

Qualified Income Trusts (Miller Trusts) For Providers

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Providers Impacted

- **Long Term Care Facilities**

- Current Medically Needy residents are grandfathered.
- New over-income residents and conversions to Medicaid will use QITs.

- **Assisted Living Facilities**

- All over-income Medicaid residents will use QITs.

- **Home Health Providers**

- All over-income Medicaid patients will use QITs.

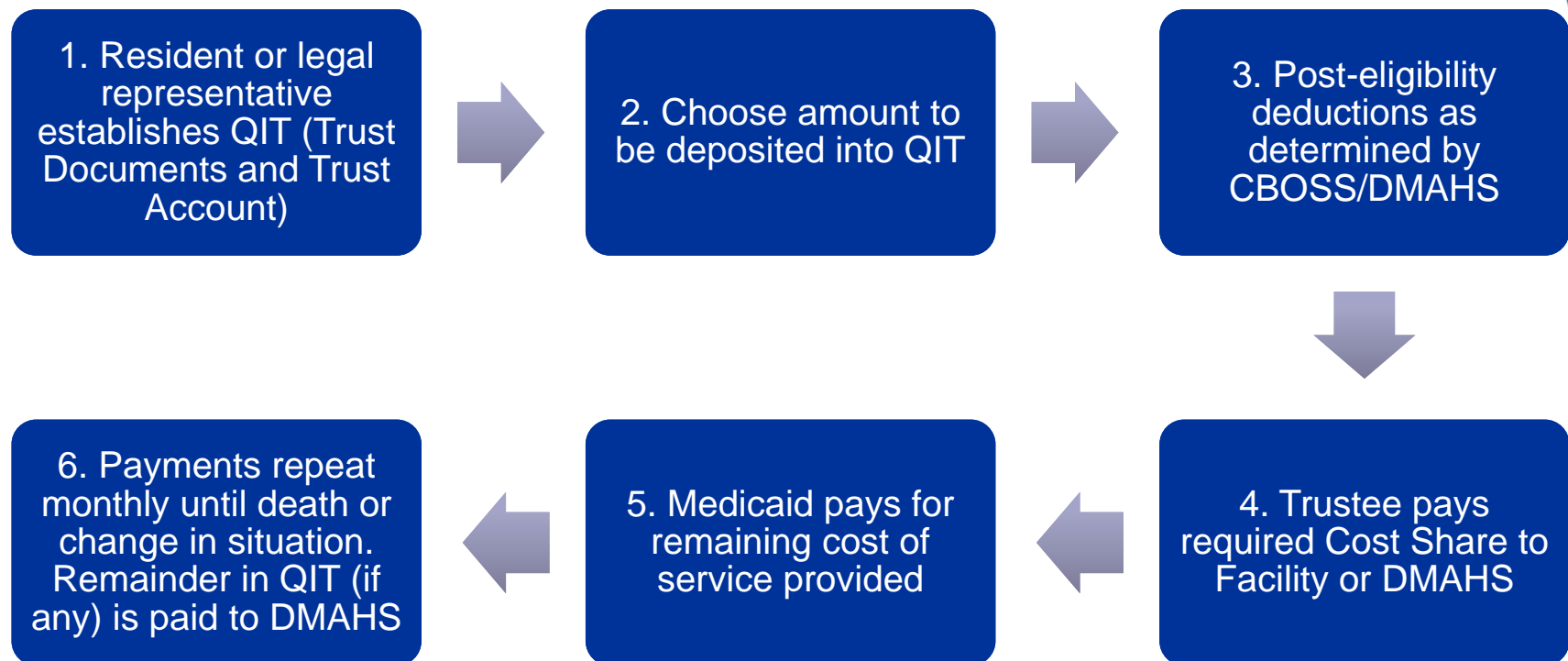
- **Independent Senior Living**

- All over-income Medicaid residents seeking Medicaid services in unit (Community) will use QITs.

Does Resident Need a QIT?

- **Does the Resident otherwise qualify for Medicaid but for income in excess of \$2,163?**
 - Clinically eligible.
 - Countable resources under \$2,000 individual/\$3,000 couple (lower than Medically Needy).
 - Income includes all sources of income except the spouse's income which is not counted.

QIT Process



QIT Process

- **Resident or legal representative establishes QIT**
 - QIT can be set up by Resident, attorney-in-fact (POA) or legal guardian only.
 - Resident can set up own QIT but cannot be the Trustee.
 - Trustee not limited to POA or Guardian, can be anyone “suitable”.
 - Recommend that facility employees NOT be Trustee.
 - QIT is irrevocable.
 - QIT requires separate bank account that will hold only income.

- **Choose amount to be deposited into QIT**
 - Only resident’s income can be deposited into QIT; No resources or payments from other sources (friends, spouse, etc.).
 - Income should be directly deposited, if possible.
 - May put entire income or only amount over the qualification limit into the QIT. CBOSS will take whole income into account when establishing Cost Share.
 - Resident cannot split deposit from same payment source.

QIT Process

- **Post-eligibility deductions as determined by CBOSS/DMAHS**
 - Post-eligibility deductions shown on PR-1, PR-2 or PR-3 form (Pa-3L).
 - Trustee may also pay for approved health care expenses from QIT. Must submit proof (prescription, receipts, etc.) to receive approval from CBOSS.
 - Bank fees for QIT account or related attorney fees cannot be deducted from QIT.
- **Trustee pays required Cost Share to Facility or DMAHS**
 - Cost Share set forth on PR form.
 - Trustee pay Cost Share to Facility if LTC or AL or to DMAHS if home health.
 - Automatic payments by bank are ideal.
- **Repeats monthly until death or change in situation. Remainder in QIT (if any) is paid to DMAHS**
 - State of NJ must be primary beneficiary of QIT.
 - Ideal situation leaves the QIT with minimal or no balance at death or change.

Benefits of QITs to Providers

- **Long Term Care**

- Minimal impact as Medically Needy residents are grandfathered.
- Resident Cost Share will be in QIT and not able to be spent by family.

- **Assisted Living:**

- Increased population will qualify for AL Medicaid benefits.
- QIT residents still count toward 10% Medicaid requirement.
- Option for over-income current residents who spend down assets.
- Resident Cost Share will be in QIT and not able to be spent by family.

- **Home Health**

- Increased population of patients to serve in community.

- **Independent Living**

- Over-income residents can remain in IL and qualify for Medicaid home health services.

Concerns With QITs

- **Incapacity with no legal representative**
 - Consider guardianship or conservatorship proceeding.
 - Work with family, if any.

- **Collection of Cost Share**
 - Facility must rely upon Trustee to pay Cost Share from QIT.
 - QIT may be unreachable to Resident's creditors.

- **CBOSS to approve and process QIT information.**
 - CBOSS already overworked and understaffed and, on occasion, may make a mistake or cause a slight delay when processing an application.
 - QIT processing will add new task.

Concerns With QITs

■ Directing Pension Payments

- It is, generally, easy to change account into which Social Security should deposit benefit funds, but pensions are notoriously difficult.
- May have to rely upon Family to receive pension and deposit all of it into QIT.

■ Setting up the QIT Account.

- Some banks do not allow accounts to be set up with a \$0 balance.
- Some banks do not allow a POA or guardian to establish an account on another's behalf unless specific authority in POA or appointment order.

■ Ease of Use

- DMAHS claims that establishing the QIT should be relatively “easy” and should not require a lawyer.
- Time will tell whether this is true.



OPEN DISCUSSION