

MICHIGAN HOMES FOR VETERANS
BOARD MANUAL

BOARD OF MANAGERS OPERATING POLICIES AND PROCEDURES

Member Assessments

BP-016

Reviewed: **10/14/2015**

PURPOSE: Act 152, Public Act of 1885, as amended, requires the Board of Managers of the Michigan Homes for Veterans to annually determine the per diem expense of maintenance for members in the Home and shall require any member who has adequate means of support or sufficient property or income to pay to the Board of Managers in full the cost of care. The Board will annually determine the assessment rate for each level of care.

Administrative Rule R 32.76 governs required financial disclosure, Rule R 32.77 governs financial responsibility, and Rule R 32.79 establishes exempt assets.

In its efforts to carry out this mandate, the Board has established guidelines in determining individual assessments, allowing for individual financial circumstances. Assessment rates are determined based on ability to pay, the level of care required, and on dependent status.

There are three primary categories to be considered in the assessment determination process: 1. Members who are rated by the VA as 70-100% service-connected disabled or certain veterans who have service-connected disabilities who have a rating of total disability based on individual unemployability or in need of nursing home care for a VA adjudicated service-connected disability, 2. Members without dependents and, 3. Members with dependents.

PROCEDURES:

- I. Members who are rated by the VA as 70-100% service-connected disabled or certain veterans who have service-connected disabilities who have a rating of total disability based on individual employability or in need of nursing home care for a VA adjudicated service-connected disability.
 - A. The U.S. Veterans Administration pays a higher per diem grant amount for those Members, covering the full cost of **nursing** care. The Homes are prohibited from charging these Members for

nursing care received in the Veterans Homes (This does not apply to Domiciliary Care).

- B. These Members must provide their own personal use funds.
- C. These Members may participate in the Michigan Homes for Veterans Medical Escrow Fund (BP-012).

II. Members Without Dependents

- A. Must pay the full per diem rate for the care level required if their assets are determined to be in excess of \$2,000 (per Administrative Rule R32.79) or their income exceeds the per diem expense of maintenance, ensuring that the Board of Managers' authorized monthly personal use stipend is allowed.
- B. The Board of Managers authorizes \$100.00 a month for members for personal use who have monthly income in excess of \$100.00 but are assessed an amount less than the per diem cost of care.
- C. The Board of Managers authorizes the Administrator or designee to approve as an allowable expense any medical insurance premium for Medicare or other medical insurance including the \$25 charge for the MHVMEF (BP-012).
- D. For Members who are admitted for rehabilitation and expect to return home, The Board of Managers authorizes the Administrator or designee to approve, as allowable expenses, the minimum expenses necessary to maintain their prior domicile and ability to live independently. The Administrator or designee will verify with the Medical Director the prognosis and expected time frame for rehabilitation. These expenses shall not extend beyond three months (90 days) without Board approval. These expenses may include, but are not limited to, rent, utilities, mortgage payments, property taxes, loan payments and automobile expenses.
- E. Members whose assets exceed \$2,000 or whose income is in excess of the per diem expense of maintenance rate and Board authorized stipend will provide their own personal use funds.
- F. Members without excessive assets and less than \$100.00 in monthly income will utilize the extent of this income for personal use.
- G. Members with no assets or income will be authorized a \$5.00 weekly stipend by the Board of Managers.

III. Members With Dependents

The Board, recognizing the diverse economic circumstances associated with its membership having dependents, has established basic minimum allowances, allowing itself the right to utilize flexibility in establishing ability to pay by recognizing individual circumstances.

- A. All dependents of veterans must submit a statement of joint and several income and assets, unless the full per diem cost of care will be paid by the veteran and/or dependents.
- B. Where total monthly income equals \$700 or less, no charge will be assessed except where total assets, jointly or severally, exceed \$25,000, in which case the full per diem cost of care will be assessed until such assets (excluding homestead and other exempt assets as listed in R 32.79) are decreased to \$25,000. The \$25,000 exemption is normally reserved for dependent spouses. Special Board approval must be obtained for situations where a dependent spouse does not exist.
- C. Where assets (excluding homestead) do not exceed \$25,000 and total monthly income does not exceed \$700, no charge will be levied.
- D. If total monthly income exceeds \$700, any excess up to the full cost of care will represent the member's assessment unless the dependent applies for an allowance greater than \$700. If application is made, a dependent allowance work sheet will be completed and the need for an amount in excess of \$ 700 will be documented. For certain categories of expense, standard allowable ranges will be recognized with minimal documentation. For an expense category allowance greater than the range, need shall be documented.
- E. The sponsoring dependent will be required to provide from his/her retained funds a monthly spending allowance of \$100 for the veteran. This amount shall be allowed in addition to the standard \$700 allowance. It will be the dependent/wife's responsibility to make these funds available to the veterans as needs arise.
- F. A schedule of allowable ranges for dependent monthly allowance categories follows:

MICHIGAN HOMES FOR VETERANS
Dependent Allowance Work Sheet

Food	(0 - \$300)
Clothing	(0 - \$ 75)
Personal	(0 - \$100)
Telephone	(0 - \$ 45)
Electricity	(0 - \$100)
TV Service (cable/dish)	(0 - \$ 45)
Snow Removal/Garbage Pickup	(actual up to \$50)
Water/Sewage	(actual)
Heat	(actual up to \$150)
Taxes	(actual)
Home Insurance	(actual)
Automobile (one vehicle only)	(actual up to \$400)
Automobile Expense	(0 - \$200)
Automobile Insurance	(actual)
Health Insurance (including MHVMEF)	(actual)
Life Insurance	(actual)
Rent/Mortgage Payments	(actual)
Un-reimbursed Medical Expenses	(actual)
Other Debts and Expenses	(actual)

- G. Debts or other payments must be legal obligations of the member or dependent to be considered on the work sheet.
- H. The Homes' Board of Managers reserves the right to review individual circumstance and allow or disallow expenses not considered essential or considered excessive. (Revolving charge accounts, extremely high life insurance premiums, pet insurance, entertainment expenses, are examples of expenses subject to this policy provision.) All expenses in Section F of this policy are additionally subject to the excessiveness test.
- I. Allowances may also vary from schedule in cases where there are multiple dependents.
- J. The Homes' Board of Managers may recognize a member's dependent allowance as justifiable regardless of its effect on other resources; and assess the member in accordance with State Statute as expressed in Public Act 152 of 1885 as amended. In allowing this, all new assessments (admissions and reassessments) will be reviewed and approved by the Board of Managers at regularly scheduled Board meetings.

- K. Married couples, when both residing at the Home, will be assessed identically to members without dependents, with the exception that the asset exemption will remain the same as members with dependents.
- IV. All Members:
- A. All members must apply for and pursue pensions and/or benefits as they become eligible.
 - B. Circumstances occasionally arise when the implementation of these provisions prove detrimental to both the member and the Home. Recommendations from the Administrators explaining the unusual circumstances will be reviewed and exemptions allowed when appropriate.

This policy supersedes all previous policies as it relates to Member Assessments.