MEDICAID COMMUNICATION NO. 11-05          DATE: June 8, 2011

TO: County Welfare Agency Directors
    Institutional Services Section (ISS) Area Supervisors

SUBJECT: Post-Eligibility Treatment of Income – 2011 Adjusted Utility Allowance
          N.J.A.C. 10:71-5.7

In determining the amount that may be deducted from the income of an institutionalized Medicaid eligible individual for the maintenance of a community spouse, consideration is given to the excess shelter expenses of the community spouse. When calculating the amount of the shelter expenses, the standard utility allowance is utilized when the community spouse directly incurs utility charges.

As you are aware, these utility allowances are the same as those applicable in determining eligibility under the authority of the Division of Family Development’s (DFD) Supplemental Nutrition Assistance Program (SNAP), formerly named the Federal Food Stamp program. DFD has announced that the allowances that will be effective April 1, 2011 will be decreased from previous years.

Therefore, a utility allowance of $365.00 shall be included as a shelter expense, which is a decrease from the previous two years’ allowance of $411.00. Additionally, in years past, there has been a separate utility allowance based on what kind of utility charges that the community spouse incurred; this is no longer the case, and the $365.00 utility allowance will be utilized in all cases where a community spouse directly incurs utility expenses.
Please apply the standard utility allowance for all new cases and cases subject to redetermination when calculating for the maintenance of a community spouse and completing the applicable PR-1 forms. This change shall be applied prospectively.

If you have any questions regarding this Medicaid Communication, please refer them to the Division’s Office of Eligibility Policy field service staff for your agency at 609-588-2556.

Sincerely,

Valerie Harr
Director

c: Jennifer Velez, Commissioner
   Department of Human Services

   Kevin Martone, Deputy Commissioner
   Department of Human Services

   Joseph Amoroso, Director
   Division of Disability Services

   Jeanette Page-Hawkins, Director
   Division of Family Development

   Dawn Apgar, Deputy Commissioner
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