

Bulletin Number: MMP 22-31

Distribution: Bridges Eligibility Manual (BEM) Holders

Issued: September 30, 2022

Subject: Spousal Impoverishment Rules; Patient Pay Amounts; and Estate Recovery

Effective: November 1, 2022

Programs Affected: MI Choice Waiver

Spousal Impoverishment Rules

The purpose of this policy is to update, clarify, and correct spousal impoverishment policy language for the MI Choice waiver program in BEM 106 and BEM 402.

Spousal impoverishment policy is part of the Social Security Act. The spousal impoverishment policy helps ensure that when one member of a married couple enters a nursing facility, the spouse living in the community can live out their life with independence and dignity by protecting a certain amount of the couple's combined resources for the community spouse. Michigan applies spousal impoverishment policy to couples when a spouse enters a nursing facility. Since the start of the Home & Community Based Services (HCBS) waivers in Michigan, the Michigan Department of Health and Human Services (MDHHS) has also applied spousal impoverishment policy to married individuals eligible for HCBS waivers, even though the couple continues to live together in the community. HCBS waivers include the MI Choice waiver program, and the policy is found in BEM 106.

The spousal impoverishment language in BEM 402 is specific to couples where one spouse is entering a nursing facility. The language does not easily cross over to couples where a spouse is enrolling in the HCBS waivers, and where the couple will remain in their home. This lack of policy language has led to some confusion for applicants and providers of waiver services. As a result of feedback from providers and local MDHHS office staff, the language covering spousal impoverishment rules in BEM 106 is being refined and instructions added to refer to spousal impoverishment policy in BEM 402, which has been expanded to include policy to cover waiver applicants.

Patient Pay Amounts

Policy in BEM 106 incorrectly indicates the patient pay amount (PPA) is eliminated when a nursing facility resident moves to waiver. The correct policy is found in BEM 546, Post

Eligibility Patient Pay Amount and the language in BEM 106 has been removed. Any return of overpayments to the facility by the resident is addressed in provider policy, not eligibility policy. (Refer to the [MDHHS Medicaid Provider Manual](#) for additional information. The language is removed from BEM 106 effective November 1, 2022.

Estate Recovery

As a courtesy to local MDHHS office staff, additional information on estate recovery and trusts was added to Trust policy in BEM 401. Trusts are evaluated by the Trust and Annuity unit in Legal Affairs office and not by local MDHHS office staff.

Manual Maintenance

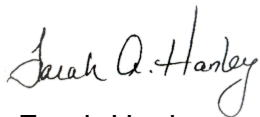
Retain this bulletin until the information is incorporated into the Bridges Eligibility Manual.

Questions

Any questions regarding this bulletin should be directed to Provider Inquiry, Department of Health and Human Services, P.O. Box 30731, Lansing, Michigan 48909-8231, or e-mailed to ProviderSupport@michigan.gov. When you submit an e-mail, be sure to include your name, affiliation, NPI number, and phone number so you may be contacted if necessary. Typical Providers may phone toll-free 1-800-292-2550. Atypical Providers may phone toll-free 1-800-979-4662.

An electronic copy of this document is available at www.michigan.gov/medicaidproviders >> Policy, Letters & Forms.

Approved



Farah Hanley
Chief Deputy for Health