



Medical Assistance Reform 2015

The Issue

Medical Assistance (MA) provides adults with disabilities and seniors access to MA services and supports that are necessary for living in the community. Current law holds people with disabilities to income and assets standards that force some to “spend-down” limited resources to keep the services they need for independence.

Why Reform Matters

If adults with disabilities and seniors make a dollar more than \$973/month, they must “spend-down” their income on health care to \$730/month and keep their assets below \$3,000, to qualify for and keep MA services and supports.

	Adult Group	Adults with Disabilities and Seniors
Current MA Income Limits	138% FPG or \$1,342/mo.*	100% FPG or \$973/mo.
Current MA Asset Limits	None	\$3,000
Excess Income Standard (the “spend-down”) for adults with disabilities and seniors is 75% FPG or \$730/mo.		

Supports Independence

- Requiring individuals to “spend-down” to \$730/mo. penalizes work, as most individuals with a “spend-down” have work history.
- Spending-down to \$730/mo. jeopardizes an individual’s ability to live in the community.
- Minnesota’s Olmstead Plan requires greater integration for individuals with disabilities with the goal of living independently in the community.

Increases Cost Effectiveness

- Accessing MA services and supports is critical to living independently instead of more costly institutional care.
- Elderly Waiver services save \$31,000/year, compared to the costs of institutional care, the DD Waiver saves \$12,700/year compared to the costs of institutional care.**

Stabilizes Services

- When individuals are unable to pay their monthly spend-down, providers do not receive full payment for services delivered.
- Providers are forced to discontinue necessary services and/or absorb unpaid costs, leading to financial challenges and limiting their ability to provide service to others.

The Reform

Raise the MA income and asset standards to reduce the “spend-down,” improving the quality of life for 11,000 Minnesotans with disabilities.

Contact

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*138% includes a 5% income disregard

**Based on cost differences between average monthly spending by service type for FY 14-15; retrieved from DHS November 2013 Forecast
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Medical Assistance Reform Campaign Supporters

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