

## Financial Assistance in Assisted Living

*By Judith S. Parnes, LCSW, CMC*

As you may already know, New Jersey has a Medicaid waiver program for individuals in an assisted living setting. Lesser known is the fact that many people may qualify for additional income (commonly known as "Aids and Attendance") from the Veterans Administration to cover the cost of care. This includes a veteran or the spouse of a veteran who served in active duty during wartime. The question is how do these two programs Medicaid and Aids and Attendance work in conjunction for your benefit?

Here is one example of a situation that appears to be problematic:

Mr. Smith lives in an assisted living community and has assets of \$70,000, Social Security income of \$1000, and VA pension of \$900 per month. He applies for and is granted Aids and Attendance of \$1000 per month, thus increasing his total monthly income to \$2900 per month. As the months go by, Mr. Smith has exhausted his assets to less than \$2,000 and needs to apply for Medicaid. However, Assisted living Medicaid has eligibility requirements that include an upper limit on monthly income (currently \$2022.00.) Furthermore, Medicaid regulations prohibit voluntarily giving up income in order to meet eligibility requirements. It would appear that Mr. Smith would have been much better off if he had never applied for Aids and Attendance.

However, there is a simple solution to this issue that is mandated by federal regulations. The law stipulates that Aids and Attendance income should not be counted towards income eligibility for Medicaid programs. Many veterans have reported that some states do not honor this regulation. Fortunately, New Jersey does.

The application process for both Medicaid and Aids and attendance is complicated and time consuming. I recommend seeking the help of a professional who is versed in both the regulations and the application process to assure timely success.

Only by being an educated consumer can we better plan for our elder life.

*Judith S. Parnes, L.C.S.W., C.M.C., Gerontologist And Elder Care Consultant is Executive Director of Elder Life Management, Inc., Ocean, NJ. They provide quality elder care planning, management and Medicaid application services to older adults and their families. Please visit [www.elderlifemanagement.org](http://www.elderlifemanagement.org) or call (732) 493-8080 for more information*