

NEWSLETTER OCTOBER 2006

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ALTCS POLICY UPDATES

Starting October 1, 2006, AHCCCS members who also receive Medicare no longer need to pay co-payments for their prescription drugs. AHCCCS will now pay the co-payments for Medicare Part D eligible prescription drugs directly to the pharmacy.

Effective October 1, 2006, the Standard Utility Allowance used in the calculation of the Community Spouse Monthly Income Allowance (CSMIA) has increased from \$283.00 to \$299.00.

DID YOU KNOW?

The last few years has created an abundance of law firms who state that they specialize in ALTCS/Medicaid Planning. The truth is that many of these firms have chosen to add Medicaid Planning as a service because the average charge for Medicaid Planning has increased. Many law firms are charging well in excess of \$8000.00 to help their clients obtain Medicaid benefits. Some of these law firms do not have any experience in this area but charge their incoming clients to do the research to get the answers to their questions. In addition these law firms have attorneys who are also registered securities agents. That means if the attorney recommends an annuity as part of the planning, the firm or the attorney may be collecting a sizeable commission on top of the ALTCS Planning fees. Take for example a case in which a local law firm recommended to a client that they spend down their \$620,000.00 (**yes, that's six hundred twenty thousand dollars!**) to qualify for ALTCS by purchasing a Single Premium Immediate Annuity. The commission to the attorney in this case was approximately 3% of the annuity value or a whopping \$18,600.00. That, coupled with the ALTCS planning fee, would have cost the client over \$26,000.00 to get help. First of all, why would someone with almost three quarters of a million dollars need Medicaid? And second, did the attorney disclose the \$18,600.00 commission? I don't know, but wouldn't you want to??!!?? You may want to ask attorneys to whom you're referring to disclose all commissions paid to them or to their staff. To check if the attorney or staff you are working with or referring to is a registered agent, go to <http://app.az.gov/id/lookup/producersearch>.

**YEAR 2006
ALTCS/MCS
GUIDELINES**

^UPDATED 10/01/06

Individual Standards

\$1809.00—ALTCS Monthly Income Limit

\$2000.00—Resource Limit

\$817.00—QMB Income Limit

\$817.01—\$980.00—SLMB Income Limit

\$980.01-\$1103.00—QI-1 Income Limit

Community Spouse Standards

\$3618.00—ALTCS Monthly Income Limit*

\$21908.00—Initial Resource Limit

\$19908.00—Minimum Resource Allowance

\$99540.00—Maximum Resource Allowance

\$1650.00—Monthly Spousal Need

\$482.00—30% deduction from excess shelter expenses

^ **\$283.00**—Standard Utility Allowance

\$1100.00—QMB Income Limit for couples

\$1100.01-\$1320.00—SLMB Income Limit for couples

\$1320.01-\$1485.00—QI-1 Income Limit for couples

Other Standards

\$90.45—NF Personal Needs Allowance

\$1809.00—HCBS Personal Needs Allowance

\$210.00—Home Maintenance Allowance

\$88.50—Standard monthly Medicare Premium

**WHAT THEY ARE
SAYING ABOUT
MONTGOMERY & ASSOCIATES**

“ . . . Not too soon to start when we did. I feel blessed to have found Montgomery & Associates.”

—The Fairless Family

“You are always very responsive to my questions and “on-the-ball.” Having you guys around is worth every penny.”

—The Hambleton family

“We cannot thank you enough for your ongoing attention to detail & help over this long period. You have performed an outstanding service for which we will be eternally grateful.”

—The Wickes Family

“You were a godsend for helping my mother. Words cannot express the appreciation we feel for your guidance and assistance. If I can ever provide a referral reference for your services, please just ask.”

—The Caskey Family

“Thank you! You have gone beyond the call of duty and we are very pleased to have worked with you. Many thanks for your kindness and service.”

—The Winegarden Family

“What you’ve done for my family has been incredible, and we all thank you!”

—The Harkin Family

Finally . . .

You have a resource to help your patients with their Income-Only Trust needs!!!

- ✓ Do you have patients who are trying to qualify for ALTCS?
- ✓ Are those patients over the income limit and they need an income-only trust yesterday?
- ✓ Are you tired of referring to firms that don't have the time to deal with your patient OR don't take the time to give proper instructions regarding the income-only trust?

Montgomery & Associates, Inc. prepares affordable income-only trusts and provides the information your patient needs to successfully navigate the income-only trust maze.

Income-only trusts purchased elsewhere can cost your patient from \$500-\$2000. Your patients can save money and meet with an **experienced** income-only trust resource this week!

CALL 480/464.4968