



Medical Insurance and Community Services Administration (MICSA) **MEDICAID ALERT**

**REPLACES ALERT
OF 04/26/2007**

December 20, 2013

<p>Substantial Home Equity (Nursing Home and Community-Based LTC)</p>
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SSI-related individuals whose equity interest in their homes exceeds the home equity limit are not eligible for the following services:

- Nursing Facility,
- Community-based Long-Term Care (LTC),
- An increase in coverage for LTC.

Otherwise, consumers will be evaluated for **Community Coverage without LTC**. For calendar year 2013, the limit is \$802,000 and for **2014 (effective January 1st), it will be \$814,000**.

The home equity value is calculated by subtracting any legal encumbrances (such as liens, mortgages etc.) from the fair market value of the home.

Medical bills may not be used to offset the value of an individual's equity interest in the home. However, consumers may reduce the home equity value through a reverse mortgage or a home equity loan.

The home equity limitation does not apply:

- If one or more of the following individuals lawfully resides in the home: Spouse, Minor child under 21, or Certified blind or disabled child of any age.
- To individuals who are in receipt of LTC services before January 1, 2006 and have not experienced a break in eligibility for such services thereafter.

This provision is not to be applied if it would create **undue hardship** that would deprive the consumer of:

- Medical care such that the individual's health or life would be endangered; or
- Food, clothing, shelter or other necessities of life, and there is a legal impediment that prevents him/her from being able to access his/her equity interest in the property.

Undue Hardship also exists if the consumer is a NYS Partnership for LTC policyholder who is eligible for Medicaid Extended Coverage per the terms of the Consumer Participation Agreement with New York State.

Individuals seeking LTC services and whose primary residence is a house, condominium or co-op apartment, may attest to the equity value by submitting form, MAP-2050J, along with an application or conversion package.