resource Maximums M230 (SSI-related)  
M340 (ANFC-related)

**1. Household Maximums**

Group Size

1	\$2000
2	3000
3	3150
4	3300
5	3450
6	3600
7	3750
8	3900

NOTE: There is no resource test for pregnant women or children under age 18 if income is below the applicable poverty line income test. (#5 or 6 in P-2420 B). If income is above, the resource test applies.

**2. Community Spouse Resource Allocation Maximum, Long-Term Care (M432.31)**

Effective 1/1/04  
\$92,760

1/1/03 - 12/31/03  
\$90,660

**3. Resource Limit for QMB, QDWI, SLMB, QI-1 (M200.41, M200.42, M200.43, M200.44)**

Effective 7/1/90

Individual	\$4000
Couple	\$6000

1/1/04

Bulletin No. 04-02

P-2420 D1

P-2420 Eligibility Determination for Medicaid

D. Other Standards

1. **SSI Federal Benefit Payment Rate (M222, M243.1, M243.2)**

These are used when determining the eligibility of SSI-related adults, allocations to ineligible children and parents, and the amount of income deemed to SSI-related child applicants.

	<u>Effective 1/1/04</u>	<u>1/1/03- 12/31/03</u>
Individual	\$564 per month	\$552 per month
Couple	\$846 per month	\$829 per month
Ineligible child	\$282 per month	\$277 per month

2. **Business Expenses - Providing Room and/or Board**

Use either A or B below, whichever is the higher amount, for the business expense deduction:

A. Standard monthly deduction, as follows:

Room - Scaled according to the size of the group.

Board - Equal to the thrifty food plan allowance for the group size.

Effective 10/1/03

ACCESS Code	Type	Group Size					
		1	2	3	4	5	6+
1	Room Only	116	213	305	387	461	553
2	2/3 Board	94	173	247	314	373	448
3	Board Only	141	259	371	471	560	672
4	Room and 2/3 Board	210	386	552	701	834	1001
5	Room and Board	257	472	676	858	1021	1225

B. The actual documented amount of business expenses for room and/or board.

1/1/04

Bulletin No. 04-02

P-2420 D3

P-2420 Eligibility Determination for Medicaid

D. Other Standards (Continued)

**5. Employment Expense Deduction, ANFC-related Medicaid only (M352.3)**

Effective 10/1/89  
\$90 per person per month

**6. Pickle Deduction Percentage Chart**

See procedures at P-2421 B #1b for determining entitlement to the Pickle deductions.

Effective 1/1/04 to 12/31/04

4/77-6/77	<b>0.6810</b>	1/85-12/85	<b>0.4219</b>	1/93-12/93	<b>0.2287</b>	1/01-12/01	<b>0.0586</b>
7/77-6/78	<b>0.6622</b>	1/86-12/86	<b>0.4039</b>	1/94-12/94	<b>0.2087</b>	1/02-12/02	<b>0.0341</b>
7/78-6/79	<b>0.6402</b>	1/87-12/87	<b>0.3962</b>	1/95-12/95	<b>0.1865</b>	1/03-12/03	<b>0.0206</b>
7/79-6/80	<b>0.6046</b>	1/88-12/88	<b>0.3708</b>	1/96-12/96	<b>0.1654</b>	1/04	<b>NA</b>
7/80-6/81	<b>0.5481</b>	1/89-12/89	<b>0.3457</b>	1/97-12/97	<b>0.1412</b>		
7/81-6/82	<b>0.4975</b>	1/90-12/90	<b>0.3149</b>	1/98-12/98	<b>0.1231</b>		
7/82-12/83	<b>0.4603</b>	1/91-12/91	<b>0.2779</b>	1/99-12/99	<b>0.1117</b>		
1/84-12/84	<b>0.4414</b>	1/92-12/92	<b>0.2512</b>	1/00-12/00	<b>0.0904</b>		

**7. Home Upkeep Deduction, Long-Term Care (M432.2 and P-2430 E)**

Effective 1/1/04  
\$462.03

10/1/02 – 12/31/03  
\$453.03

1/1/04

Bulletin No. 04-02

P-2420 D4

P-2420 Eligibility Determination for Medicaid

D. Other Standards (Continued)

8. **Allocation to Community Spouse - Long-Term Care (M432.31 and P-2430 E)**

- a. Maximum income allocation. If actual verified housing costs excluding fuel and utilities are greater than the base housing cost, allow up to the maximum allocation.

<u>Effective 1/1/04</u>	<u>(1/1/03 – 12/31/03)</u>
\$2,319.00	\$2,266.50

- b. Maintenance income standard (Standard income allocation) This is based on 150 percent of the current poverty level for 2 people.

<u>Effective 7/1/03</u>	<u>(7/1/02 – 6/30/03)</u>
\$1,515.00	\$1,493.00

- c. Shelter standard This is 30 percent of the maintenance income standard in paragraph b, above.

<u>Effective 7/1/03</u>	<u>(7/1/02 - 6/30/03)</u>
\$ 455.00	\$ 448.00

1. Fuel and utility standard. Current food stamp fuel and utility standard is on page P-2590 A1.

<u>Effective 10/1/03</u>
\$ 384.00

2. Base housing cost

<u>Effective 10/1/03</u>	<u>(10/1/02 - 9/30/04)</u>
\$ 71.00	\$ 82.00

9. **Allocation to Each Family Member Living with a Community Spouse - Long-Term Care (M432.3)** This is the maximum allocation if family member has no income.

<u>Effective 10/1/03</u>	<u>10/1/02 - 9/30/03</u>
\$ 505.00	\$ 498.00

1/1/04

Bulletin No. 04-02

P-2420 D5

P-2420 Eligibility Determination for Medicaid

D. Other Standards (Continued)

Allocation if family member has income:

Maintenance income standard (P-2420 D#8)

Gross income of family member

Remainder

Remainder ÷ by 3 = Allocation

**10. Community Maintenance Allowance in the Home-and-Community-Based Waiver Program (P-2430 H)**

Effective 1/1/04  
\$850.00

1/1/03 – 12/31/03  
\$825.00

**11. Medicare Copayments for Nursing Home Care (P-2430 E)**

For the 21st through 100th day that a Medicare eligible person is in a nursing home, Medicare will pay the daily costs in excess of the following patient co-payment:

Effective 1/1/04  
\$ 109.50

1/1/03 - 12/31/03  
\$ 105.00

**12. Standard Deductions for Assistive Community Care Services (ACCS) and Personal Care Services (PCS) (M421.23) (M421.24) (P-2421 D)**

	<u>Effective 1/1/03</u>	<u>10/1/00 - 12/31/02</u>
ACCS	\$ 27.00 per day; \$ 810.00 per month	\$ 600.00 per month
PCS	\$ 17.83 per day; \$ 535.00 per month	\$ 396.00 per month

**13. Average Cost to a Private Patient of Nursing Facility Services (M440.42)**

This amount is used to calculate a penalty period for an individual in a nursing home or in the home-and-community-based waiver program.

Effective 10/1/03  
\$ 5,279 per month  
\$ 176 per day

1/1/04

Bulletin No. 04-02

P-2740 A

P-2740 Payment Maximums

A. SSI/AABD Payment Maximums (2700)

<b>Living Arrangement</b>		<b>Effective 1/1/04</b>			<b><u>1/1/03 - 12/31/03</u></b>		
		<i>SSI Share</i>	<i>AABD Share</i>	<i>Total</i>	<i>SSI Share</i>	<i>AABD Share</i>	<i>Total</i>
Independent Living	Individual	\$ 564.00	\$52.04	\$ 616.04	\$ 552.00	\$ 52.04	\$ 604.04
	Couple	\$ 846.00	\$98.88	\$ 944.88	\$ 829.00	\$ 98.88	\$ 927.88
Another's Household	Individual	\$ 376.00	\$39.30	\$ 415.30	\$ 368.00	\$ 39.30	\$ 407.30
	Couple	\$ 564.00	\$48.31	\$ 612.31	\$ 552.67	\$ 48.31	\$ 600.98
Residential Care Home w/ Assistive Community Care Level III	Individual	\$ 564.00	\$48.38	\$ 612.38	\$ 552.00	\$ 48.38	\$ 600.38
	Couple	\$ 846.00	\$96.77	\$ 942.77	\$ 829.00	\$ 96.77	\$ 925.77
Residential Care Home w/ Limited Nursing Care Level III	Individual	\$ 564.00	\$267.13	\$ 831.13	\$ 552.00	\$267.13	\$ 819.13
	Couple	\$ 846.00	\$603.69	\$1,449.69	\$ 829.00	\$603.69	\$1,432.69
Residential Care Home Level IV	Individual	\$ 564.00	\$223.94	\$ 787.94	\$ 552.00	\$223.94	\$ 775.94
	Couple	\$ 846.00	\$562.06	\$1,408.06	\$ 829.00	\$562.06	\$1,391.06
Custodial Care Family Home	Individual	\$ 564.00	\$ 98.69	\$ 662.69	\$ 552.00	\$ 98.69	\$ 650.69
	Couple	\$ 846.00	\$332.82	\$1,178.82	\$ 829.00	\$332.82	\$1,161.82
Long-term Care	Individual	\$ 30.00	\$ 17.66	\$ 47.66	\$ 30.00	\$ 17.66	\$ 47.66
	Couple	\$ 60.00	\$ 35.33	\$ 95.33	\$ 60.00	\$ 35.33	\$ 95.33

1/1/04

Bulletin No. 04-02

P-2740 B

P-2740 Payment Maximums (Continued)

B. AABD-EP Payment Maximums (Rule 2754)

100 Percent Payment Maximum

	<u>Effective 1/1/04</u>	<u>1/1/03- 12/31/03</u>
Independent living with essential person		
Individual	\$ 944.88	\$ 927.88
Couple	\$1,116.69	\$1,099.69
Living in another's household with ineligible spouse	\$ 616.04	\$ 604.04

67 Percent Payment Maximum

	<u>Effective 1/1/04</u>	<u>1/1/03 – 12/31/03</u>
Independent living with essential person		
Individual	\$ 836.36	\$ 821.01
Couple	\$1,059.99	\$ 1,042.99
Living in another's household with ineligible spouse	\$ 549.80	\$ 539.12

34 Percent Payment Maximum

	<u>Effective 1/1/04</u>	<u>1/1/03 – 12/31/03</u>
Independent living with essential person		
Individual	\$ 727.85	\$ 714.15
Couple	\$1,003.30	\$ 986.30
Living in another's household with ineligible spouse	\$ 483.55	\$ 474.19