

Department of Health & Human Services
Centers for Medicare & Medicaid Services
233 North Michigan Avenue, Suite 600
Chicago, Illinois 60601-5519

CMS

CENTERS for MEDICARE & MEDICAID SERVICES

JUL 20 2007

Mr. Paul Reinhart, Director
Medical Services Administration
Michigan Department of Community Health
Capitol Commons Center
400 S. Pine Street
P.O. Box 30479
Lansing, Michigan 48909

Dear Mr. Reinhart:

Enclosed for your records is an approved copy of the following State Plan Amendment.

Transmittal # 07-009 - Substantial Home Equity, Deficit Reduction Act
of 2005, Section 6014 -
Effective July 1, 2007

If you have any questions, please contact Cynthia Garraway by telephone at
(312) 353-8583 or by e-mail at Cynthia.Garraway@cms.hhs.gov.

Sincerely,



Verlon Johnson
Associate Regional Administrator
Division of Medicaid and Children's Health

cc: Nancy Bishop

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**
FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 07 - 09

2. STATE: Michigan

3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)

TO: REGIONAL ADMINISTRATOR
HEALTH FINANCING ADMINISTRATION
DEPARTMENT OF HUMAN SERVICES

4. PROPOSED EFFECTIVE DATE
July 1, 2007

5. TYPE OF PLAN MATERIAL (Check One):
 NEW STATE PLAN AMENDMENT TO BE CONSIDERED AS NEW PLAN AMENDMENT

COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (Separate Transmittal for each amendment)

6. FEDERAL STATUTE/REGULATION CITATION:
Section 6014 of the DRA of 2005

7. FEDERAL BUDGET IMPACT:
a. FFY 07 \$ (464,000)
b. FFY 08 \$ (1,860,000)

8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT:
Supplement 17 to Attachment 2.6-A, page 1

9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (If Applicable):
N/A - new page

10. SUBJECT OF AMENDMENT:
Allowability of home equity maximum amounts for LTC assistance eligibility

11. GOVERNOR'S REVIEW (Check One):
 GOVERNOR'S OFFICE REPORTED NO COMMENT OTHER, AS SPECIFIED:
 COMMENTS OF GOVERNOR'S OFFICE ENCLOSED Paul Reinhart, Director
 NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL Medical Services Administration

12. SIGNATURE OF STATE AGENCY OFFICIAL:


16. RETURN TO:
Medical Services Administration
Program/Eligibility Policy Division - Federal Liaison Unit
Capitol Commons Center - 7th Floor
400 South Pine
Lansing, Michigan 48933
Attn: Nancy Bishop

13. TYPED NAME:
Paul Reinhart

14. TITLE:
Director, Medical Services Administration

15. DATE SUBMITTED:
June 22, 2007

FOR REGIONAL OFFICE USE ONLY JUL 20 2007

17. DATE RECEIVED:

18. DATE APPROVED:

PLAN APPROVED - ONE COPY ATTACHED

19. EFFECTIVE DATE OF APPROVED MATERIAL:

20. SIGNATURE OF REGIONAL OFFICIAL:


21. TYPE NAME:
Verlon Johnson

22. TITLE:
Associate Regional Administrator

23. REMARKS:

STATE PLAN UNDER TITLE XIX OF THE SOCIAL SECURITY ACT

State of MICHIGAN

***Disqualification for Long-Term-Care Assistance for
Individuals with Substantial Home Equity***

1917(f) The State agency denies reimbursement for nursing facility services and other long-term care services covered under the State plan for an individual who does not have a spouse, child under 21 or adult disabled child residing in the individual's home, when the individual's equity interest in the home exceeds the following amount:

\$500,000 (increased by the annual percentage increase in the urban component of the consumer price index beginning with 2011, rounded to the nearest \$1,000).

An amount that exceeds \$500,000 but does not exceed \$750,000 (increased by the annual percentage increase in the urban component of the consumer price index beginning with 2011, rounded to the nearest \$1,000).

The amount chosen by the State is _____.

This higher standard applies statewide.

This higher standard does not apply statewide. It only applies in the following areas of the State:

This higher standard applies to all eligibility groups.

This higher standard only applies to the following eligibility groups:

The State has a process under which this limitation will be waived in cases of undue hardship.

TN NO.: 07-09

JUL 20 2007
Approval Date: _____

Effective Date: 07/01/2007

Supersedes
TN No.: N/A new page