

DHHS FY 16/17 Budget Initiative: State Funded Long Term Care (RAC 53)

Medically Needy Individuals in a Spend-Down Category

These are individuals who reside in certain Private Non-Medical Institutions (PNMI) who do not have enough monthly income to pay the private rate of the facility. These individuals have assets less than \$2,000 and income over 100% FPL (\$973), making them ineligible for MaineCare. They reside in Residential Care Facilities defined in Appendix C and F of the MaineCare Benefits Manual. Approximately 20% of the residents in a PNMI are eligible for Nursing Facility level of care.

The Department uses all state dollars to fund their medical costs until they meet their deductible and become eligible for MaineCare. The deductible is a six month deductible and must be met twice a year. This state spending is known as Rate Code 53 spending.

Total Rate Code 53 Spending SFY 2013-2014

SFY 2013	SFY 2014
\$15,968,057	\$13,083,114

Initiative

This initiative achieves savings by establishing an income cap at 175% for state-funded medical coverage for individuals who are meeting a deductible necessary to become MaineCare eligible and who reside in Private Non-Medical Institutions. The State is paying 100% of their services (less cost of care) while the individual is meeting their deductible upper eligibility FPL cap.

***Note: This initiative is done on a prospective basis, grandfathering existing members in this eligibility category.**

Savings:

Year	Savings
SFY 16	\$593,750
SFY 17	\$712,500

Impact

- There are currently 1.988 recipients meeting the category of medically needy in a spend-down category. **These members will not be affected by this initiative.**
- There are approximately 18 new applicants per month who will no longer qualify for state funded assistance through RAC 53.