



2006 Statistics

IRS

The Internal Revenue Service has released the Cost of Living Adjustment for 2006, which includes the inflation adjustments for "eligible long term care premiums."

The maximum deductions for qualified long term care insurance premiums are set forth in the IRS Code. Under the code, those amounts are adjusted annually for increases in the medical care cost component of the Consumer Price Index. The new maximum deductions for tax year 2006 are as follows:

Attained Age	
40 or less	\$280
More than 40 but not more than 50	\$530
More than 50 but not more than 60	\$1,060
More than 60 but not more than 70	\$2,830
More than 70	\$3,530

For calendar year 2006 the **per diem limitation** for certain periodic payments received under a qualified {section 7702B(d)(4)} long term care policy will increase to **\$250**.

Medicare

The daily skilled nursing facility co-insurance rate for Medicare Part A for days 21-100 is \$114 for 2006. Medicare pays all covered charges in excess of **\$119** per day.

Medi-Cal Resource Limits for 2006-(CA)

The California Department of Health Services' Medi-Cal Eligibility Branch has issued the year 2006 community spouse resource allowance (CSRA) and the minimum monthly maintenance needs allowance (MMMNA).

The year 2006 CSRA is: \$99,540 and the MMMNA is: \$2,489

The resource limits and income provisions work in the following way for a married couple when one spouse is in a nursing home and the other spouse is still at home: the spouse at home may keep one home, one car and up to \$99,540 in 'countable' resources (property and other assets) while the institutionalized spouse may keep an additional \$2,000. Single individuals in long-term care or remaining at home and getting Medi-Cal are permitted to retain \$2,000 in addition to any other exempt assets.

The spouse at home may keep all of the income received in his or her name, regardless of the amount. If the amount is below \$2,489 per month, the institutionalized spouse may allocate income to bring the at-home spouse's income up to the \$2,489 per month limit. The spouse in the nursing home is permitted to keep \$35 in monthly income for personal needs.

Medicaid Resource Limits for 2006-Other States

The federal government sets new minimum and maximum amounts each year, but individual states can set their own requirements at any level between the federal limits.

2006	Minimum asset allowance- \$19,908	Maximum asset allowance- \$99,540
	Minimum income allowance- \$1,604	Maximum income allowance- \$2,489
	Excess Shelter Allowance-\$468 per mo.	Income Cap states- \$1,809 (unless excess is in a 'Miller' trust)