

# Simplified Guide to ALTCS

## Arizona Long-Term Care System

All information is as of August 2020 and SUBJECT TO CHANGE

### ALTCS is a part of AHCCCS – Arizona’s version of Medicaid

**ALTCS provides funding for:**

- Care in a person’s home
- Care in **contracted** nursing homes
- Care in **contracted** assisted living centers, assisted living homes, and adult foster care homes

#### General Eligibility Requirements

- Must be U.S. Citizen or have Legal Resident Status for a required period
- Must have a valid Social Security Number
- Must reside in Arizona

#### Medical Eligibility

Each applicant is assessed for medical eligibility using a tool called the Pre-Admission Screening (PAS). To be eligible, the individual must need a level of care equal to what is provided at an intermediate level nursing facility.

This usually includes a need for assistance with bathing, toileting, and dressing. Applicants are assessed by social workers or nurses who review medical records, conduct face-to-face interviews, and assess the applicant’s ability to perform activities of daily living.

Generally, a family member or responsible party should be present at the interview to provide input. Applicants often try to show the assessor how well they are doing, while what is needed for eligibility is to show how incapacitated they are. Applicants may not tell a stranger they are incontinent of bowel or bladder even if they are, and incontinence scores high on the PAS. Also, a diagnosis of Alzheimer’s or other forms of dementia gives extra consideration for eligibility.

#### Income Eligibility

**Individuals:** Gross income may not exceed **\$2,349/month**.

**Married Couples:** If the income in the applicant’s name is less than \$2,349, they will be income eligible. Otherwise, the couple’s joint income may not exceed **\$4,698/month**.

**Note:** If income is higher than the limits above but less than the “Average Cost of Care” (\$7,534/month), the applicant may be able to set up a special “**Income Limiting Trust**” and be eligible. The trust must make

the State of Arizona the beneficiary upon death and meet specific guidelines. (We recommend you consult with an Elder Law Attorney for this trust.)

The spouse remaining in the community may keep all income in their name. If the community spouse's income is less than \$2,155/month, then they may be able to keep a portion of the institutional spouse's income for a total monthly income of \$2,155.

### Share of Cost

If the member is living in a facility, they would be expected to pay a share of the cost to the facility.

For an individual the share of cost is equal to their income, less \$117 they can keep as a "Personal Needs Allowance."

For a couple it is the individual's income less the \$117 less the amount the community spouse is allowed by ALTCS regulation.

### Resource (Asset) Eligibility

The state includes all assets (including most trusts) **except**:

- Equity Value of home up to \$552,000 (Arizona residence with the intent to return even if the intent is not realistic).

- One car (for use in getting to medical care).
- Burial plots (for applicant or spouse or immediate family).
- Burial funds limited to \$1,500 (simple separate account will do or ask the funeral home about an ALTCS qualifying plan).
- Life insurance if the total face value of all redeemable policies is less than \$1,500.
- Household goods, including jewelry, furniture, pets, tools, etc.
- Special needs trust meeting ALTCS requirements.

**For Individuals:** Non-excluded resources may not exceed \$2,000.

**For a Couple: If only one spouse needs care, the following rules apply:**

The spouse remaining in the community can keep all the exclusions listed for the individual plus the federally mandated allowance under "Spousal Impoverishment" guidelines. This means that if the couple's countable resources are:

- Less than \$25,728, the community spouse may keep the total resource.
- Over \$25,728, subject to a resource assessment.
- Maximum Community Spouse Resource Deduction \$128,640. (See AHCCCS Public Information Brochure "Community Spouse Overview.")

If **both spouses require care**, the joint non-excluded resources may not exceed \$3,000.

### **Transfer of Property for Less than Value**

#### **WARNING**

If you give away or transfer funds or property for less than market value within five years (60 months) of applying for ALTCS, that **transfer may make you ineligible**. The penalty may be calculated at a rate of one-month ineligibility for every \$7,534 (the "Average Cost of Care") that has been transferred.

### **Estate Recovery**

In Arizona, the state may file a claim for reimbursement against the estate of an individual who received services through ALTCS for what the state calculates as the value of those services. This recovery is no longer limited to the Probate Estate of the recipient of services. Therefore, property that does not go through probate, such as property held in joint tenancy with right of survivorship, may be subject to recovery. Arizona will not seek to recover from an estate if there is: a surviving spouse, and/or child under age 21, and/or a blind or totally disabled child. (See "ALTCS Long-Term Care Medical Assistance Estate Recovery Program Brochure.") As with all government regulations, Estate Recovery may change.

**For help:** If you need help or assistance with understanding ALTCS or have been denied coverage you believe you are entitled to receive, please call **PCOA's Helpline at (520) 790-7262**.

**PCOA holds a class on ALTCS** the 2<sup>nd</sup> Thursday of each month at 2:30 PM at our office located at 600 S. Country Club Road. Tucson, AZ. There is no cost to attend.

For more information or to register please contact Pima Council on Aging at **(520) 790-7262**.