N.C. GENERAL ASSE	MBLY LEGISLATIVE FISCAL	OTE	Fiscal Research 733-4910
Prepared By: Nina Yeager Approved By: Tom L. Covington TOMC Short Title: Medicaid/Spousal R	6/15/89 H 655 JUNE 19, 1989	Edition: Sponsor: Rep.	Sidney Locks
I	FUNDS AFFECTED: Kappa	` '	
	State Fiscal Impact	4,700,000	FY 90-91 6,000,000 4,380,000
Increase Expenditure (X) (X)	Net State Expend./Rev. FUNDS BUDGETED IN CONTI		
Decrease Expenditure () () Increase Revenue () ()	+ Local Fiscal Impact 	FY	FY FY
Decrease Revenue () ()	Local Total Req'ments Receipts/Revenues Net Local Expend./Rev.	4,465,000	5,700,000
No Add'l State Approp. Required			,,

Description of Legislation

1. Summary of Legislation

This bill repeals legislation enacted by the General Assembly in 1979 which required that the income and financial resources of the spouse of a long term care patient be counted for 180 days toward the patients eligibility for medical assistance.

The federal Medicare Catastrophic Health Care Act of 1988 mandates that state Medicaid programs provide for a larger share of a couples income and assetts to be protected for the spouse remaining at home when the partner must be placed in a nursing home. Under current law, the at home spouse may retain up to the state's medically needy income level, which is \$242 per month in North Carolina. Under the federal catastrophic Health Care Act an at home spouse may retain 122% of the federal poverty level in 89-90 (\$786/mo) and 133% of the federal povety level in 90-91. These income thresholds

increase annually until 1992-93 when they reach 150% of the federal poverty level.

- 2. Effective Date 7/1/89
- 3. Fund or Tax Affected General Fund
- 4. Principal Department/Program Affected Department of Human Resources, Division of Medical Assistance

Cost or Revenue Impact on State

FY	FY	FY
88-89	89-90	

- 1. Non-Recurring Costs/Revenues
- 2. Recurring Costs/Revenues 1,260,000 1,620,000 FUNDS BUDGETED IN CONTINUATION; NO APPROPRIATION REQUIRED
- 3. Fiscal/Revenue Assumptions

Medicaid Program will pay a larger portion of the long term care patient's nursing care Bill for those couples affected by this change.

- 1. FY 89-90: 868 couples affected FY 90-91: 916 couples affected
- 2. Estimated loss of spenddown or deductible to the Medicaid Program per couple: \$545 average per month.

FUNDS FOR THIS MANDATORY CHANGE HAVE BEEN BUDGETED INTO THE CONTINUATION BUDGET FOR FY 89-90 AND FY 90-91. THERE IS NO NEED FOR AN ADDITIONAL APPROPRIATION AT THIS TIME.

Repeal of the statute has been requested by the Department of Human Resources because federal law has superceded this statute.

Cost / Povonue Impact on County or Local Covernment

cost/Revenue impact on county of Local	Government		
	FY	FY	FY
	88-89	89-90	
1. Non-Recurring Costs/Revenues			
2. Recurring Costs/Revenues	235,000	300,000	

3. Fiscal/Revenue Assumptions

Sources of Data for Fiscal Note

Department of Human Resources, Division of Medical Assistance

Technical Considerations/Comments

Official

Fiscal Research Division

Signed Copy Located in the NCGA Principal Clerk's Offices