



ALTCS (Arizona Long Term Care System)

(revised January, 2013)

ALTCS is part of AHCCCS (Arizona Health Care Cost Containment System). ALTCS is the state program that administers the federal Medicaid program. The ALTCS program helps pay for long term care and acute care expenses for the elderly and disabled. There are three criteria that a person must meet in order to qualify for the ALTCS program: Medical, Income and Resources.

Medical: A person is administered a pre-admission screening (also known as a PAS evaluation) to determine if an applicant can perform their activities of daily living (ADL's) on their own or if they are in need of assistance. Some of these activities include bathing, feeding, walking, toileting, dressing, etc...

Income: A single person's gross income cannot exceed \$2130. For a married couple, their combined income cannot exceed \$4260. However, if those income caps are exceeded but is not enough to pay for care, it is possible to set up a "Income Only Trust" or "Miller Trust" and become eligible for ALTCS.

Resources: A single person is allowed to have \$2000 in countable resources. There are resources that are exempt, or not counted, including a house (with up to \$500,000 in equity), a vehicle, some life insurance, burial plots, irrevocable funeral plans, all personal property and some other miscellaneous items. For a married couple, the well spouse is entitled to keep a Community Spouse Resource Allowance ("CSRA") which is an amount of the countable resources which is calculated as one-half of the total assets, up to a maximum of \$115,920.

What ALTCS Covers:

ALTCS can provide services from home care to skilled nursing care, and everything in between. However, ALTCS has contracts with service providers, currently there are three of them (Bridgeway,

Evercare and Mercy Care), and just like any HMO a person must be with a contracted agency/home in order to utilize ALTCS.

Gifts:

Often family members can be confused by the IRS gifting rules and those of the ALTCS program. In general, transferring assets between spouses will have no impact on the ability to obtain ALTCS benefits. However, gifts to anyone else, may have an impact on when a person will be deemed eligible for benefits. Gifts include any transfer of money or property (other than certain excluded items).

General Information:

It is possible, with proper planning and advice, to protect additional assets, beyond those listed in the Resources above. The income limit and the resource limit usually change on an annual basis. Please make sure that your estate planning documents (Will, Trust and Power of Attorney documents) are up-to-date and accurately reflect who you want as your decision makers.