



**THERE'S NO PLACE LIKE HOME:  
APPLYING FOR MEDICAID LONG-  
TERM CARE**

*CHOICES FOR INDEPENDENCE - JULY 2023*



## Part I: Choices for Independence Program Overview

Many older adults and adults with disabilities who need long-term supports and services wish to remain in the community and receive their services at home. Choices for Independence, known as CFI, is a New Hampshire Department of Health and Human Services (DHHS) Medicaid program created to serve as an alternative to nursing facility care and provide services in a residential setting (e.g., at home or in assisted living). The types of services available from the CFI program include: case management, assistance with daily activities (such as eating, bathing, dressing, and household tasks), and specialized services (such as medical equipment, home modification, respite care and adult day services).

Applying for Medicaid long-term care benefits, including CFI, can be overwhelming. This pamphlet provides general information about the CFI application process.<sup>1</sup> Medicaid rules are complex and subject to change, so applicants should seek additional information from trusted sources.<sup>2</sup> The last page of this pamphlet has contact information for DHHS and ServiceLink Centers (the statewide non-profit organizations that assist with CFI applications), and details about how to find a knowledgeable attorney.

**General Eligibility:** To qualify for CFI benefits an applicant must be 18 or older and meet medical and financial requirements. Individuals under the age of 65 are also required to prove they are disabled, as described below.

**An Important Exception:** Individuals who are age 19-64, not eligible or enrolled in Medicare, not pregnant and not enrolled in a traditional Medicaid program, may be eligible for CFI under the New Hampshire Granite Advantage program. Granite Advantage does not have a resource test, household income must be at or below 133% of the Federal Poverty Level, and there is a five-year lookback.

**Medical Eligibility:** DHHS arranges for a medical assessment to determine if an application is medically eligible for the CFI program. An individual is medically eligible for CFI if that individual requires 24-hour care for one of the following:

- Assistance with 2 or more activities of daily living involving eating, toileting, transferring, bathing, dressing, or continence;
- Medical monitoring/nursing care by a skilled licensed medical professional;
- Restorative nursing or rehabilitate care; or
- Medication administration for treatment of recent or unstable conditions requiring medical or nursing intervention.

**Proof of Disability:** In addition to needing to meet the medical eligibility requirements for CFI, individuals age 18 through 64 also need to meet the medical eligibility criteria for, either the Aid to the Totally and Permanently Disabled (APTD) or Aid to the Needy Blind (ANB) Medicaid programs. DHHS has a Disability Determination Unit that decides whether applicants meet the medical requirements for these programs.

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<sup>1</sup> The financial amounts provided in this pamphlet change annually and in some cases biannually. It is important to make sure you have the most recent version of this pamphlet.

<sup>2</sup> Significant changes were made to the CFI eligibility and application process with the passage of the System of Care for Healthy Aging legislation in June 2023. Legislative changes that enhance certain financial eligibility rules and streamline the application process will be implemented over time. This pamphlet will be revised when the changes become effective.

**Financial Eligibility:** Financial eligibility includes an income and resource test, as well as a review of financial accounts owned during the five-year period prior to the date the Medicaid application was filed. This five-year period is called the Medicaid lookback (Lookback). CFI has a different resource test for single and married applicants.

**Income Eligibility:** Only the income of the applicant is counted for purposes of determining CFI income eligibility. The monthly income limit for CFI as of January 23, 2023 is \$2,742. Individuals with total countable income above this limit may still be eligible for CFI because DHHS allows for an income deduction for medical expenses called the Hypothetical Institutional Monthly Spend Down (HIMS). DHHS calculates the amount of the HIMS each January and July. In January 2023 this amount was \$8,824. This means that individuals will be income eligible for CFI if their total countable income minus the HIMS is below the nursing facility special income standard of \$2,742.

**Resource Eligibility:** There are different procedures for individuals and married couples when determining whether an applicant meets the resource limit. For single individuals, DHHS requires that the applicant spend down all their resources to \$2,500. For married couples, while the applicant spouse can only keep \$2,500, the non-applicant spouse is able to keep all or part of the remainder of the joint resources depending on how much is remaining. The amount of funds that a married applicant’s spouse can keep is determined through a DHHS Medicaid resource assessment (Resource Assessment). Whether an applicant is married or single, any funds over the assigned resource limit must be spent down. Applicants are not eligible for benefits until resources have been spent down, so it is important for married applicants to have a Resource Assessment.

**Resource Assessment for Married Applicants:** Federal law gives each spouse the right to request a Resource Assessment prior to filing a full Medicaid application. The Resource Assessment is a snapshot of a married couple’s countable resources (whether owned individually, jointly, or jointly with another individual) on the date of the snapshot. The date of the snapshot, called the Resource Assessment date, is the first day of a 30-day continuous period of institutionalization (e.g., hospital, skilled nursing facility or nursing home stay). The Resource Assessment date for married CFI applicants who do not have a prior 30-day continuous period of institutionalization is the date CFI medical eligibility is entered into the DHHS computer system. To obtain a CFI medical eligibility determination, a married person may submit a request to DHHS for a Resource Assessment and/or file a Medicaid application.

Once there is a Resource Assessment date, proof of assets owned on that date must be provided to DHHS. DHHS uses this information to calculate the amount of funds the non-applicant spouse may keep (the applicant is allowed to keep \$2,500). The amount the non-applicant spouse is allowed to keep is called the community spouse resource allowance (Resource Allowance). In 2023, if a couple has countable resources at or below, \$59,448 then the Resource Allowance is \$29,724. If countable resources are between \$59,448 and \$297,240, then the Resource Allowance is ½ of the countable resources. If countable resources are above \$297,240, then the Resource Allowance is \$148,620. These figures change every year.

**Resource Allowance as of January 1, 2023**

<b>Resources at or below \$59,448</b>	<b>Resources between \$59,448 and \$297,240</b>	<b>Resources above \$297,240</b>
Non-applicant spouse keeps \$29,724	Non-applicant spouse keeps one- half	Non-applicant spouse keeps \$148,620

**Countable Resources:** Medicaid countable resources include items such as bank accounts, CDs, stocks, bonds, IRAs, funds accessible through 401(b)/401(k) retirement accounts, burial funds above \$1,500 and the equity value of life insurance policies.

**Jointly Owned Countable Resources:** Countable resources owned jointly with another person (e.g., the applicant and the applicant's child) are considered the property of the applicant if ownership was established on or after November 1, 1995. However, an applicant may challenge the presumption of full ownership by submitting certain verifications to DHHS. Resources that were owned jointly before November 1, 1995 are considered to belong equally to the joint owners.

**Excluded Resources:** Certain resources are not counted by DHHS, including:

- Irrevocable Burial Fund or Burial Funds valued at \$1,500 or less
- Burial Plot
- Life Insurance surrender equity value less than or equal to \$1,500
- Household Items such as appliances, furnishings, and clothing
- Certain Real Property – Excluded real estate includes: the home if the applicant, the applicant's spouse, disabled child, or minor child are residing in the home; income producing property; and jointly owned real estate if the other owner refuses to sell the real estate. There are exceptions to these exclusions. The following types of real property are countable:
  - Home equity above \$688,000 unless the spouse, disabled child or child under the age of 21 are residing in the home.
  - A home in trust if the applicant or the applicant's spouse is a beneficiary of the trust
- Certain resources not legally available to the assistance group
- Vehicle

**Spending Down Resources:** Funds above the allowable resource limit must be spent down and can be used for any purpose that benefits the Medicaid applicant, and if married, the Medicaid applicant's spouse. Some examples of allowable spend down items include a new vehicle, prepaid irrevocable funeral policy, home repairs, and costs of dental, hearing, and vision needs. In some cases, it may be appropriate to purchase a specific type of financial product called an annuity as part of the spend down. DHHS has very strict annuity requirements about so a consultation with an attorney is recommended. All spend down options should be carefully considered to maximize assets for future needs and prevent spending that is not allowed by DHHS.

**Five Year Lookback and Asset Transfers:** The five-year look back requires a review of five years of financial information to determine whether any assets were gifted or transferred for less than fair market value. However, certain asset transfers are allowed by DHHS, including all transfers to a spouse or disabled child. Additional allowable transfers potentially may apply to the home; however, CFI applicants may not want to investigate potential options if they will remain living in their home.

Asset transfers that are not allowed by DHHS result in a period of Medicaid disqualification. The length of the disqualification period is calculated by dividing the value of the assets transferred by the average monthly cost of nursing home care at the private pay rate. The private pay rate is calculated by DHHS every January and July. In January 2023, the private pay rate is \$11,278. A gift of \$22,556 would result in a disqualification period of 2 months ( $\$22,556 \div \$11,278 = 2$ ). The penalty period starts on the date the applicant is "otherwise eligible" for Medicaid, which is the date Medicaid would have been approved if the disqualifying transfer had not occurred.

**Cost of Care:** CFI recipients with income above \$2,742, may have to pay a monthly cost of care or deductible. The monthly cost of care calculation includes income deductions for medical expenses. Recipients residing in an assisted living facility most likely will not have a monthly cost of care but will have to privately pay room and board costs to the facility.

## Part II: Choices for Independence Application Process

ServiceLink programs are statewide nonprofit Aging and Disability Resource Centers that will help individuals who want to apply for CFI. Individuals may also apply through a local DHHS District Office or online through the DHHS NH Easy web page. The first step of the application process through ServiceLink or the DHHS District Office is completing and filing DHHS Form 800. Once the application is filed, DHHS will arrange the medical eligibility evaluation and schedule a meeting to review the applicant's financial eligibility. It is very important to prepare for the DHHS financial meeting before the meeting date. Federal law allows DHHS 45 days to determine financial eligibility and 90 days to determine medical eligibility.

Individuals age 18 through 64 will need to be found eligible for both CFI and either APTD or ANB. In addition, married individuals who require a Resource Assessment date (e.g., those who do not have a prior 30-day continuous period of institutionalization) should ask for a Resource Assessment. Again, the request for a Resource Assessment will trigger a medical evaluation and the date the medical evaluation is entered into the DHHS computer system is the Resource Assessment date. Financial statements that show the value of the countable assets owned on the Resource Assessment date must be provided to DHHS for the calculation of the Resource Allowance.

**Preparing for the DHHS Financial Eligibility Meeting:** DHHS requires applicants to produce many types of verifications to determine program eligibility. After the DHHS meeting, applicants are given a 10-day deadline to produce any documents required by DHHS, so it is very important to start the process of gathering documents prior to the DHHS meeting. The types of proof requested by DHHS may include:

- Picture ID if not on Medicare
- Proof of residence
- Citizenship and age verified through Social Security cross match, may need a Birth Certificate
- Health Insurance Cards and proof of monthly premiums
- Social Security Number
- Proof of Marital Status (marriage certificate, divorce decree, death certificate)
- Automobile Title
- Irrevocable Burial Contract with a list of services/Burial Plot;
- Trust documents and proof of assets held in the trust
- Deeds for real estate
- Proof of gross monthly income and any income deductions
- Statements/policies for all financial accounts owned during the five-year lookback, even if the account(s) is closed at the time of the application. These would include all financial holdings such as: bank accounts (checking, savings, money market, CDs, Christmas Club); financial accounts for investments, stocks; bonds; annuities; trust accounts; life insurance policies (equity value or cash surrender value); if applicable annuity contract
- If applicable Power of Attorney or Guardianship order

**Tip:** If you have difficulty obtaining necessary financial information, ask DHHS whether the agency can use the Asset Verification System to assist in obtaining financial verifications.

**Appeal Rights:** You should receive a written notice called a Notice of Decision from DHHS within 90 days of filing your application. You may appeal the Notice of Decision if you are denied benefits. The Notice of Decision will have details about filing an appeal. It is important that DHHS receive your appeal within 30 days of the date the Notice of Decision was issued.

**Notice of Decision Awarding CFI Benefits:** Individuals who are found eligible for CFI will be asked to select a CFI Case Management Agency to assist in developing a care plan and arrange for providers. If you do not like the Case Management Agency you selected, you have the right to change agencies.

### Additional Information and Useful Links

**DHHS:** 1-844-275-3447 or [dhhs.nh.gov](https://dhhs.nh.gov)

**ServiceLink:** 1-866-634-9412 or [servicelink.nh.gov](https://servicelink.nh.gov)

**NH Easy Gateway to Services:** [nheasy.nh.gov/#/](https://nheasy.nh.gov/#/)

**List of CFI Case Management Agencies:** [dhhs.nh.gov/sites/g/files/ehbemt476/files/documents2/beas-cfi-case-mgmt-info-sheet.pdf](https://dhhs.nh.gov/sites/g/files/ehbemt476/files/documents2/beas-cfi-case-mgmt-info-sheet.pdf)

**NH Care Path CFI Pamphlet:** [nhcarepath.dhhs.nh.gov/partner-resources/documents/cb-choices-booklet.pdf](https://nhcarepath.dhhs.nh.gov/partner-resources/documents/cb-choices-booklet.pdf)

**DHHS Form 800:** [dhhs.nh.gov/sites/g/files/ehbemt476/files/documents/2021-11/bfa-800.pdf](https://dhhs.nh.gov/sites/g/files/ehbemt476/files/documents/2021-11/bfa-800.pdf)

#### **New Hampshire Law:**

RSA 151-E:4 Choice in Long-Term Care: [gencourt.state.nh.us/rsa/html/XI/151-E/151-E-4.htm](https://gencourt.state.nh.us/rsa/html/XI/151-E/151-E-4.htm)

RSA 151-E: 3 CFI Medical & Financial Eligibility: [gencourt.state.nh.us/rsa/html/xi/151-E/151-E-mrg.htm](https://gencourt.state.nh.us/rsa/html/xi/151-E/151-E-mrg.htm)

CFI Regulations: [dhhs.nh.gov/sites/g/files/ehbemt476/files/documents/2022-02/pr-21-15.pdf](https://dhhs.nh.gov/sites/g/files/ehbemt476/files/documents/2022-02/pr-21-15.pdf)

#### **Legal Resources:**

NH Lawyer Referral Service at (603) 229-0002 or [nhbar.org/legal-services-programs](https://nhbar.org/legal-services-programs)

National Academy of Elder Law Attorneys at [naela.org/](https://naela.org/)

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NHLA Fair Housing: 1-800-921-1115  
NHLA Justice in Aging: 1-800-353-9944



1-800-639-5290 or 603-224-3333 (Mon-Thurs,  
9:00 AM - 2:00 PM)  
Apply online: [603LegalAid.org](https://603LegalAid.org)